

2014–15 BUDGET

Final Budget Outcome



**Government of
South Australia**



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**Government
of South Australia**

**Final Budget Outcome
2014-15**

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Introduction

The Final Budget Outcome reports the 2014–15- financial results for the Government of South Australia’s key fiscal targets and provides an analysis of these results against earlier estimates.

Chapter 1 provides an overview of the 2014–15 final outcomes with a focus on the general government sector financial outcomes and financial liabilities. The chapter includes:

- a discussion of variations between the 2014–15 final outcome for revenues and expenses of the general government sector and 2014–15 estimates included in the 2015–16 Budget
- public sector net debt and superannuation liability levels as at 30 June 2015.

Chapter 2 provides an assessment of the performance of the South Australian economy in 2014–15.

The appendices to this document provide the following information.

- **Appendix A** contains the Uniform Presentation Framework reporting for the general government sector, the public non-financial corporations sector, the non-financial public sector and the public financial corporations sector. Further information is also provided on general government sector taxation revenue, grant revenue and expenses, and expenses and capital expenditure by function. This appendix also details the Loan Council Allocation for 2014–15.
- **Appendix B** summarises the receipts and payments of the Consolidated Account.
- **Appendix C** provides a time series of financial statistics.

Chapter 1: 2014–15 Final Budget Outcome

Overview

The Government of South Australia recorded a net operating deficit of \$189 million for 2014–15 for the general government sector. This represents an improvement of \$90 million from the \$279 million deficit estimated at the time of the 2015–16 Budget.

The improvement in 2014–15 reflects a combination of higher than expected revenue (\$81 million) and lower than expected expenditure (\$10 million).

The net operating deficit of \$189 million follows a deficit of \$1071 million in 2013–14.

General government expenses increased by 2.0 per cent in nominal terms from 2013–14, a real increase of 0.4 per cent. General government revenue increased by 7.9 per cent in nominal terms, a real increase of 6.2 per cent.

The net lending deficit was \$111 million in 2014–15, an improvement of \$101 million over the estimate at the time of the 2015–16 Budget. The improvement primarily reflects the better than expected operating outcome.

Net debt for the general government sector at 30 June 2015 was \$3929 million, \$179 million lower than estimated at the time of the 2015–16 Budget.

Net debt to revenue at 30 June 2015 was 23.7 per cent, compared to 24.9 per cent estimated at the time of the 2015–16 Budget. The outcome is consistent with the government's 2014–15 fiscal target of debt to revenue of below 35 per cent.

The unfunded superannuation liability was \$11.4 billion at 30 June 2015, \$1.5 billion lower compared to the 2015–16 estimate, with the decrease in the liability primarily caused by a change in discount rate since the 2015–16 Budget.

Table 1.1 shows the 2014–15 outcomes for key general government financial indicators compared with earlier estimates and the 2013–14 outcomes.

Table 1.6 and table 1.7 provide reconciliations of variations between estimates and outcomes for net operating balance and net lending respectively.

Table 1.1: General government sector aggregates (\$million)

	2013–14 Outcome	2014–15 Estimate at 2014–15 Budget	2014–15 Estimate at 2015–16 Budget	2014–15 Outcome
Revenue	15 343	16 067	16 468	16 549
Expenses	-16 415	-16 547	-16 748	-16 738
Net operating balance	-1 071	- 479	- 279	- 189
Net acquisition of non-financial assets	661	- 99	- 67	- 78
Net lending	-1 733	- 380	- 212	- 111
Memorandum items:				
Net debt	7 071	4 511	4 108	3 929
Net debt to revenue	46.1	28.1	24.9	23.7
Unfunded superannuation	10 877	10 360	12 813	11 358

Note: Totals may not add due to rounding.

General government sector operating results

Operating revenue

The major items contributing to the variations in the general government sector financial outcome compared with previous estimates are discussed below.

Table 1.2: Operating revenue (\$million)

	2014–15 Estimate at 2014–15 Budget	2014–15 Estimate at 2015–16 Budget	2014–15 Outcome
Revenue			
Taxation revenue	4 524	4 394	4 376
Grants	8 270	8 303	8 350
Sales of goods and services	2 282	2 309	2 329
Interest income	32	30	28
Dividend and income tax equivalent income	256	780	791
Other	704	652	674
Total revenue	16 067	16 468	16 549

Note: Totals may not add due to rounding.

Operating revenues for the general government sector for 2014–15 were \$81 million higher than estimated at the time of the 2015–16 Budget.

Taxation revenue

Taxation revenue was \$18 million lower than the estimated result due to lower than expected revenue primarily from payroll tax, insurance taxes and gambling taxes partially offset by higher than expected revenues from property and motor vehicle taxes. Table 1.3 summarises variations in actual tax receipts for 2014–15 relative to the estimated outcome at the time of the 2015–16 Budget.

Table 1.3: Taxation variations (\$million)

	Variation
Payroll tax	-18
Taxes on property	4
Insurance taxes	-3
Gambling taxes	-5
Motor vehicle taxes	4
Total taxation	-18

Note: Totals may not add due to rounding.

Payroll tax revenue was \$18 million lower than estimated mainly due to softer than expected employment conditions.

Property tax revenues were \$4 million higher than expected. This reflected higher than expected revenues from large conveyance duty transactions and the transfer of non-quoted marketable securities, partially offset by lower than expected land tax revenue.

Insurance duty revenue was \$3 million lower than estimated largely due to lower than expected growth in general insurance premiums, partially offset by higher than expected back payments following the resolution of a court case associated with the treatment of some insurance policies.

Gambling tax revenue was \$5 million lower than estimated reflecting weaker than expected growth in net gambling revenue from gaming machines in hotels and clubs as well as the Lotteries Commission.

Motor vehicle tax revenues exceeded the estimated result by \$4 million. This was largely due to higher than expected motor vehicle registration revenue resulting from a shift in renewal patterns from three months to twelve months.

Grant revenue

Total grant revenue was \$47 million higher than estimated in the 2015–16 Budget.

GST revenue grants were \$41 million higher than expected primarily due to higher than anticipated growth in the total GST pool available for distribution in 2014–15.

National Partnership payments were around \$30 million higher than expected mainly due to timing issues. A proportion of Local Government Financial Assistance Grants expected to be received in 2015–16 were received in 2014–15. This was partially offset by various payments that were expected to be received in 2014–15 but will now be received in 2015–16.

Total other contributions and grants were lower than expected mainly due to lower than estimated health-related grants.

Sales of goods and services

Revenue from sales of goods and services was around \$20 million higher than the estimated result. This mainly reflects higher revenue from interstate health patients, regulatory fees and other user charges.

Dividend and income tax equivalent income

Dividend and income tax equivalent revenue was \$11 million higher than estimated primarily due to higher than expected distributions from SA Water. This included higher income tax equivalent revenue and higher dividends resulting from lower than budgeted expenditure on depreciation and amortisation. This was partially offset by lower than expected distributions from Renewal SA.

Other revenue

Other revenues were \$22 million higher than the estimated result primarily due to the recognition of contributed assets. In addition, fines and penalties revenue exceeded the estimated result (\$12 million), offset by lower than expected royalties revenue (-\$15 million) due to lower than anticipated commodity prices.

Operating expenses

Table 1.4: Operating expenses (\$million)

	2014–15 Estimate at 2014–15 Budget	2014–15 Estimate at 2015–16 Budget	2014–15 Outcome
Expenses			
Employee expenses	7 268	7 425	7 493
Superannuation expenses			
Superannuation interest cost	443	438	438
Other superannuation expenses	796	806	738
Depreciation and amortisation	927	870	853
Interest expenses	232	259	254
Other property expenses	—	—	—
Other operating expenses	4 254	4 251	4 173
Grants	2 626	2 699	2 790
Total expenses	16 547	16 748	16 738

Note: Totals may not add due to rounding.

The final outcome for total operating expenses in 2014–15 was \$10 million lower than the estimate reported in the 2015–16 Budget papers.

Employee expenses and superannuation expenses

Employee expenses were \$68 million higher than the estimated result. This is primarily a classification issue, as this was offset by other superannuation expenses being correspondingly lower than the estimated result. Including other superannuation expenses, total employee expenses were in line with the estimated result overall.

Depreciation and amortisation

Depreciation and amortisation was \$17 million lower than estimated, reflecting changes in the completion schedules of capital investment projects primarily in the Attorney General's Department and Country Fire Service, the revaluation of assets in the Department of Planning, Transport and Infrastructure, and other changes to agency depreciation estimates.

Interest expenses

Interest expenses were \$5 million lower than the estimated result reflecting the lower than expected net debt result combined with favourable borrowing costs.

Other operating expenses

Other operating expenses were \$78 million lower than estimated, mainly due to the recognition of \$85 million of expenditure for a number of training programs in the Department of State Development as grants, whereas the estimated result classified the expense as supplies and services. This is partially offset by other classification issues and a range of minor underspends across various agencies.

Grants

Grant expenses were \$91 million higher than estimated, mainly due to the recognition of \$85 million of expenditure for a number of training programs in the Department of State Development as grants, whereas the estimated result classified the expense as supplies and services, as outlined above.

Net acquisition of non-financial assets

Table 1.5: Net acquisition of non-financial assets (\$million)

	2014–15 Estimate at 2014–15 Budget	2014–15 Estimate at 2015–16 Budget	2014–15 Outcome
Net acquisition of non-financial assets			
Purchases of non-financial assets	1 217	959	937
<i>less</i> Sales of non-financial assets	389	156	166
<i>less</i> Depreciation	927	870	853
<i>plus</i> Change in inventories	—	—	4
<i>plus</i> Other movements in non-financial assets	—	—	—
<i>equals</i> Total net acquisition of non-financial assets	- 99	- 67	- 78

Note: Totals may not add due to rounding.

Purchases were \$22 million lower than the estimate at the time of the 2015–16 Budget, reflecting greater than expected delays on major projects, with expenditure now expected in later years.

Disposals were \$10 million higher than expected at the time of the 2015–16 Budget, whilst depreciation was \$17 million lower than expected, due in part to delays in the purchase of non-financial assets.

Table 1.6: Net operating balance — policy and parameter variations (\$million)

	2014–15
Estimate at 2014–15 Budget	- 479
Parameter and other variations	
Revenue — taxation	- 100
Revenue — other	34
Operating expenses	- 47
Net effect of parameter and other variations	- 114
Policy measures up to the budget	
Revenue measures — taxation	- 29
Revenue measures — other	449
Revenue — offsets	46
Use of provisions	10
Operating expenses	- 109
Net effect of policy measures up to the 2015–16 budget	366
Policy measures in the Budget	
Revenue — other	- 14
Revenue offsets	15
Operating expenses	- 55
Net effect of policy measures in the 2015–16 Budget	- 54
Estimate at 2015–16 Budget	- 279
Parameter and other variations	
Revenue — taxation	- 18
Revenue — other	99
Operating expenses	10
Net effect of parameter and other variations	90
Final outcome	- 189

Note: Totals may not add due to rounding.

Table 1.7: Net lending — policy and parameter variations (\$million)

	2014–15
Estimate at 2014–15 Budget	- 380
Net effect of operating variations	200
Investing variations^(a)	
Net effect of parameter variations	53
Policy variations up to the 2015–16 Budget	- 85
Policy variations in the 2015–16 Budget	- 1
Use of specific provisions to offset policy variations	1
Total investing variations	- 32
Estimate at 2015–16 Budget	- 212
Net effect of operating variations after the 2015–16 Budget	90
Investing variations^(a)	
Net effect of parameter variations	11
Final outcome	- 111

Note: Totals may not add due to rounding.

