

*2011–12 Budget
Mid-Year Budget Review*



Government of
South Australia

Strong. Secure. Supportive.





Acknowledgements

Content from this publication may be reproduced with appropriate acknowledgement, as permitted under the *Copyright Act*.

© Government of South Australia 2011

Published December 2011

ISSN 1440-8589



**Government
of South Australia**

Mid-Year Budget Review

2011-12

*Presented by
the Honourable Jack Snelling MP
Treasurer of South Australia*

General enquiries regarding financial information papers should be directed to:

The Under Treasurer
Department of Treasury and Finance
State Administration Centre
200 Victoria Square
ADELAIDE SA 5000

Copies may be obtained from:

SERVICE SA
Government Legislation Outlet
Ground Floor
EDS Building
108 North Terrace
ADELAIDE SA 5000

Website: www.treasury.sa.gov.au

© Government of South Australia 2011

ISSN 1838-711X

Table of contents

Chapter 1: 2011–12 budget position and fiscal outlook

Overview	3
Fiscal strategy.....	4
Fiscal outlook	6
Operating revenue	9
Expenditure	13
Financial position	17

Chapter 2: The economic context

21

Appendix A: Policy measures by agency

Overview	23
Policy measures by agency	25

Appendix B: Uniform presentation framework

Overview	41
Uniform presentation framework tables.....	42

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

General government sector.....	57
Non-financial public sector	62

Chapter 1: 2011–12 budget position and fiscal outlook

Overview

Since the 2011–12 Budget global economic uncertainty has intensified beyond any expectations and this has precipitated ongoing softness in the domestic economy particularly in the property and retail sectors.

The 2011–12 Mid-Year Budget Review (MYBR) shows that changes in economic conditions have resulted in a significant deterioration to the budget position since the 2011–12 Budget was released in June.

Over the forward estimates, revenue has been revised down by \$1.1 billion and expenses have been revised up \$427 million due to parameter effects. A significant component (\$340 million) of the expense variation reflects the on-passing of grants received from the Commonwealth.

The net operating balance is now not forecast to return to surplus until 2014–15, two years later than forecast in the 2011–12 Budget. Deficits of \$367 million in 2011–12, \$453 million in 2012–13 and \$348 million in 2013–14 are forecast before a surplus of \$334 million in 2014–15.

Conveyance duty and land tax revenue have been revised down by \$170 million to \$210 million per annum to reflect a softer property market outlook in 2011–12. While the property market is assumed to recover over the next few years, the current weaker than expected conditions have a flow through impact on tax revenue estimates over the forward estimates.

GST revenue has been revised down by \$259 million over four years, largely as a result of the lower GST pool estimates included in the Commonwealth's *2011–12 Mid-Year Economic and Fiscal Outlook* (MYEFO).

The 2011–12 MYBR includes new savings and revenue measures totalling \$141.1 million over four years which more than offset the cost of new policy decisions made since the 2011–12 Budget of \$130.2 million over four years. The individual measures are detailed in Appendix A.

The government remains committed to its significant capital program, with expenditure of \$6.5 billion for the general government sector and \$9.5 billion for the non-financial public sector forecast over the next four years. In addition to the state capital program, more than \$3 billion will be spent on infrastructure associated with the construction of the new Royal Adelaide Hospital and the Adelaide Oval redevelopment.

The deteriorations to the revenue outlook impact directly on net debt, which is expected to grow to over \$5 billion by 2014–15.

The unfunded superannuation liability is valued \$1.9 billion higher than at the 2011–12 Budget due to a decrease in the Commonwealth bond rate used to value the liability and lower than forecast investment earnings.

The increase to net debt and unfunded superannuation liability lead to the increase in the general government net financial liabilities to revenue ratio.

Table 1.1 shows the movement in the key fiscal indicators for the general government sector since the 2011–12 Budget. The table also includes the current indicative projections for 2015–16. The 2015–16 projections include the recognition of the financial obligations for the new Royal Adelaide Hospital on the state's balance sheet, partially offset by a forecast net operating surplus.

Table 1.1: Fiscal Outlook — Budget and Mid-Year Budget Review (\$million)

	2011–12	2012–13	2013–14	2014–15	2015–16
Net operating balance					
Budget	- 263	114	80	655	n.a.
MYBR	- 367	- 453	- 348	334	591
Change	- 103	- 567	- 427	- 321	na
Net lending					
Budget	-1 252	- 489	- 56	542	n.a.
MYBR	-1 519	-1 148	- 500	230	-2 479
Change	- 267	- 659	- 444	- 312	na
Net debt					
Budget	3 825	4 098	4 213	3 615	n.a.
MYBR	4 445	4 751	5 294	5 084	7 744
Change	620	653	1 081	1 469	na
Net debt to revenue ratio (%)					
Budget	24.3	25.3	25.7	20.8	n.a.
MYBR	28.2	30.3	33.0	29.7	42.7
Unfunded superannuation					
Budget	8 742	8 732	8 703	8 652	n.a.
MYBR	10 619	10 577	10 509	10 416	10 294
Change	1 877	1 845	1 806	1 764	na

Note: Totals may not add due to rounding.

Fiscal strategy

The last two Budgets have been framed against the backdrop of a deteriorating world economy. The Global Financial Crisis has had a significant impact on revenues. For this reason, the government has reviewed and updated the underlying fiscal targets on which its budgets are based.

The government is committed to fiscal sustainability.

To achieve sustainability Governments should fund their operating expenses from operating revenues. In practice this does not mean a surplus is required in every year, rather that a surplus should be targeted over the economic cycle.

Debt and other liabilities must be controlled such that the cost of servicing does not consume an increasing proportion of the Budget. By controlling debt and liability growth, flexibility to respond to economic downturns and other external shocks can be preserved.

The government is committed to the prudent fiscal targets set out below.

- Target 1: A net operating surplus by the end of the forward estimates.**
- Target 2: Once surplus is achieved operating expenditure growth will be limited to trend growth in household income.**
- Target 3: Achieve a level of general government net debt that remains affordable over the forward estimates — a maximum ratio of net debt to revenue of 50 per cent.**

The government has previously targeted net financial liabilities to revenue as the means of monitoring the total debt burden of the state. However significant fluctuations in the present value of the unfunded superannuation liability caused by factors outside of the government's control lead to variability in the measure that make useful comparisons difficult.

The net debt of the general government sector is an area of specific focus because the majority of services are provided free of charge or at nominal cost to the user. Given the exclusion of the unfunded superannuation liability from the measure of net debt, it provides a more direct indication of the influence of government policy on the state's fiscal position.

Underpinning the general government debt target the government continues its commitments that:

- Consistent with the government's obligations under the Competition Principles Agreement operations of public corporations that cannot be paid for from their own revenue streams will be funded from the budget
- The defined benefit unfunded superannuation liability will be fully funded by 2034.

Fiscal outlook

The following tables provide details of the key fiscal aggregates.

Table 1.2: General government sector operating statement — 2011–12 to 2014–15 (\$million)

	2011–12 Budget	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Revenue					
Taxation revenue	4 129	3 968	4 214	4 438	4 762
Grants	8 397	8 586	8 245	8 321	8 943
Sales of goods and services	2 054	2 011	2 070	2 121	2 202
Interest income	172	169	167	152	158
Dividend and income tax equivalent income	371	380	387	392	406
Other	605	635	602	604	652
Total revenue	15 727	15 749	15 685	16 028	17 122
<i>less</i>					
Expenses					
Employee expenses	6 606	6 605	6 711	6 837	7 046
Superannuation expenses					
Superannuation interest cost	412	407	397	390	381
Other superannuation expenses	701	708	718	727	744
Depreciation and amortisation	768	751	819	866	948
Interest expenses	366	382	413	446	479
Other property expenses	—	—	—	—	—
Other operating expenses	4 105	4 102	4 173	4 207	4 370
Grants	3 034	3 161	2 908	2 902	2 819
Total expenses	15 990	16 116	16 138	16 375	16 788
<i>equals</i>					
Net operating balance	- 263	- 367	- 453	- 348	334
<i>plus</i>					
Other economic flows	520	-1 091	909	688	638
<i>equals</i>					
Comprehensive result - total change in net worth	257	-1 458	456	340	972
Net operating balance	- 263	- 367	- 453	- 348	334
<i>less</i>					
Net acquisition of non-financial assets					
Purchases of non-financial assets	2 125	2 181	1 945	1 232	1 139
<i>less</i> Sales of non-financial assets	369	277	431	213	86
<i>less</i> Depreciation	768	751	819	866	948
<i>plus</i> Change in inventories	—	—	—	—	—
<i>plus</i> Other movements in non-financial assets	—	—	—	—	—
<i>equals</i> Total net acquisition of non-financial assets	988	1 153	695	152	105
<i>equals</i>					
Net lending / borrowing	-1 252	-1 519	-1 148	- 500	230

Note: Totals may not add due to rounding.