(a) Investing variations relate to the movements in the net acquisition of non-financial assets.

Balance sheet indicators

The following sections provide key balance sheet indicators and associated commentary for both the general government sector and the non-financial public sector.

General government sector

Table 1.8: General government sector — key balance sheet indicators

	30 June 2014 Outcome	30 June 2015 Estimate at 2014–15 Budget	30 June 2015 Estimate at 2015–16 Budget	30 June 2015 Outcome
Net debt				
\$m	7 071	4 511	4 108	3 929
% of total revenue	46.1	28.1	24.9	23.7
Unfunded superannuation liability				
\$m	10 877	10 360	12 813	11 358
% of total revenue	70.9	64.5	77.8	68.6
Net financial liabilities				
\$m	20 761	18 121	20 047	18 296
% of total revenue	135.3	112.8	121.7	110.6
Net financial worth				
\$m	1 056	958	84	1 374
% of total revenue	6.9	6.0	0.5	8.3
Net worth				
\$m	39 654	39 124	38 660	40 121
% of total revenue	258.4	243.5	234.8	242.4

Net debt

Net debt decreased by \$3.1 billion from 30 June 2014 to 30 June 2015, largely due to the adjustment to the level of debt held by SA Water resulting in a \$2.7 billion return of equity to the general government sector. Another factor contributing to the reduction is the distribution from Motor Accident Commission of \$853 million.

Table 1.9 provides details of the movement in general government net debt in 2014–15.

Table 1.9: General government sector net debt (\$million)

Net debt at 30 June 2014	7 071
Increase in net debt:	
General government cash deficit ^(a)	- 116
Return of equity - SA Water	-2 700
Return of equity - Motor Accident Commission	- 394
Other variations	68
Total decrease in net debt	<u>-3 141</u>
Net debt at 30 June 2015	3 929

Note: Totals may not add due to rounding.

(a) Including MAC dividend.

The general government sector net debt of \$3.9 billion at 30 June 2015 is an improvement compared to estimates at the time of both the 2014–15 and 2015–16 Budgets.

Unfunded superannuation liability

The largest liability on the government's balance sheet is the unfunded superannuation liability. The unfunded superannuation liability was \$11.4 billion at 30 June 2015, \$481 million higher than at 30 June 2014, and \$1.5 billion lower than estimated in the 2015–16 Budget. Changes in the liability are the direct result of changes in the discount rate used to value the liability, along with changes to expected returns on investments and other demographic factors.

Table 1.10 provides details of the movements in the unfunded superannuation liability in 2014–15.

Table 1.10: Unfunded superannuation liability (\$million)

Unfunded superannuation liability as at 30 June 2014	10 877
Nominal superannuation interest expense ^(a)	437
Past service payments	- 417
Higher than expected returns on investments ^(b)	- 260
Impact of change in discount rate from 4.1% to 3.0%	2 625
Other movements	- 450
Estimate of 30 June 2015 unfunded superannuation liability as at 2015–16 Budget	12 813
Impact of change in discount rate from 3.0 per cent to 3.6 per cent	-1 481
Lower than expected returns on investments in 2014–15 ^(c)	89
Updated member data	- 63
Unfunded superannuation liability as at 30 June 2015	11 358

Note: Totals may not add due to rounding.

- (a) The nominal superannuation interest expense represents the increase during the year in the present value of the defined benefit obligation because the benefits are one period closer to settlement.
- (b) The 2014–15 earnings rate at the time of the 2015–16 Budget was 11.2 per cent, compared with the long-term earnings assumption of 7.0 per cent.
- (c) The 2014–15 earnings rate at 30 June 2015 was 10.0 per cent compared to 11.2 per cent at the time of the 2015–16 Budget.

In addition to the normal annual movements in the unfunded superannuation liability arising from the nominal superannuation interest expense and past service payments, material changes arose from variations in the discount rate used to value the liability.

In the period between the release of the 2015–16 Budget and 30 June 2015 material changes impacting on the value of the unfunded liability at 30 June 2015 included:

- the prevailing long-term Commonwealth Government bond rate at 30 June 2015 was 3.6 per cent, a 0.6 percentage point increase from budget time. This resulted in a \$1.5 billion reduction in the liability
- a slightly lower return on superannuation assets increased the liability by \$89 million.

The government's closed defined benefit superannuation schemes create a liability for the government to pay future benefits to scheme members in accordance with the terms of the schemes. The government has committed to fully fund the superannuation liability by 2034. In 2014–15 a \$417 million payment was made to the superannuation schemes consistent with the actuarially determined schedule of annual payments required to meet that objective.

The accounting standard for employee entitlements requires that superannuation benefits are valued at the net present value of future obligations. This is calculated by discounting the gross liability using market yields on government bonds.

Given the long-term nature of the liability, the spot market yield of the longest term Commonwealth Government bond balance date is used as the discount rate for the purpose of this valuation. Small changes in the long-term bond rate have a material impact on the reported liability.

Net financial liabilities

In addition to net debt and unfunded superannuation liabilities, net financial liabilities include other financial liabilities and financial assets (excluding equity held in public non-financial corporations and public financial corporations).

Net financial liabilities amounted to \$18.3 billion at 30 June 2015; \$1.8 billion lower than the estimate at the time of the 201–16 Budget. This decrease is primarily the result of the previously discussed movements in the unfunded superannuation liability and net debt.

Aside from net debt and unfunded superannuation liabilities, other employee benefits liabilities are the next largest contributor to net financial liabilities. Other employee benefits (predominantly long service leave) totalled \$2.62 billion at 30 June 2015 compared to the estimate of \$2.55 billion at the time of the 2015–16 Budget.

Net financial worth and net worth

Revaluation of the unfunded superannuation liability reduced net worth by \$461 million. This figure represents movement in the unfunded liability that is not attributable to past service payments or nominal superannuation interest expense, such as the effect of changes in the discount rate and higher than expected returns on investments, as discussed earlier under table 1.10.

During 2014–15, the value of non-financial assets within the general government sector increased by \$258 million, mainly due to a \$253 million increase in the value of the Department of Planning, Transport and Infrastructure’s network assets.

The general government sector’s investment in public financial corporations increased by \$1.1 billion mainly due to a \$1.5 billion improvement in the Motor Accident Commission’s net assets, of which \$1.3 billion relates to a reduction in outstanding claims. This is partially offset by a \$432 million reduction in Return to Work SA’s financial assets.

Table 1.11 shows movements in net worth attributable to operating transactions and other items during 2014–15.

Table 1.11: General government sector net worth (\$million)

	2014–15 Estimated Result	2014–15 Outcome
Net worth at 30 June 2014	39 654	39 654
Prior period adjustments	—	28
Restated net worth at beginning of year	39 654	39 683
Change in net worth from operating transactions:		
Net operating balance	- 279	- 189
Change in net worth from other economic flows:		
Movement in net assets of PNFCs ^(a)	422	- 184
Movement in net assets of PFCs ^(a)	958	1 079
Non-financial asset revaluations	—	258
Writedown of non-financial assets	—	- 32
Revaluation of unfunded superannuation liability ^(b)	-1 915	- 461
Revaluation of annual leave liability	- 10	- 11
Revaluation of workers compensation liability	- 131	40
Revaluation of long service leave liability	- 93	- 101
Other revaluation adjustments	55	39
<i>Subtotal</i>		
Total other economic flows	- 714	628
Net Worth at 30 June 2015	38 660	40 121

Note: Totals may not add due to rounding.

(a) Net of equity injections from, and the return of equity to, the general government sector.

(b) Represents the revaluation difference from the 30 June 2014 liability, which was measured using a 4.1 per cent discount rate.

Non-financial public sector

Table 1.12 sets out the key balance sheet indicators for the non-financial public sector (which is comprised of the general government sector and the public non-financial corporations sector).

Table 1.12: Non-financial public sector — key balance sheet indicators

	30 June 2014 Outcome	30 June 2015 Estimate at 2014–15 Budget	30 June 2015 Estimate at 2015–16 Budget	30 June 2015 Outcome
Net debt				
\$m	10 964	11 497	10 891	10 676
% of total revenue	66.9	66.4	61.9	60.5
Unfunded superannuation liability				
\$m	10 877	10 360	12 813	11 358
% of total revenue	66.3	59.8	72.8	64.3
Net financial liabilities				
\$m	24 811	25 355	26 987	25 167
% of total revenue	151.3	146.4	153.4	142.6
Net financial worth				
\$m	-24 080	-25 300	-25 691	-23 750
% of total revenue	- 146.8	- 146.1	- 146.0	- 134.6
Net worth				
\$m	39 654	39 124	38 660	40 121
% of total revenue	241.8	225.9	219.7	227.3

Non-financial public sector net debt decreased by \$288 million in 2014–15 to \$10.7 billion, primarily due to the general government sector.

Net debt for the non-financial public sector at 30 June 2015 was \$215 million lower than the estimate included in the 2015–16 Budget.

The negative net financial worth position of the non-financial public sector of \$23.8 billion contrasts with the positive net financial worth of the general government sector of \$1.4 billion. This variation largely reflects equity in the public non-financial corporations sector held by the general government sector and recognised as a financial asset of that sector. This asset is eliminated in the consolidation of the non-financial public sector.

Net worth for the non-financial public sector increased by \$467 million in 2014–15.

Chapter 2: Economic performance

South Australian economic performance for the year 2014–15

South Australia's economy in 2014–15 showed mixed results and the pattern of economic growth has been uneven across the various sectors of the economy.

State Final Demand (SFD), which measures total spending by households, business and governments in the South Australian economy, rose by 1.3 per cent in real terms in 2014–15. The rise largely reflected growth in dwelling investment (up 12 per cent), household spending (up 2.5 per cent) and public consumption (up 1.4 per cent).

The value of South Australia's overseas goods exports in 2014–15 was 8.2 per cent lower than in the previous financial year as a result of the significant decline in commodity prices. The value of mineral exports was 26 per cent lower over this period. Nonetheless, mineral exports remained the state's largest commodity export in 2014–15, accounting for 30 per cent of total exports. In contrast, food and wine exports in 2014–15 were 15 per cent higher than in the previous year. Services exports also show strong trends, rising by 8.1 per cent in calendar year 2014.

Also showing strong performance were international student enrolments which were up 5.2 per cent in the year to June 2015 compared with the same period a year earlier. While international tourist numbers were slightly down (0.7 per cent) in the year to June 2015, spending by international tourists was up by 5.4 per cent over the same period.

In recent years the state's agricultural sector has experienced a string of favourable seasons and while the state's 2015–16 winter crop production is estimated to be slightly lower than the 2014–15 season (down 0.5 per cent), it is nonetheless expected to be the fourth highest crop on record.

South Australia's population grew by 0.8 per cent in the year to the March quarter 2015, with net overseas migration in the 12 months to March 2015 down 12 per cent compared with the previous 12 months.

The state's labour market softened through the second half of 2014 but employment levels recovered somewhat in the first half of 2015, rising by 0.5 per cent in year average terms in 2014–15. South Australia's unemployment rate rose to 7.7 per cent in June 2015 from 6.7 per cent a year earlier (trend estimates), partly reflecting an increase in labour force participation.

Table 2.1: Economic parameters — Australia and South Australia growth rates (% per annum), 2014–15

	2014–15 Forecast at 2014–15 Budget	2014–15 Forecast at 2015–16 Budget	Outcome
Australia			
Gross Domestic Product (real terms)	2½	2½	2.4
Domestic Final Demand (real terms)	1½	n.a ^(a)	0.9
South Australia			
Gross State Product (real terms)	2¼	1¾	1.6
State Final Demand (real terms)	2	1¾	1.3
Employment	1	½	0.5
Consumer Price Index	2½	1½	1.6

Sources: 2014–15 and 2015–16 Commonwealth Budgets and South Australian Budgets, and the Australian Bureau of Statistics.