The major contributors to the comprehensive result (total change in net worth) are the movement in the value of net assets of public financial corporations and public non-financial corporations and the revaluation of the state's unfunded superannuation liability. Under the GFS accounting framework these variations are not recorded as operating revenues or expenses, rather they are classified as other economic flows. A more detailed reconciliation of other economic flows appears in Table B.16 of Appendix B. A detailed discussion on the updated revenue and expenditure budget estimates is included later in this chapter.

The following tables outline changes to the net operating balance and net lending since the 2011–12 Budget classified as policy or parameter items. Policy items are decisions taken by the government since the 2011–12 Budget. Parameter items are generally variations outside the government's control.

Table 1.3: Net operating balance — policy and parameter variations since the 2011–12 Budget (\$million)

	2011–12	2012–13	2013–14	2014–15
Estimate at 2011–12 Budget	- 263	114	80	655
Parameter and other variations				
Revenue — taxation	- 168	- 228	- 212	- 172
Revenue — other	187	- 290	- 141	- 72
Operating expenses	- 153	- 92	- 91	- 90
Net effect of parameter and other variations	- 134	- 610	- 444	- 334
Policy measures				
Revenue measures — taxation	8	29	—	—
Revenue measures — other	- 9	- 5	- 5	- 5
Revenue offsets — other	5	2	- 7	- 7
Operating expenses	1	- 5	6	4
Net effect of policy measures	5	20	- 6	- 8
Use of provisions set aside in the 2011–12 Budget				
Operating expenses	26	23	23	22
Estimate at the 2011–12 Mid-Year Budget Review	- 367	- 453	- 348	334

Note: Totals may not add due to rounding.

Table 1.4: Net lending — policy and parameter variations since the 2011–12 Budget (\$million)

	2011–12	2012–13	2013–14	2014–15
Estimate at 2011–12 Budget	-1 252	- 489	- 56	542
Net effect of operating variations after the 2011–12 Budget	- 103	- 567	- 427	- 321
Investing variations — net acquisition of non-financial assets				
Net effect of parameter variations	- 139	- 88	- 55	10
Net effect of policy variations	- 26	- 4	39	- 2
Total investing variations	- 164	- 92	- 16	8
Use of provisions set aside in the 2011–12 Budget				
Net capital investment expenditure	—	—	—	—
Estimate at the 2011–12 Mid-Year Budget Review	-1 519	-1 148	- 500	230

Note: Totals may not add due to rounding.

Table 1.5: Major revenue and expense variations (parameter and other only) since the 2011–12 Budget (\$million)

	2011–12	2012–13	2013–14	2014–15
Revenue — Taxation				
Payroll tax	-10	-3	3	6
Conveyances	-166	-183	-181	-149
Land tax	-2	-27	-23	-19
Guarantee fees and other property taxes	-10	-11	-9	-10
Gambling tax	-1	1	3	5
Insurance taxes	14	1	2	2
Motor vehicle taxes	8	-6	-6	-6
Total taxation revenue	-168	-228	-212	-172
Revenue — Other				
GST revenue grants	-76	-19	-98	-67
Commonwealth specific purpose and national partnership grants				
- Current grants	-168	-9	82	113
- Capital grants	426	-125	16	7
Other contributions and grants	6	-8	-7	-8
Dividends and income tax equivalents	15	-18	-15	-3
Sales of goods and services	-28	-41	-34	-30
Interest income	-2	-29	-41	-41
Royalties	-7	-9	-9	-9
Other revenue	21	-33	-35	-34
Total other revenue	187	-290	-141	-72
Operating expenses				
Nominal superannuation interest expense	4	12	17	21
Depreciation	17	16	15	13
Interest Expense	-16	7	-5	-35
Carryovers	-198	-7	-9	—
On-passing of Commonwealth funding for the Adelaide Desalination Plant	-76	—	—	—
On-passing of Specific Purpose Commonwealth funding for non-government schools	-13	-46	-81	-124
Provision for operating slippage	150	—	—	—
Other variations	-21	-74	-27	35
Total operating expenses	-153	-92	-91	-90
Net capital investment expenditure				
Carryovers	-80	-49	-4	—
Depreciation expense	-17	-16	-15	-13
Other variations	-42	-23	-36	23
Total net capital investment expenditure	-139	-88	-55	10

Note: Totals may not add due to rounding.

Operating revenue

Policy measures

The 2011–12 Mid-Year Budget Review (MYBR) incorporates policy measures up to 28 November 2011.

The government will defer the abolition of stamp duty on non-real property transfers by one year to 1 July 2013 which is expected to raise around \$28.5 million in 2012–13. The government's decision to offer free car parking for two hours at all hospital car parks where fees have been introduced has a \$4.2 million per annum impact on revenue.