- (a) The Commonwealth Government did not provide a forecast for Domestic Final Demand in the 2015–16 Commonwealth Budget.

Appendix A: Uniform presentation framework tables

UNIFORM PRESENTATION FRAMEWORK TABLES

Table A.1: General government sector operating statement (\$million)

	2014–15 Estimate at 2015–16 Budget	2014–15 Outcome
Revenue		
Taxation revenue	4 394	4 376
Grants	8 303	8 350
Sales of goods and services	2 309	2 329
Interest income	30	28
Dividend and income tax equivalent income	780	791
Other	652	674
Total revenue	16 468	16 549
<i>less</i>		
Expenses		
Employee expenses	7 425	7 493
Superannuation expenses		
Superannuation interest cost	438	438
Other superannuation expenses	806	738
Depreciation and amortisation	870	853
Interest expenses	259	254
Other property expenses	—	—
Other operating expenses	4 251	4 173
Grants	2 699	2 790
Total expenses	16 748	16 738
<i>equals</i>		
Net operating balance	-279	-189
<i>plus</i>		
Other economic flows	-714	628
<i>equals</i>		
Comprehensive result - total change in net worth	-994	439
<i>equals</i>		
Net operating balance	-279	-189
<i>less</i>		
Net acquisition of non-financial assets		
Purchases of non-financial assets	959	937
less Sales of non-financial assets	156	166
less Depreciation	870	853
plus Change in inventories	—	4
plus Other movements in non-financial assets	—	—
equals Total net acquisition of non-financial assets	-67	-78
<i>equals</i>		
Net lending / borrowing	-212	-111

Note: Totals may not add due to rounding.

Table A.2: Public non-financial corporations (public trading enterprises) sector operating statement (\$million)

	2014–15 Estimate at 2015–16 Budget	2014–15 Outcome
Revenue		
Taxation revenue	—	—
Grants	482	479
Sales of goods and services	1 752	1 835
Interest income	10	12
Dividend and income tax equivalent income	4	4
Other	149	60
Total revenue	2 396	2 390
<i>less</i>		
Expenses		
Employee expenses	197	191
Superannuation expenses		
Superannuation interest cost	—	—
Other superannuation expenses	24	26
Depreciation and amortisation	438	422
Interest expenses	273	272
Other property expenses	283	294
Other operating expenses	1 209	1 220
Grants	143	90
Total expenses	2 568	2 514
<i>equals</i>		
Net operating balance	-171	-125
<i>plus</i>		
Other economic flows	-2 079	-2 736
<i>equals</i>		
Comprehensive result - total change in net worth	-2 250	-2 861
Net operating balance	-171	-125
<i>less</i>		
Net acquisition of non-financial assets		
Purchases of non-financial assets	633	492
less Sales of non-financial assets	209	131
less Depreciation	438	422
plus Change in inventories	58	-59
plus Other movements in non-financial assets	—	—
<i>equals</i> Total net acquisition of non-financial assets	44	-119
<i>equals</i>		
Net lending / borrowing	-215	-5

Note: Totals may not add due to rounding.

Table A.3: Non-financial public sector operating statement (\$million)

	2014–15 Estimate at 2015–16 Budget	2014–15 Outcome
Revenue		
Taxation revenue	4 086	4 072
Grants	8 302	8 350
Sales of goods and services	3 876	3 968
Interest income	33	34
Dividend and income tax equivalent income	503	504
Other	793	724
Total revenue	17 593	17 651
<i>less</i>		
Expenses		
Employee expenses	7 622	7 683
Superannuation expenses		
Superannuation interest cost	438	438
Other superannuation expenses	830	764
Depreciation and amortisation	1 308	1 275
Interest expenses	526	519
Other property expenses	—	—
Other operating expenses	4 960	4 886
Grants	2 360	2 401
Total expenses	18 044	17 965
<i>equals</i>		
Net operating balance	-451	-314
<i>plus</i>		
Other economic flows	-543	753
<i>equals</i>		
Comprehensive result - total change in net worth	-994	439
<i>equals</i>		
Net operating balance	-451	-314
<i>less</i>		
Net acquisition of non-financial assets		
Purchases of non-financial assets	1 588	1 429
less Sales of non-financial assets	361	297
less Depreciation	1 308	1 275
plus Change in inventories	58	-55
plus Other movements in non-financial assets	—	—
equals Total net acquisition of non-financial assets	-23	-198
<i>equals</i>		
Net lending / borrowing	-428	-116

Note: Totals may not add due to rounding.

Table A.4: Public financial corporations sector operating statement (\$million)

	2014–15 Outcome
Revenue	
Taxation revenue	—
Grants	7
Sales of goods and services	1 272
Interest income	1 088
Dividend and income tax equivalent income	57
Other	334
Total revenue	2 757
<i>less</i>	
Expenses	
Employee expenses	49
Superannuation expenses	
Superannuation interest cost	—
Other superannuation expenses	4
Depreciation and amortisation	46
Interest expenses	981
Other property expenses	489
Other operating expenses	1 038
Grants	41
Total expenses	2 648
<i>equals</i>	
Net operating balance	109
<i>plus</i>	
Other economic flows	576
<i>equals</i>	
Comprehensive result - total change in net worth	685
Net operating balance	109
<i>less</i>	
Net acquisition of non-financial assets	
Purchases of non-financial assets	93
less Sales of non-financial assets	53
less Depreciation	46
plus Change in inventories	—
plus Other movements in non-financial assets	—
<i>equals</i> Total net acquisition of non-financial assets	-6
<i>equals</i>	
Net lending / borrowing	115

Note: Totals may not add due to rounding.

Table A.5: General government sector balance sheet (\$million)

	2014–15 Estimate at 2015–16 Budget	2014–15 Outcome
Assets		
Financial assets		
Cash and deposits	1 074	1 110
Advances paid	96	57
Investments, loans and placements	259	271
Receivables	627	610
Equity		
Investments in other public sector entities	20 131	19 669
Investments - other	837	865
Other financial assets	42	79
Total financial assets	23 066	22 661
Non-financial assets		
Land and other fixed assets	38 571	38 747
Other non-financial assets	5	1
Total non-financial assets	38 577	38 748
Total assets	61 643	61 409
Liabilities		
Deposits held	366	377
Advances received	252	252
Borrowing	4 919	4 737
Superannuation	12 813	11 358
Other employee benefits	2 552	2 622
Payables	1 036	1 089
Other liabilities	1 044	852
Total liabilities	22 982	21 288
Net worth	38 660	40 121
Net financial worth	84	1 374
Net financial liabilities	20 047	18 296
Net debt	4 108	3 929

Note: Totals may not add due to rounding.

Table A.6: Public non-financial corporations (public trading enterprises) sector balance sheet (\$million)

	2014–15 Estimate at 2015–16 Budget	2014–15 Outcome
Assets		
Financial assets		
Cash and deposits	414	390
Advances paid	—	—
Investments, loans and placements	45	46
Receivables	250	270
Equity		
Investments in other public sector entities	—	—
Investments - other	16	18
Other financial assets	7	7
Total financial assets	731	731
Non-financial assets		
Land and other fixed assets	25 772	25 121
Other non-financial assets	3	3
Total non-financial assets	25 775	25 124
Total assets	26 506	25 855
Liabilities		
Deposits held	—	—
Advances received	33	33
Borrowing	7 208	7 150
Superannuation	—	—
Other employee benefits	74	73
Payables	273	254
Other liabilities	83	93
Total liabilities	7 671	7 602
Net worth	18 835	18 253
Net financial worth	-6 940	-6 871
Net financial liabilities	6 940	6 871
Net debt	6 783	6 747

Note: Totals may not add due to rounding.

Table A.7: Non-financial public sector balance sheet (\$million)

	2014–15 Estimate at 2015–16 Budget	2014–15 Outcome
Assets		
Financial assets		
Cash and deposits	1 292	1 326
Advances paid	63	24
Investments, loans and placements	304	317
Receivables	789	837
Equity		
Investments in other public sector entities	1 296	1 416
Investments - other	853	883
Other financial assets	45	83
Total financial assets	4 642	4 887
Non-financial assets		
Land and other fixed assets	64 343	63 868
Other non-financial assets	8	4
Total non-financial assets	64 351	63 872
Total assets	68 993	68 759
Liabilities		
Deposits held	171	204
Advances received	252	252
Borrowing	12 127	11 888
Superannuation	12 813	11 358
Other employee benefits	2 626	2 695
Payables	1 205	1 304
Other liabilities	1 138	937
Total liabilities	30 332	28 637
Net worth	38 660	40 121
Net financial worth	-25 691	-23 750
Net financial liabilities	26 987	25 167
Net debt	10 891	10 676

Note: Totals may not add due to rounding.

Table A.8: Public financial corporations sector balance sheet (\$million)

	2014–15 Outcome
Assets	
Financial assets	
Cash and deposits	812
Advances paid	14 042
Investments, loans and placements	5 767
Receivables	524
Equity	
Investments in other public sector entities	—
Investments - other	2 869
Other financial assets	24
Total financial assets	24 039
Non-financial assets	
Land and other fixed assets	824
Other non-financial assets	4
Total non-financial assets	827
Total assets	24 867
Liabilities	
Deposits held	284
Advances received	—
Borrowing	18 012
Superannuation	—
Other employee benefits	22
Payables	125
Other liabilities	5 007
Total liabilities	23 450
Net worth	1 416
Net financial worth	589
Net financial liabilities	-589
Net debt	-2 326

Note: Totals may not add due to rounding.

Table A.9: General government sector cash flow statement (\$million)

	2014–15 Estimate at 2015–16 Budget	2014–15 Outcome
Cash receipts from operating activities		
Taxes received	4 393	4 381
Receipts from sales of goods and services	2 304	2 383
Grants and subsidies received	8 336	8 399
Interest receipts	30	27
Dividends and income tax equivalents	812	806
Other receipts	661	628
Total operating receipts	16 536	16 624
Cash payments for operating activities		
Payments for employees	-8 640	-8 583
Payments for goods and services	-3 986	-3 790
Grants and subsidies paid	-2 811	-2 898
Interest paid	-259	-263
Other payments	-129	-184
Total operating payments	-15 825	-15 718
Net cash flows from operating activities	711	907
Net cash flows from investments in non-financial assets		
Sales of non-financial assets	154	143
Purchases of non-financial assets (a)	-956	-933
Net cash flows from investments in non-financial assets	-802	-790
Net cash flows from investments in financial assets for policy purposes (b)	3 034	3 076
Net cash flows from investments in financial assets for liquidity purposes	-12	-18
Net cash flows from financing activities		
Advances received (net)	18	18
Borrowing (net)	-2 980	-3 183
Deposits received (net)	23	34
Dividends paid	—	—
Other financing (net)	—	—
Net cash flows from financing activities	-2 938	-3 130
Net Increase/(decrease) in cash held	-7	45
Net cash flows from operating activities	711	907
Net cash flows from investments in non-financial assets	-802	-790
Dividends paid	—	—
Cash surplus / (deficit)	-91	117

Note: Totals may not add due to rounding.

(a) The ABS disaggregates this item into new and secondhand non-financial assets.

(b) Includes equity acquisitions and disposals.

Table A.10: Public non-financial corporations (public trading enterprises) sector cash flow statement (\$million)

	2014–15 Estimate at 2015–16 Budget	2014–15 Outcome
Cash receipts from operating activities		
Taxes received	—	—
Receipts from sales of goods and services	1 722	1 805
Grants and subsidies received	482	478
Interest receipts	10	12
Dividends and income tax equivalents	4	3
Other receipts	123	15
Total operating receipts	2 340	2 313
Cash payments for operating activities		
Payments for employees	-233	-229
Payments for goods and services	-940	-959
Grants and subsidies paid	-114	-90
Interest paid	-274	-253
Other payments	-360	-423
Total operating payments	-1 922	-1 954
Net cash flows from operating activities	417	359
Net cash flows from investments in non-financial assets		
Sales of non-financial assets	167	133
Purchases of non-financial assets (a)	-602	-470
Net cash flows from investments in non-financial assets	-435	-337
Net cash flows from investments in financial assets for policy purposes (b)	22	22
Net cash flows from investments in financial assets for liquidity purposes	2	-4
Net cash flows from financing activities		
Advances received (net)	28	24
Borrowing (net)	2 856	2 799
Deposits received (net)	—	—
Dividends paid / capital returned (c)	-2 898	-2 893
Other financing (net)	—	—
Net cash flows from financing activities	-14	-71
Net Increase/(decrease) in cash held	-8	-30
Net cash flows from operating activities	417	359
Net cash flows from investments in non-financial assets	-435	-337
Dividends paid	-198	-193
Cash surplus / (deficit)	-216	-171

Note: Totals may not add due to rounding.

(a) The ABS disaggregates this item into new and secondhand non-financial assets.

(b) Includes equity acquisitions and disposals.

(c) Includes \$2.7 billion classified as return of equity in the general government sector in 2014-15.

Table A.11: Non-financial public sector cash flow statement (\$million)

	2014–15 Estimate at 2015–16 Budget	2014–15 Outcome
Cash receipts from operating activities		
Taxes received	4 085	4 077
Receipts from sales of goods and services	3 843	3 934
Grants and subsidies received	8 335	8 399
Interest receipts	33	33
Dividends and income tax equivalents	503	504
Other receipts	765	617
Total operating receipts	17 564	17 565
Cash payments for operating activities		
Payments for employees	-8 860	-8 799
Payments for goods and services	-4 763	-4 508
Grants and subsidies paid	-2 443	-2 509
Interest paid	-527	-509
Other payments	-41	-166
Total operating payments	-16 634	-16 492
Net cash flows from operating activities	930	1 073
Net cash flows from investments in non-financial assets		
Sales of non-financial assets	317	276
Purchases of non-financial assets (a)	-1 554	-1 403
Net cash flows from investments in non-financial assets	-1 237	-1 127
Net cash flows from investments in financial assets for policy purposes (b)	384	421
Net cash flows from investments in financial assets for liquidity purposes	-11	-21
Net cash flows from financing activities		
Advances received (net)	18	18
Borrowing (net)	-124	-385
Deposits received (net)	—	33
Dividends paid	—	—
Other financing (net)	—	—
Net cash flows from financing activities	-104	-333
Net Increase/(decrease) in cash held	-38	13
Net cash flows from operating activities	930	1 073
Net cash flows from investments in non-financial assets	-1 237	-1 127
Dividends paid	—	—
Cash surplus / (deficit)	-307	-54

Note: Totals may not add due to rounding.

(a) The ABS disaggregates this item into new and secondhand non-financial assets.

(b) Includes equity acquisitions and disposals.

Table A.12: Public financial corporations sector cash flow statement (\$million)

	2014–15 Outcome
Cash receipts from operating activities	
Taxes received	—
Receipts from sales of goods and services	1 196
Grants and subsidies received	7
Interest receipts	1 039
Dividends and income tax equivalents	52
Other receipts	504
Total operating receipts	2 798
Cash payments for operating activities	
Payments for employees	-54
Payments for goods and services	-142
Grants and subsidies paid	-41
Interest paid	-981
Other payments	-1 161
Total operating payments	-2 379
Net cash flows from operating activities	419
Net cash flows from investments in non-financial assets	
Sales of non-financial assets	53
Purchases of non-financial assets (a)	-93
Net cash flows from investments in non-financial assets	-40
Net cash flows from investments in financial assets for policy purposes (b)	458
Net cash flows from investments in financial assets for liquidity purposes	311
Net cash flows from financing activities	
Advances received (net)	—
Borrowing (net)	64
Deposits received (net)	-253
Dividends paid	-869
Other financing (net)	—
Net cash flows from financing activities	-1 058
Net Increase/(decrease) in cash held	90
Net cash flows from operating activities	419
Net cash flows from investments in non-financial assets	-40
Dividends paid	-475
Cash surplus / (deficit)	-97

Note: Totals may not add due to rounding.

(a) The ABS disaggregates this item into new and secondhand non-financial assets.

(b) Includes equity acquisitions and disposals.

Table A.13: General government sector derivation of ABS GFS cash surplus/deficit (\$million)

	2014–15 Estimate at 2015–16 Budget	2014–15 Outcome
Cash surplus / (deficit)	-91	117
Acquisitions under finance leases and similar arrangements(a)	—	-1
ABS GFS Surplus (+) / deficit (-) including finance leases and similar arrangements	-91	116

Table A.14: Public non-financial corporations (public trading enterprises) sector derivation of ABS GFS cash surplus/deficit (\$million)

Cash surplus / (deficit)	-216	-171
Acquisitions under finance leases and similar arrangements(a)	—	—
ABS GFS Surplus (+) / deficit (-) including finance leases and similar arrangements	-216	-171

Table A.15: Non-financial public sector derivation of ABS GFS cash surplus/deficit (\$million)

Cash surplus / (deficit)	-307	-54
Acquisitions under finance leases and similar arrangements(a)	—	-1
ABS GFS Surplus (+) / deficit (-) including finance leases and similar arrangements	-307	-55

Table A.16: Public financial corporations sector derivation of ABS GFS cash surplus/deficit (\$million)(b)

Cash surplus / (deficit)	-97
Acquisitions under finance leases and similar arrangements(a)	—
ABS GFS Surplus (+) / deficit (-) including finance leases and similar arrangements	-97

Note: Totals may not add due to rounding.

(a) Finance leases are shown with a negative sign as they are deducted in compiling the ABS GFS cash surplus/deficit.

(b) Forward estimates are not collected for public financial corporations.

Table A.17: General government sector taxes (\$million) (a)

	2014–15 Estimate at 2015–16 Budget	2014–15 Outcome
Taxes on employers' payroll and labour force	1 114	1 096
Taxes on property		
Land taxes	565	559
Stamp duties on financial and capital transactions	1 018	1 026
Financial institutions' transaction taxes	—	—
Other	266	268
Total	1 849	1 853
Taxes on the provision of goods and services		
Excises and levies	—	—
Taxes on gambling	388	383
Taxes on insurance	446	443
Total	834	826
Taxes on use of goods and performance of activities		
Motor vehicle taxes	597	601
Total	597	601
Total GFS taxation revenue	4 394	4 376

Note: Totals may not add due to rounding.

(a) Excludes taxes paid by general government entities.

Table A.18(a): General government sector grant revenue (\$million)

	2014–15 Estimate at 2015–16 Budget	2014–15 Outcome
Current grant revenue		
Current grants from the Commonwealth		
General purpose grants	4 986	5 027
National partnership grants	394	345
National partnership grants for on-passing	162	238
Specific purpose grants	1 644	1 636
Specific purpose grants for on-passing	770	771
Total current grants from the Commonwealth	7 956	8 017
Other contributions and grants	142	131
Total current grant revenue	8 098	8 148
Capital grant revenue		
Capital grants from the Commonwealth		
General purpose grants	—	—
National partnership grants	100	102
Specific purpose grants	93	93
Specific purpose grants for on-passing	—	—
Other capital grants	5	6
Total capital grants from the Commonwealth	198	202
Other contributions and grants	6	—
Total capital grant revenue	205	202
Total grant revenue	8 303	8 350

Table A.18(b): General government sector grant expense (\$million)

	2014–15 Estimate at 2015–16 Budget	2014–15 Outcome
Current grant expense		
State/territory government	4	12
Local government	54	33
Local government on-passing	157	230
Private and not-for-profit sector	1 000	936
Private and not-for-profit sector on-passing	775	779
Grants to other sectors of government	482	475
Other	148	226
Total current grant expense	2 621	2 690
Capital grant expense		
State/territory government	—	3
Local government	—	2
Local government on-passing	—	—
Private and not-for-profit sector	78	95
Private and not-for-profit sector on-passing	—	—
Grants to other sectors of government	—	—
Other	—	—
Total capital grant expense	78	101
Total grant expense	2 699	2 790

Note: Totals may not add due to rounding.

Table A.19: General government sector dividend and income tax equivalent income (\$million)

	2014–15 Estimate at 2015–16 Budget	2014–15 Outcome
Dividend and income tax equivalent income from PNFC sector	281	292
Dividend and income tax equivalent income from PFC sector	498	498
Other dividend income	1	1
Total dividend and income tax equivalent income	780	791

Note: Totals may not add due to rounding.

Table A.20: General government sector expenses by function (\$million)^{(a)(b)}

	2014–15 Estimate at 2015–16 Budget	2014–15 Outcome
General public services	367	342
Government superannuation benefits	—	—
Other general public services	367	342
Defence^(c)	—	—
Public order and safety	1 609	1 677
Police and fire protection services	937	988
Law courts and legal services	324	317
Prisons and corrective services	276	287
Other public order and safety	73	84
Education	4 259	4 288
Primary and secondary education	3 417	3 477
Tertiary education	586	515
Pre-school education and education not definable by level	224	265
Transportation of students	29	29
Education n.e.c. ^(d)	3	3
Health	5 286	5 324
Acute care institutions	4 545	4 556
Mental health institutions	n.a.	n.a.
Nursing homes for the aged	n.a.	n.a.
Community health services	412	429
Public health services	150	161
Pharmaceuticals, medical aids and appliances	16	10
Health research	10	11
Health administration n.e.c. ^(d)	153	156
Social security and welfare	1 335	1 341
Social security	119	120
Welfare services	1 198	1 203
Social security and welfare services n.e.c. ^(d)	18	18
Housing and community amenities	1 121	1 050
Housing and community development	550	528
Water supply	235	214
Sanitation and protection of the environment	331	307
Other community amenities	5	1
Recreation and culture	356	333
Recreation facilities and services	161	120
Cultural facilities and services	175	201
Broadcasting and film production	7	6
Recreation and culture n.e.c. ^(d)	13	5

Table A.20: General government sector expenses by function (\$million)^{(a)(b)} (continued)

	2014–15 Estimate at 2015–16 Budget	2014–15 Outcome
Fuel and energy	60	27
Fuel affairs and services	15	11
Electricity and other energy	20	2
Fuel and energy n.e.c. ^(d)	24	14
Agriculture, forestry, fishing and hunting	195	163
Agriculture	145	132
Forestry, fishing and hunting	50	31
Mining and mineral resources other than fuels; manufacturing; and construction	71	66
Mining and mineral resources other than fuels	40	45
Manufacturing	—	—
Construction	31	21
Transport and communications	1 032	976
Road transport	421	427
Water transport	17	12
Rail transport	35	42
Air transport	6	—
Pipelines	n.a.	n.a.
Other transport	478	481
Communications	74	15
Other economic affairs	231	244
Storage, saleyards and markets	n.a.	n.a.
Tourism and area promotion	59	66
Labour and employment affairs	51	64
Other economic affairs	121	114
Other purposes	825	907
Public debt transactions	259	254
General purpose inter-government transactions	119	209
Natural disaster relief	10	4
Nominal superannuation interest expense	438	438
Other purposes n.e.c. ^(d)	—	3
Total GFS expenses	16 748	16 738

Note: Totals may not add due to rounding.

- (a) Expenses by function data are derived from information submitted by government agencies. The processes for deriving this data are subject to ongoing refinements. Consequently the data may be subject to future revisions.
- (b) Some functional classifications are not readily distinguishable at agency level. Those instances are denoted as not available (n.a.).
- (c) The ABS defines 'defence' as expenditure on military and civil defence affairs, foreign military aid and defence research. The expenditure of DefenceSA is included in other economic affairs.
- (d) Not elsewhere classified.

Table A.21: General government sector capital expenditure by function (\$million)^(a)

	2014–15 Estimate at 2015–16 Budget	2014–15 Outcome
General public services	16	16
Defence ^(b)	—	—
Public order and safety	118	103
Education	126	108
Health	181	173
Social security and welfare	7	2
Housing and community amenities	24	21
Recreation and culture	36	59
Fuel and energy	1	1
Agriculture, forestry, fishing and hunting	8	6
Mining and mineral resources other than fuels; manufacturing; and construction	24	18
Transport and communications	415	426
Other economic affairs	4	4
Other purposes	—	—
Total capital expenditure	959	937

Note: Totals may not add due to rounding.

- (a) Expenses by function data are derived from information submitted by government agencies. The processes for deriving this data are subject to ongoing refinements. Consequently the data may be subject to future revisions.
- (b) The ABS defines 'defence' as expenditure on military and civil defence affairs, foreign military aid and defence research. The expenditure of DefenceSA is included in other economic affairs.

Loan Council allocation report

The Australian Loan Council — a ministerial body established in 1927 comprising Commonwealth, state and territory Treasurers — requires all jurisdictions to nominate a Loan Council Allocation (LCA) for consideration at its annual meeting.

LCA nominations, prepared in February, are intended to provide an indication of each government's probable call on financial markets over the forthcoming financial year. The Loan Council, having regard to each jurisdiction's fiscal position and reasonable infrastructure requirements, along with the macroeconomic implications of the aggregate figure, then considers the nominations.

Following the endorsement of LCA nominations, jurisdictions are further required to update their nominated LCAs at budget time for changes in economic parameters and policy decisions, and also provide an LCA outcome at the end of the financial year. A tolerance limit of 2 per cent of total public sector revenue, set at nomination time, applies between both the nomination and budget, and the budget and outcome LCAs.

Nominated LCAs for 2014–15, for all jurisdictions and in aggregate, were reviewed and endorsed at the meeting of the Australian Loan Council held in March 2014.

South Australia's Budget and outcome LCAs for 2014–15 are shown in Table B.1. This table is prepared in accordance with the requirements of the accrual UPF, endorsed by the Loan Council in March 2000 and revised in April 2008 to recognise acquisitions under finance leases and similar arrangements.

As Table B.1 indicates, South Australia recorded an LCA surplus of \$849 million for 2014–15. This differs from the 2014–15 Budget (June 2014) estimated deficit of \$51 million, reflecting the receipt of a large dividend and return of capital from the Motor Accident Commission and lower than expected earnings on superannuation assets.

As a result of these movements, South Australia's 2014–15 LCA outcome will exceed the 2 per cent of total revenue tolerance limit included in the 2014–15 LCA nomination.

Table A.22: Loan Council allocation 2014–15 (\$million)^(a)

	2014–15 Estimate at 2014–15 Budget	2014–15 Outcome
General government sector cash deficit/surplus	300	-117
PNFC sector cash deficit/surplus	269	171
Non-financial public sector cash deficit/surplus ^(b)	569	54
Acquisitions under finance leases and similar arrangements	–	1
ABS Government Finance Statistics cash surplus	569	55
Less: Net cash flows from investments in financial assets for policy purposes	-32	421
Adjusted total non-financial public sector deficit/surplus	601	-366
Memorandum items ^(c)		
Operating leases ^(d)	-84	-95
Recourse asset sales	–	–
Superannuation ^(e)	-497	-344
Local government	17	26
Home finance schemes	13	-71
Total memorandum items	-550	-483
LCA deficit/surplus ^{(f)(g)}	51	-849

Note: Totals may not add due to rounding.

- (a) For the purposes of this table a surplus amount is represented as a negative number while a deficit is shown as a positive number.
- (b) The sum of the deficits of the general government and PNFC sectors may not equal the non-financial public sector deficit due to intersectoral transfers, which are netted out in the calculation of the total figure. The figures exclude statutory marketing authorities.
- (c) Excludes universities.
- (d) Increase/decrease in the net present value (NPV) of operating leases with a NPV of \$5 million or greater.
- (e) Includes both 'payments in excess of emerging costs of superannuation' and 'interest earnings on employer balances'.
- (f) The 2 per cent of total revenue tolerance limit for South Australia's 2014–15 LCA nomination was \$342 million.
- (g) South Australia had no infrastructure projects with private sector involvement that met the recognition criteria for 2014–15.

Appendix B: Consolidated Account

Table B.1: Summary of receipts and payments (\$000)

	2014–15 Budget	2014–15 Outcome
Receipts		
Taxation	3 977 217	3 863 278
Commonwealth general purpose grants	4 956 300	5 020 023
Commonwealth specific purpose grants	271 128	285 738
Commonwealth National Partnership payments	31 704	28 302
Contributions from state undertakings	263 880	354 871
Fees and charges	479 797	452 101
Recoveries	51 442	187 630
Royalties	323 062	238 527
Other receipts	2 826 529	2 941 931
Total receipts	13 181 059	13 372 401
Payments		
Appropriation Act	11 496 312	11 619 076
Specific appropriation authorised in various Acts	110 242	107 610
Total payments	11 606 554	11 726 686
Consolidated Account Financing Requirement(+)/surplus(-)	-1 574 505	-1 645 716

Note: Totals may not add due to rounding.

The surplus for 2014–15 has been applied, pursuant to section 16(4) (a) of the *Public Finance and Audit Act 1987*, to reduce the level of debt serviced from the Consolidated Account.

Table B.2: Receipts (\$000)

	2014–15 Budget	2014–15 Outcome
Taxation		
Payroll tax	1 396 341	1 319 789
Commonwealth places mirror payroll tax ^(a)	24 400	23 095
Stamp duties	1 543 291	1 567 264
Commonwealth places mirror stamp duties ^(a)	300	283
Land tax	577 433	564 919
Commonwealth places mirror land tax ^(a)	1 400	1 373
Other taxes on property	10	140
Gaming machines tax	295 764	286 574
Contribution from Lotteries Commission of South Australia	75 072	74 480
Contribution from casino operations	28 000	19 179
Contribution from South Australian Totalizator Agency Board	3 600	3 681
Contribution from on-course totalizators, bookmakers and small lotteries	2 447	2 501
Transport Development Levy ^(b)	29 159	—
Total taxation receipts	3 977 217	3 863 278
Commonwealth general purpose payments		
GST revenue grants	4 956 300	5 020 023
Total Commonwealth general purpose payments	4 956 300	5 020 023
Commonwealth specific purpose payments^(c)		
Council of Australian Governments funding arrangements	271 128	285 738
Total Commonwealth specific purpose payments	271 128	285 738
Commonwealth National Partnership payments^(d)		
Council of Australian Governments funding arrangement	31 704	28 302
Total Commonwealth National Partnership payments	31 704	28 302

Note: Totals may not add due to rounding.

- (a) Taxes akin to state taxes are levied on activities conducted on Commonwealth places under the authority of Commonwealth mirror tax legislation. Revenue is retained by the state.
- (b) Legislation enabling the Transport Levy was not passed by the South Australian Parliament. The levy was expected to be introduced from 1 July 2014.
- (c) Refers only to those Commonwealth specific purpose payments paid to the Consolidated Account.
- (d) Refers only to National Partnership payments that are paid to Consolidated Account. The remainder of National Partnership payments are paid into the Intergovernmental Agreement on Federal Financial Relations special deposit account for subsequent disbursement to the relevant line agencies.

Table B.2: Receipts (\$000) (continued)

	2014–15 Budget	2014–15 Outcome
Contributions from state undertakings		
Adelaide Convention Centre		
Dividend	—	920
Income tax equivalent	—	613
Adelaide Entertainment Centre		
Dividend	—	5 000
Arrangements with private electricity entities		
Local government rate equivalent	237	232
Scope Global Pty Ltd (formerly Austraining Pty Ltd)		
Income Tax Equivalent	600	332
Department of Planning, Transport and Infrastructure		
Income tax equivalent	2 623	2 835
Local government rate equivalent	1 103	1 430
Flinders Port		
Payment of lieu of other taxes	2 437	2 358
Funds SA		
Local government rate equivalent	215	228
HomeStart Finance		
Dividend	7 387	7 137
Income tax equivalent	5 277	5 103
Public Trustee Office		
Dividend	265	1 440
Income tax equivalent	33	889
Renewal SA		
Dividend	14 151	—
Income tax equivalent	6 660	—
Local government rate equivalent	1 261	999
SA Water Corporation		
Dividend	134 869	183 979
Income tax equivalent	60 043	109 330
Local government rate equivalent	1 548	1 634
South Australian Government Employee Residential Properties		
Dividend	1 706	1 706
Income tax equivalent	465	754
South Australian Government Financing Authority		
Dividend	8 870	8 870
Income tax equivalent	14 130	19 081
Total contributions from state undertakings	263 880	354 871

Note: Totals may not add due to rounding.

Table B.2: Receipts (\$000) (continued)

	2014–15 Budget	2014–15 Outcome
Fees and charges^(e)		
Auditor-General's Department — fees for audit and other sundry receipts	14 004	14 911
Court fines	42 906	63 616
Court regulatory fees	43 230	16 702
Guarantee fees	107 945	104 160
Infringement Notice Schemes — Expiation fees	86 336	74 950
Land and Business Regulations	1 830	—
Land Services regulatory fees	183 355	177 598
Small lotteries	157	—
Sundry fees	34	164
Total fees and charges	479 797	452 101
Recoveries		
Department of Planning, Transport and Infrastructure		
Indentured Ports	7 978	26 059
Department of Environment, Water and Natural Resources — Qualco Sunlands	250	250
Essential Services Commission of South Australia	7 650	7 650
Helicopter service — recovery of costs and sponsorships	1 052	282
Independent Gaming Corporation contribution to Gamblers		
Rehabilitation Fund	2 000	2 000
Metropolitan Drainage Fund	7	—
National Tax Equivalent Program	50	—
Return of cash to Consolidated Account — cash alignment policy	—	147 168
Return of deposit account balances	—	1 966
Return of deposit account balances — superannuation	30 000	—
Sale of government publications and subscriptions	194	164
Sundry recoupment	146	—
Unclaimed monies and personal property	2 115	2 091
Total recoveries	51 442	187 630
Royalties		
Department for Manufacturing, Innovation, Trade, Resources and Energy	323 062	238 527
Total royalties	323 062	238 527

Note: Totals may not add due to rounding.

(e) Refers only to those fees and charges paid to the Consolidated Account.

Table B.2: Receipts (\$000) (continued)

	2014–15 Budget	2014–15 Outcome
Other receipts		
Interest		
Interest on investments	79 953	79 498
Interest recoveries from general government entities	3 591	2 047
Interest recoveries from non-commercial public trading enterprises	—	79
Interest recoveries from the private sector	525	130
Repayment of advances		
Administered items for the Department of Planning, Transport and Infrastructure	209	271
Department for Health and Ageing	—	2 152
Department of Primary Industries and Regions	3 726	14 457
Renmark Irrigation Trust	72	134
Royal Zoological Society of South Australia	229	229
Other repayments	7	—
Repayment of equity		
SA Water Corporation ^(f)	2 700 000	2 700 000
Other		
Other recoveries	9 887	13 594
Sale of land and buildings	28 330	129 340
Total other receipts	2 826 529	2 941 931
Total Consolidated Account receipts	13 181 059	13 372 401

Note: Totals may not add due to rounding.

(f) Reflects the government's decision to reduce its equity in SA Water. This has resulted in a once-off return of capital to the Consolidated Account in 2014–15.

Table B.3: Payments (\$000)

	2014–15 Budget	2014–15 Outcome
Payments from Appropriation Act		
Attorney-General's Department	97 446	104 291
Administered items for the Attorney-General's Department	125 951	77 365
Auditor-General's Department	16 191	16 191
Courts Administration Authority	92 158	97 958
Defence SA	16 467	16 467
Department for Communities and Social Inclusion	998 989	1 046 238
Administered items for the Department for Communities and Social Inclusion	184 930	184 930
Department for Correctional Services	267 808	283 806
Department for Education and Child Development	2 614 395	2 609 531
Administered items for the Department for Education and Child Development	238 563	240 710
Department for Health and Ageing	3 070 300	3 070 300
Department of Environment, Water and Natural Resources	117 130	132 698
Administered items for the Department of Environment, Water and Natural Resources	18 913	19 054
Department of Planning, Transport and Infrastructure	501 908	546 492
Administered items for the Department of Planning, Transport and Infrastructure	10 022	10 690
Department of Primary Industries and Regions	107 229	100 296
Administered items for the Department of Primary Industries and Regions	3 311	4 278
Department of the Premier and Cabinet	91 807	87 890
Administered items for the Department of the Premier and Cabinet	2 079	2 079
Department of State Development	644 298	680 658
Administered Items for the Department of State Development	7 665	7 855
Department of Treasury and Finance	49 379	50 412
Administered items for the Department of Treasury and Finance	1 392 192	1 406 543
Electoral Commission of South Australia	2 895	3 370
House of Assembly	8 894	6 564
Independent Gambling Authority	1 731	1 731
Joint Parliamentary Services	11 324	11 233
Legislative Council	5 963	4 482
Minister for Tourism	4 679	4 679
South Australia Police	737 614	732 750
Administered items for South Australia Police	173	173
South Australian Tourism Commission	50 502	53 335
State Governor's Establishment	3 406	4 026
Total payments appropriated for administrative units, statutory authorities and Ministers	11 496 312	11 619 076
Payments for which specific appropriation is authorised in various Acts	110 242	107 610
Total Consolidated Account payments	11 606 554	11 726 686

Note: Totals may not add due to rounding.

Table B.4: Appropriation authorised in various Acts (\$000)

	2014–15 Budget	2014–15 Outcome
Payments for which specific appropriation is authorised in various Acts		
Salaries and allowances		
Agent-General — pursuant to <i>Agent-General Act 1901</i>	104	120
Auditor-General — pursuant to <i>Public Finance and Audit Act 1987</i>	308	879
Commissioners of Environment, Resource and Development Court— pursuant to <i>Remuneration Act 1990</i>	1 234	1 109
Commissioner of Police — pursuant to <i>Police Act 1998</i>	432	522
State Coroner and Deputy Coroner — pursuant to <i>Remuneration Act 1990</i>	879	850
Electoral Commissioner and Deputy Electoral Commissioner — pursuant to <i>Electoral Act 1985</i>	413	384
Electoral Boundaries Commission — pursuant to <i>Constitution Act 1934</i>	541	—
Employee Ombudsman — pursuant to <i>Fair Work Act 1994</i>	167	268
Governor — pursuant to <i>Constitution Act 1934</i>	331	325
Health and Community Services Complaints Commissioner — pursuant to <i>Remuneration Act 1990</i>	—	114
Judges — pursuant to <i>Remuneration Act 1990</i>		
Chief Justice	702	677
Judges and Masters	23 184	20 657
Magistrates — pursuant to <i>Remuneration Act 1990</i>	14 844	13 934
Members of various standing committees — pursuant to <i>Parliamentary Remuneration Act 1990 and Parliamentary Committees Act 1991</i>	836	826
Ombudsman — pursuant to <i>Ombudsman Act 1972</i>	385	371
Parliamentary salaries and electorate other allowances — pursuant to <i>Parliamentary Remuneration Act 1990</i>		
Ministers, Officers and Members of Parliament	14 828	14 542
Senior Judge and judges of the Industrial Relations Court and Commission — pursuant to <i>Remuneration Act 1990</i>	1 946	2 355
Solicitor-General — pursuant to <i>Solicitor-General Act 1972</i>	628	595
South Australian Civil and Administrative Tribunal — pursuant to <i>Remuneration Act 1990</i>	521	305
Valuer-General — pursuant to <i>Valuation of Land Act 1971</i>	135	124
Total salaries and allowances	62 418	58 958
Other		
Compensation for injuries resulting from criminal acts — pursuant to <i>Victims of Crime Act 2001</i>	8 020	8 020
First Home Owner Grant — pursuant to <i>First Home and Housing Construction Grants Act 2000 (formerly First Home Owner Grant Act 2000)</i>	39 804	40 631
Total other	47 824	48 651
Total payments for which specific appropriation is authorised in various Acts	110 242	107 610

Note: Totals may not add due to rounding.

Appendix C: General government and non-financial public sector financial statistics time series

The following tables provide historical data on key fiscal aggregates. Data provided (excluding the unfunded superannuation liability) are sourced for 1998–99 from *Australian Bureau of Statistics Government Finance Statistics 2007–08* (catalogue number 5512.0) and 1999–2000 to 2013–14 from Budget Outcome publications for South Australia.

Data is provided from 1998–99, the first year for which information is available in the accrual format. Before 1998–99, government finances were measured using a cash-based methodology.

Gross State Product (GSP) and Consumer Price Index (for real-growth calculations) data is sourced from the latest Australian Bureau of Statistics (ABS) publications.

As historical data in this time series has not been back-cast to reflect classification and accounting changes, care must be taken in interpreting the data.

General government

Table C.1: General government key operating statement aggregates

	Revenue		Expenses		Net operating balance	Net acquisition of non-financial assets	Net lending
	% real	%	% real	%			
	\$m	GSP	\$m	GSP			
1998–99	7 290	17.0	7 505	17.5	- 215	19	- 233
1999–2000	7 644	2.3	7 974	3.6	- 330	140	- 471
2000–01	8 108	3.0	8 406	2.4	- 297	102	- 399
2001–02	8 538	2.1	8 713	0.5	- 174	- 50	- 124
2002–03	9 346	5.2	8 898	-1.8	448	34	414
2003–04	9 955	3.4	9 570	4.4	385	- 38	424
2004–05	10 592	3.9	10 368	5.8	224	105	119
2005–06	11 242	2.9	11 040	3.3	202	119	83
2006–07	11 757	1.9	11 547	1.9	209	139	71
2007–08	12 879	6.1	12 414	4.1	464	242	222
2008–09	13 531	1.9	13 764	7.5	- 233	639	- 872
2009–10 ^(a)	15 534	12.3	15 347	9.1	187	1 279	-1 092
2010–11 ^(a)	15 017	-6.3	15 069	-4.9	- 53	1 370	-1 422
2011–12	15 905	3.2	16 164	4.5	- 258	839	-1 098
2012–13	15 333	-5.5	16 282	-1.3	- 948	55	-1 003
2013–14 ^(b)	15 343	-2.4	16 415	-1.7	-1 071	661	-1 733
2014–15	16 549	6.2	16 738	0.4	- 189	- 78	- 111

Note: Table may not add due to rounding.

- (a) In 2009–10 and 2010–11 revenue, expenses and net acquisition of non-financial assets are impacted by the Commonwealth Government's Nation Building — Economic Stimulus Plan.
- (b) There is a structural break in 2013–14 in the presentation of interest income and interest expense. Interest income earned on cash and deposits is offset with interest expense on the borrowings the Treasurer has with SAFA. This results in a reduction to interest income and interest expense accordingly.

Table C.2: General government key balance sheet aggregates (\$million)^(a)

As at 30 June	Net debt ^(b)	Unfunded superannuation ^(c)	Net financial liabilities	Net financial worth	Net worth
1988	859				
1989	694				
1990	854				
1991	1 817				
1992	4 610				
1993	7 884				
1994	7 113				
1995	5 815				
1996	5 512				
1997	4 983				
1998	4 762				
1999	4 779	3 909	9 733	1 894	10 624
2000	1 920	3 543	6 911	2 986	12 445
2001	1 246	3 249	6 093	4 091	14 816
2002	1 303	3 998	6 907	3 559	14 721
2003	666	4 445	6 974	3 500	15 288
2004	224	5 668	7 858	3 842	15 760
2005	144	7 227	9 393	3 853	16 359
2006	- 119	6 146	8 171	5 846	19 703
2007 ^(d)	- 24	5 075	7 254	8 110	22 128
2008 ^{(e)(f)(g)}	- 276	6 468	8 078	7 580	23 741
2009	475	8 939	11 562	5 551	24 146
2010	1 402	9 478	13 182	6 551	36 231
2011	2 930	9 096	14 313	7 299	40 958
2012 ^(h)	4 165	13 523	20 332	1 413	37 199
2013	5 227	11 085	19 079	1 742	39 363
2014 ⁽ⁱ⁾	7 071	10 877	20 761	1 056	39 654
2015 ^(j)	3 929	11 358	18 296	1 374	40 121

(a) During the implementation of the 2008 revised Uniform Presentation Framework (UPF) minor variances in some aggregates compared with earlier budget publications were discovered. This table reflects minor revisions resulting from the back-casting of budget aggregates associated with implementing the revised UPF.

(b) Net debt data for the years before 1999 are sourced from ABS, Government Financial Estimates 2003–04 (catalogue number 5501).

(c) There is a structural break in the methodology used to calculate superannuation liabilities between June 2003 and June 2004. This accounting change, which involved the adoption of the Commonwealth Government bond rate for valuation purposes in line with AASB 119, *Employee Benefits*, resulted in a significant increase in superannuation liabilities.

(d) There is a structural break in 2007 reflecting the amalgamation of SAFA and SAICORP on 1 July 2006. The transfer of SAICORP's assets and liabilities from the general government sector to the public financial corporations sector resulted in an increase in general government net debt of \$99 million at 1 July 2006 and an increase in net financial liabilities of \$90 million at 1 July 2006.

(e) There is a structural break in 2008 reflecting the transfer of rail assets from TransAdelaide to the general government sector. This results in an increase in net debt and net financial liabilities of \$66 million in 2007–08, and a reduction in net financial worth of \$591 million, with no impact on net worth.

(f) There is a structural break in 2008 reflecting the transfer of assets from the Adelaide Festival Centre Trust to the general government sector. This results in an increase in net debt and net financial liabilities of \$28 million in 2007–08, and a reduction in net financial worth of \$76 million, with no impact on net worth.

(g) There is a structural break in 2008 reflecting the first time recognition on the general government balance sheet of South Australia's share of the net assets of the Murray-Darling Basin Commission. This has no impact on net debt, however results in a reduction in net financial liabilities of \$615 million in 2007–08, and increases in net financial worth and net worth of \$615 million.

(h) There is a structural break in 2012 reflecting the transfer of the Rail Commissioner to the general government sector. This results in a reduction in net debt of \$6 million, an increase in net financial liabilities of \$37 million, and a reduction in net financial worth of \$144 million in 2011–12, with no impact on net worth.

(i) There is a structural break in 2014 reflecting the transfer of the Lotteries Commission of South Australia (SA Lotteries) to the general government sector. This results in a reduction in net debt of \$46 million, a reduction in net financial liabilities of \$1 million, with no impact on net worth.

(j) There is a structural break in 2015 reflecting the government's decision to reduce its equity in SA Water. This resulted in a one-off \$2.7 billion return of capital to the Consolidated Account in 2014–15. The restructure results in a reduction in distributions paid to government partially offset by increased guarantee fees payable and lower borrowing costs.

Table C.3: General government receipts, payments and surplus^(a) (\$million)

	Receipts	Payments	ABS Cash Surplus
1979–80	1 891	1 671	220
1980–81	2 065	1 917	148
1981–82	2 210	2 122	87
1982–83	2 664	2 507	156
1983–84	2 988	2 734	255
1984–85	3 380	3 057	324
1985–86	3 634	3 161	474
1986–87	3 956	3 416	540
1987–88	4 307	3 858	449
1988–89	4 630	3 977	653
1989–90	4 973	4 370	603
1990–91	5 260	4 796	463
1991–92	5 387	5 396	- 10
1992–93	5 967	5 456	512
1993–94	6 087	6 024	63
1994–95	6 155	6 220	- 66
1995–96	6 405	6 164	241
1996–97	6 379	6 282	97
1997–98	6 988	6 724	264
1998–99	7 165	7 041	123
1999–2000	7 676	7 915	- 239
2000–01	8 278	8 387	- 108
2001–02	8 698	8 748	- 50
2002–03	9 522	8 864	658
2003–04	10 023	9 502	522
2004–05	11 252	11 059	193
2005–06	11 480	11 293	187
2006–07	12 090	12 116	- 26
2007–08	12 932	12 552	379
2008–09	13 579	14 299	- 721
2009–10	15 837	16 991	-1 154
2010–11	15 331	16 851	-1 520
2011–12	16 556	17 594	-1 038
2012–13	16 489	17 655	-1 166
2013–14	15 434	17 232	-1 797
2014–15	16 768	16 652	116

Note: Table may not add due to rounding.

- (a) There is a break in the series between 1998–99 and 1999–2000. Data for the years before 1999–2000 are sourced from the ABS and are consistent with ABS GFS reporting requirements on a cash basis. Capital receipts and payments, including payments associated with the provision of financial support for state owned financial institutions (which were treated by the ABS then as an ‘investment in financial assets for policy purposes’) are not included in the series before 1999–2000. After 1998–99, data is derived from an accrual ABS GFS reporting framework, with receipts proxied by receipts from operating activities and sales of non-financial assets, and payments proxied by payments for operating activities, purchases of non-financial assets and net acquisition of assets under finance leases and similar arrangements. Due to the associated methodological and data-source changes, time series data that encompass measures derived under both cash and accrual accounting should be used with caution.

Table C.4: General government sector operating statement (\$million)

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Revenue										
Taxation revenue	2 979	3 250	3 570	3 537	3 649	3 831	3 854	4 104	4 085	4 376
Grants	5 766	5 969	6 616	7 249	8 881	8 185	8 668	7 669	7 804	8 350
Sales of goods and services	1 333	1 464	1 572	1 697	1 936	1 879	2 015	2 115	2 265	2 329
Interest income ^(a)	147	167	203	150	138	168	172	134	40	28
Dividend and income tax equivalent income	575	450	429	382	433	403	385	446	398	791
Other	441	456	490	517	497	550	811	865	752	674
Total revenue	11 242	11 757	12 879	13 531	15 534	15 017	15 905	15 333	15 343	16 549
less										
Expenses										
Employee expenses	4 644	4 933	5 268	5 749	6 221	6 400	6 770	7 105	7 353	7 493
Superannuation expenses										
Superannuation interest cost	344	316	276	383	455	427	407	314	468	438
Other superannuation expenses	480	506	546	580	600	621	666	675	736	738
Depreciation and amortisation	454	498	525	566	633	670	718	762	812	853
Interest expenses ^(a)	223	204	218	180	204	308	427	386	300	254
Other property expenses	—	—	—	—	—	—	—	—	—	—
Other operating expenses	2 874	3 021	3 246	3 624	3 695	3 824	3 993	4 313	4 169	4 173
Grants	2 021	2 069	2 337	2 682	3 540	2 819	3 183	2 726	2 577	2 790
Total expenses	11 040	11 547	12 414	13 764	15 347	15 069	16 164	16 282	16 415	16 738
<i>equals</i>										
Net operating balance	202	209	464	-233	187	-53	-258	-948	-1 071	-1 89
<i>plus</i>										
Other economic flows	3 142	2 215	1 149	708	11 830	2 905	-3 556	3 113	1 362	628
<i>equals</i>										
Comprehensive result - total change in net worth	3 344	2 424	1 613	475	12 017	2 852	-3 814	2 164	291	439
<i>equals</i>										
Net operating balance	202	209	464	-233	187	-53	-258	-948	-1 071	-1 89
less										
Net acquisition of non-financial assets										
Purchases of non-financial assets	717	771	875	1 305	2 144	2 122	1 876	2 008	1 590	937
less Sales of non-financial assets	144	134	108	108	29	82	322	1 197	117	166
less Depreciation	454	498	525	566	633	670	718	762	812	853
plus Change in inventories	—	—	—	7	3	—	3	7	1	4
plus Other movements in non-financial assets	—	—	—	—	-206	—	—	—	—	—
<i>equals</i> Total net acquisition of non-financial assets	119	139	242	639	1 279	1 370	839	55	661	-78
Net lending / borrowing	83	71	222	-872	-1 092	-1 422	-1 098	-1 003	-1 733	-1 11

Note: Totals may not add due to rounding.

(a) There is a structural break in 2013-14 in the presentation of interest income and interest expense. Interest income earned on cash and deposits is offset with interest expense on the borrowings the Treasurer has with SAFA. This results in a reduction to interest income and interest expense accordingly.

Table C.5: General government sector balance sheet (\$million)

As at 30 June	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Assets										
Financial assets										
Cash and deposits ^(a)	2 210	2 384	2 760	3 084	3 277	3 675	916	1 113	1 104	1 110
Advances paid	902	905	782	752	676	642	550	176	66	57
Investments, loans and placements	180	119	134	140	163	189	200	226	247	271
Receivables	454	471	498	610	713	575	539	730	671	610
Equity										
Investments in other public sector entities	14 017	15 364	15 658	17 113	19 734	21 612	21 745	20 821	21 816	19 669
Investments - other	173	30	668	707	752	743	836	831	836	865
Other financial assets	44	39	38	43	47	80	125	56	39	79
Total financial assets	17 979	19 311	20 539	22 449	25 363	27 516	24 912	23 954	24 779	22 661
Non-financial assets										
Land and fixed assets	13 840	14 013	16 138	18 590	29 677	33 657	35 779	37 616	38 593	38 747
Other non-financial assets	17	4	23	5	3	2	6	5	5	1
Total non-financial assets	13 857	14 018	16 161	18 595	29 680	33 658	35 785	37 621	38 599	38 748
Total assets	31 836	33 329	36 700	41 045	55 043	61 175	60 698	61 575	63 378	61 409
Liabilities										
Deposits held	282	331	328	335	387	354	397	392	356	377
Advances received	682	659	644	628	610	592	590	232	214	252
Borrowing ^(a)	2 209	2 394	2 427	3 488	4 522	6 491	4 843	6 118	7 918	4 737
Superannuation	6 146	5 075	6 468	8 939	9 478	9 096	13 523	11 085	10 877	11 358
Other employee benefits	1 393	1 492	1 646	1 867	1 922	2 022	2 408	2 457	2 452	2 622
Payables	616	553	665	760	1 004	810	898	1 019	936	1 089
Other liabilities	805	699	779	881	888	853	840	908	970	852
Total liabilities	12 133	11 201	12 959	16 898	18 811	20 217	23 499	22 212	23 723	21 288
Net worth^(b)	19 703	22 128	23 741	24 146	36 231	40 958	37 199	39 363	39 654	40 121
Net financial worth ^(b)	5 846	8 110	7 580	5 551	6 551	7 299	1 413	1 742	1 056	1 374
Net financial liabilities ^{(b)(c)}	8 171	7 254	8 078	11 562	13 182	14 313	20 332	19 079	20 761	18 296
Net debt ^{(b)(c)(d)}	- 119	- 24	- 276	475	1 402	2 930	4 165	5 227	7 071	3 929

Note: Totals may not add due to rounding.

(a) There is a structural break in 2012 reflecting that cash and deposits held by the Treasurer are offset with borrowings the Treasurer has with SAFA. This results in a reduction in cash and deposits, and borrowings of \$3.134 billion, with no impact on both net worth and net debt.

(b) There is a structural break in 2012 reflecting the transfer of the Rail Commissioner to the general government sector. This results in a reduction in net debt of \$6 million, an increase in net financial liabilities of \$37 million, and a reduction in net financial worth of \$144 million in 2011–12, with no impact on net worth.

(c) There is a structural break in 2014 reflecting the transfer of the Lotteries Commission of South Australia (SA Lotteries) to the general government sector. This results in a reduction in net debt of \$46 million, a reduction in net financial liabilities of \$1 million, with no impact on net worth.

(d) There is a structural break in 2015 reflecting the government's decision to reduce its equity in SA Water. This resulted in a once-off \$2.7 billion return of capital to the Consolidated Account in 2014–15. The restructure results in a reduction in distributions paid to government partially offset by increased guarantee fees payable and lower borrowing costs.

Non-financial public sector

Table C.6: Non-financial public sector key operating statement aggregates

	Revenue		Expenses			Net operating balance	Net acquisition of non- financial assets	Net lending	
	\$m	% real growth	% GSP	\$m	% real growth				% GSP
							\$m	\$m	\$m
1998–99	9 468		22.1	9 597		22.4	- 129	- 115	- 14
1999–2000	9 206	-5.2	20.3	9 552	-2.9	21.1	- 346	-3 508	3 161
2000–01	9 051	-4.5	18.8	9 279	-5.7	19.3	- 228	-1 111	883
2001–02	9 367	0.3	17.9	9 487	-0.9	18.1	- 120	- 124	5
2002–03	10 172	4.4	18.3	9 696	-1.7	17.4	476	72	405
2003–04	10 707	2.2	18.1	10 294	3.1	17.4	413	33	379
2004–05	11 343	3.5	18.4	11 029	4.6	17.9	314	125	189
2005–06	11 807	0.9	18.1	11 634	2.3	17.9	172	53	119
2006–07	12 321	1.7	17.5	12 175	2.0	17.3	147	173	- 26
2007–08	13 634	7.1	17.8	13 065	3.9	17.1	569	303	266
2008–09	14 360	2.1	18.0	14 567	8.1	18.3	- 207	1 249	-1 456
2009–10 ^(a)	16 315	11.2	19.6	15 679	5.3	18.8	636	2 361	-1 725
2010–11 ^(a)	15 960	-5.2	17.8	15 939	-1.5	17.8	21	1 920	-1 898
2011–12	16 866	3.0	18.5	16 908	3.3	18.5	- 41	1 383	-1 424
2012–13	16 494	-4.1	17.5	17 152	-0.6	18.2	- 657	64	- 721
2013–14 ^(b)	16 399	-3.1	16.9	17 627	0.2	18.2	-1 229	715	-1 944
2014–15	17 651	6.0	17.9	17 965	0.4	18.2	- 314	- 198	- 116

Note: Table may not add due to rounding.

- (a) In 2009–10 and 2010–11 revenue, expenses and net acquisition of non-financial assets are impacted by the Commonwealth Government's Nation Building — Economic Stimulus Plan.
- (b) There is a structural break in 2013–14 in the presentation of interest income and interest expense. Interest income earned on cash and deposits is offset with interest expense on the borrowings the Treasurer has with SAFA. This results in a reduction to interest income and interest expense accordingly.

Table C.7: Non-financial public sector key balance sheet aggregates (\$million)

As at 30 June	Net debt ^(a)	Unfunded superannuation ^(b)	Net financial liabilities	Net financial worth	Net worth
1988	4 397				
1989	4 197				
1990	4 457				
1991	5 418				
1992	8 142				
1993	11 610				
1994	10 550				
1995	8 844				
1996	8 432				
1997	8 170				
1998	7 927				
1999	7 657	3 909	13 099	-12 256	10 624
2000	4 355	3 543	9 914	-8 986	12 445
2001	3 223	3 249	8 151	-7 109	14 816
2002	3 317	3 998	8 973	-7 902	14 721
2003	2 696	4 445	9 096	-8 811	15 288
2004	2 285	5 668	10 031	-9 550	15 760
2005	2 126	7 227	11 511	-11 004	16 359
2006	1 786	6 146	10 451	-9 889	19 703
2007 ^(c)	1 989	5 075	9 518	-8 795	22 128
2008 ^{(d)(e)}	1 611	6 468	10 208	-10 487	23 741
2009	2 872	8 939	14 302	-14 921	24 146
2010	4 487	9 478	16 626	-16 997	36 231
2011	6 541	9 096	18 273	-18 402	40 958
2012	7 996	13 523	24 500	-25 123	37 199
2013	8 949	11 085	23 064	-23 223	39 363
2014	10 964	10 877	24 811	-24 080	39 654
2015	10 676	11 358	25 167	-23 750	40 121

- (a) Net debt data for the years before 1999 are sourced from the ABS, *Government Financial Estimates 2003–04* (catalogue number 5501).
- (b) There is a structural break in the methodology used to calculate superannuation liabilities between June 2003 and June 2004. This accounting change, which involved the adoption of the Commonwealth Government bond rate for valuation purposes in line with AASB 119, *Employee Benefits*, resulted in a significant increase in superannuation liabilities.
- (c) There is a structural break in 2007 reflecting the amalgamation of SAFA and SAICORP on 1 July 2006. The transfer of SAICORP's assets and liabilities from the general government sector to the public financial corporations sector resulted in an increase in non-financial public sector net debt of \$99 million at 1 July 2006 and an increase in net financial liabilities of \$90 million at 1 July 2006.
- (d) There is a structural break in 2008 reflecting the amalgamation of the public financial corporation, South Australian Community Housing Authority, with the public non-financial corporation, South Australian Housing Trust. This results in an increase in net debt and net financial liabilities and a decrease in net financial worth of \$98 million in 2007–08, with no impact on net worth.
- (e) There is a structural break in 2008 reflecting the first time recognition on the general government balance sheet of South Australia's share of the net assets of the Murray-Darling Basin Commission. This has no impact on net debt, however results in a reduction in net financial liabilities of \$615 million in 2007–08, and increases in net financial worth and net worth of \$615 million.

Table C.8: Non-financial public sector receipts, payments and surplus^(a) (\$million)

	Receipts	Payments	ABS Cash Surplus
1979–80	2 681	2 388	292
1980–81	2 877	2 649	228
1981–82	3 145	2 963	182
1982–83	3 651	3 356	295
1983–84	4 383	4 014	369
1984–85	4 887	4 356	531
1985–86	5 172	4 415	757
1986–87	5 542	4 790	752
1987–88	6 078	5 299	780
1988–89	6 946	5 784	1 162
1989–90	7 517	6 465	1 052
1990–91	7 830	6 839	991
1991–92	8 352	7 969	383
1992–93	8 939	7 946	993
1993–94	8 761	8 119	642
1994–95	8 570	8 142	428
1995–96	8 985	8 654	331
1996–97	8 908	8 532	375
1997–98	9 426	8 895	532
1998–99	9 301	8 692	609
1999–2000	13 014	9 501	3 513
2000–01	10 572	9 414	1 158
2001–02	9 726	9 722	4
2002–03	10 439	9 805	634
2003–04	10 891	10 403	488
2004–05	12 051	11 786	265
2005–06	12 239	11 868	370
2006–07	12 684	12 809	- 125
2007–08	13 943	13 477	466
2008–09	14 563	15 806	-1 243
2009–10	16 847	18 695	-1 849
2010–11	16 548	18 553	-2 004
2011–12	17 431	18 863	-1 432
2012–13	17 814	19 133	-1 319
2013–14	16 640	18 647	-2 007
2014–15	17 841	17 896	- 55

Note: Table may not add due to rounding.

- (a) There is a break in the series between 1998–99 and 1999–2000. Data for the years before 1999–2000 is sourced from the ABS and are consistent with ABS GFS reporting requirements on a cash basis. Capital receipts and payments, including payments associated with the provision of financial support for state owned financial institutions, which were treated by the ABS then as an 'investment in financial assets for policy purposes, are not included in this series before 1999–2000. After 1998–99, data are derived from an accrual ABS GFS reporting framework, with receipts proxied by receipts from operating activities and sales of non-financial assets, and payments proxied by payments for operating activities, purchases of non-financial assets and net acquisition of assets under finance leases and similar arrangements. Due to the associated methodological and data-source changes, time series data that encompass measures derived under both cash and accrual accounting should be used with caution.

Table C.9: Non-financial public sector operating statement (\$million)

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Revenue										
Taxation revenue	2 749	3 009	3 308	3 244	3 331	3 467	3 476	3 726	3 805	4 072
Grants	5 849	6 039	6 616	7 262	8 897	8 223	8 705	7 697	7 806	8 350
Sales of goods and services	2 494	2 610	2 926	3 082	3 311	3 366	3 589	3 949	3 844	3 968
Interest income ^(a)	113	155	188	125	123	163	163	131	46	34
Dividend and income tax equivalent income	126	42	24	36	58	91	51	56	81	504
Other	476	466	572	611	594	651	883	935	816	724
Total revenue	11 807	12 321	13 634	14 360	16 315	15 960	16 866	16 494	16 399	17 651
<i>less</i>										
Expenses										
Employee expenses	4 808	5 108	5 450	5 944	6 436	6 625	6 959	7 299	7 544	7 683
Superannuation expenses										
Superannuation interest cost	344	316	276	383	455	427	407	314	468	438
Other superannuation expenses	499	525	568	605	649	649	692	700	762	764
Depreciation and amortisation	692	755	798	852	958	1 024	1 078	1 166	1 236	1 275
Interest expenses ^(a)	310	290	322	290	344	493	639	599	509	519
Other property expenses	—	—	—	—	—	—	—	—	—	—
Other operating expenses	3 325	3 483	3 840	4 404	4 306	4 472	4 716	4 849	4 892	4 886
Grants	1 655	1 698	1 811	2 089	2 553	2 249	2 417	2 224	2 218	2 401
Total expenses	11 634	12 175	13 065	14 567	15 679	15 939	16 908	17 152	17 627	17 965
<i>equals</i>										
Net operating balance	172	147	569	- 207	636	21	- 41	- 657	- 1 229	- 314
<i>plus</i>										
Other economic flows	3 172	2 278	1 044	682	11 382	2 831	-3 772	2 822	1 520	753
<i>equals</i>										
Comprehensive result — total change in net worth	3 344	2 424	1 613	475	12 017	2 852	-3 814	2 164	291	439
<i>less</i>										
Net operating balance	172	147	569	- 207	636	21	- 41	- 657	- 1 229	- 314
<i>less</i>										
Net acquisition of non-financial assets	1 127	1 145	1 399	2 328	3 762	3 217	2 750	2 683	2 126	1 429
Purchases of non-financial assets	381	217	298	304	336	281	331	1 428	333	297
less Sales of non-financial assets	692	755	798	852	958	1 024	1 078	1 166	1 236	1 275
less Depreciation	—	—	—	76	99	7	41	- 26	158	- 55
plus Change in inventories	—	—	—	—	- 206	—	—	—	—	—
plus Other movements in non-financial assets	—	—	—	—	—	—	—	—	—	—
<i>equals</i>	53	173	303	1 249	2 361	1 920	1 383	64	715	- 198
Net ending / borrowing	119	- 26	266	- 1 456	- 1 725	- 1 898	- 1 424	- 721	- 1 944	- 1 116

Note: Table may not add due to rounding.

(a) There is a structural break in 2013-14 in the presentation of interest income and interest expense. Interest income earned on cash and deposits is offset with interest expense on the borrowings the Treasurer has with SAFA. This results in a reduction to interest income and interest expense accordingly.

Table C.10: Non-financial public sector balance sheet (\$million)

As at 30 June	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Assets										
Financial assets										
Cash and deposits ^(a)	2 372	2 566	3 040	3 360	3 573	3 961	1 207	1 440	1 354	1 326
Advances paid	83	34	81	71	72	99	77	62	55	24
Investments, loans and placements	204	139	163	176	232	228	242	270	293	317
Receivables	436	522	521	520	766	635	662	877	803	837
Equity										
Investments in other public sector entities	562	723	- 279	- 619	- 371	- 128	- 623	- 159	731	1 416
Investments - other	199	58	693	727	766	761	852	848	853	883
Other financial assets	46	41	40	82	104	83	126	56	39	83
Total financial assets	3 902	4 084	4 259	4 316	5 143	5 638	2 543	3 394	4 129	4 887
Non-financial assets										
Land and fixed assets	29 564	30 917	34 202	39 059	53 224	59 302	62 311	62 574	63 726	63 868
Other non-financial assets	28	6	25	8	4	57	12	12	8	4
Total non-financial assets	29 592	30 922	34 227	39 067	53 228	59 359	62 322	62 586	63 734	63 872
Total assets	33 494	35 006	38 486	43 384	58 371	64 997	64 866	65 981	67 863	68 759
Liabilities										
Deposits held	147	159	166	174	171	171	177	172	183	204
Advances received	715	659	644	628	610	592	590	232	214	252
Borrowing ^(a)	3 583	3 910	4 084	5 677	7 583	10 065	8 755	10 318	12 270	11 888
Superannuation	6 146	5 075	6 468	8 939	9 478	9 096	13 523	11 085	10 877	11 358
Other employee benefits	1 473	1 560	1 719	1 944	2 003	2 106	2 486	2 531	2 525	2 695
Payables	706	715	801	907	1 319	1 077	1 204	1 215	1 102	1 304
Other liabilities	1 020	801	862	969	975	932	932	1 064	1 038	937
Total liabilities	13 790	12 878	14 745	19 237	22 140	24 040	27 667	26 617	28 209	28 637
Net worth	19 703	22 128	23 741	24 146	36 231	40 958	37 199	39 363	39 654	40 121
Net financial worth	-9 889	-8 795	-10 487	-14 921	-16 997	-18 402	-25 123	-23 223	-24 080	-23 750
Net financial liabilities	10 451	9 518	10 208	14 302	16 626	18 273	24 500	23 064	24 811	25 167
Net debt	1 786	1 989	1 611	2 872	4 487	6 541	7 996	8 949	10 964	10 676

Note: Totals may not add due to rounding.

(a) There is a structural break in 2012 reflecting that cash and deposits held by the Treasurer are offset with borrowings the Treasurer has with SAFA. This results in a reduction in cash and deposits, and borrowings of \$3.134 billion, with no impact on both net worth and net debt.

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