A summary of total revenue measures by agency is shown in table 1.6. Further detail on policy measures is provided in Appendix A.

Table 1.6: Revenue measures (\$million)^(a)

Agency	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Revenue measures — taxation				
Defer abolition of stamp duty on non-real property transfers	7.5	28.5	—	—
Total revenue measures — taxation	7.5	28.5	—	—
Agency revenue measures				
Courts	-1.2	—	—	—
Environment Protection Authority	-0.7	—	—	—
Health and Ageing	-4.2	-4.2	-4.2	-4.2
Planning, Transport and Infrastructure	-2.1	-1.2	-0.9	-1.1
Primary Industries and Regions	-0.4	—	—	—
Total agency revenue measures	-8.7	-5.4	-5.2	-5.3
Total revenue measures	-1.2	23.1	-5.2	-5.3

Note: Totals may not add due to rounding.

(a) Excludes revenue offsets.

Parameter and other variations

Taxation revenue

Total general government sector taxation revenue has been revised down across all years since the 2011–12 Budget. The revisions are mainly due to a softer outlook for the property market in 2011–12 which impacts on conveyance duty and land tax revenues. Revisions to taxation revenues from 2012–13 incorporate the estimated impact of the proposed Olympic Dam expansion and the introduction of a price on carbon from 1 July 2012.

Conveyance duty and land tax revenues have been revised down in all years to reflect a softer property market outlook in 2011–12. While the property market is assumed to recover over the next few years, the current weaker than expected conditions have a flow through impact on tax revenue estimates over the forward estimates.

The 2011–12 Budget assumed that property market turnover in 2011–12 would rebound from the low levels experienced in 2010–11, as first home buyer numbers returned to more normal levels and confidence in the global financial market improved. However, both property market turnover and growth in property values have been lower than anticipated. This has resulted in weaker than expected collections from conveyance duty over the first few months of 2011–12.

The forward estimates assume that the level of property transfers will rebound and return to long-term trend levels by 2015–16.

The revised outlook for the property market includes some real-terms correction to property prices in 2011–12. Property prices are then assumed to grow in-line with growth in household income from 2012–13. These revisions to property prices also impact on land tax revenue from 2012–13.

Although conveyance duty revenues have been revised down in all years, strong year on year growth in revenue is still expected from 2012–13. An improvement in consumer and investor confidence as European debt concerns are addressed, first homebuyers re-entering the market from their low levels and preliminary work on the Olympic Dam expansion are all expected to provide underlying support for the property market from 2012. Strong growth rates also reflect the low starting level for property market transfers compared with historic levels.

Revenue from guarantee fees and other property taxes have been revised down in all years mainly due to a lower forecast guarantee fee rate on SA Water borrowings from 2011–12.

Payroll tax collections have been revised down in 2011–12 and 2012–13, and up from 2013–14. The downward revision to payroll tax revenue in 2011–12 reflects the flow through impact of lower than expected collections in 2010–11 and is consistent with the softer employment outlook in 2011–12 than previously expected. An improved outlook for employment growth from 2013–14 is expected to result in stronger payroll tax collections.

Revenue from motor vehicle taxes has been revised up in 2011–12 due to an upward revision to motor vehicle registration revenue. The upward revision is partially offset by lower than expected revenue from stamp duty revenue on motor vehicle transfers reflecting year to date experience. The downward revision to motor vehicle stamp duty revenue flows through across the forward estimates.

An upward revision to nominal household consumption expenditure growth from 2012–13 contributes to slightly stronger gambling tax revenues over the forward estimates.

Insurance duty revenue estimates have been revised up in 2011–12 due to a once-off payment of back taxes related to some insurance policies.

GST revenue grants

South Australia's GST revenue grants have been revised in all years mainly to reflect revised estimates of the national GST pool available for distribution amongst the states consistent with GST forecasts set out in the Commonwealth Government's *2011–12 Mid-Year Economic and Fiscal Outlook*.

The Commonwealth revised down its estimates of the GST pool by between \$850 million and \$700 million per annum relative to estimates contained in the *2011–12 Commonwealth Budget*.

South Australia's GST revenue grants also include revisions to South Australia's estimated share of the GST pool to reflect updated information on the relative fiscal capacities of Australian jurisdictions and revised population share projections for South Australia.

South Australia's share of the GST pool from 2012–13 is impacted by the revised timing of a number of national partnership grant payments, including funding for the Adelaide Desalination Plant and the Commonwealth's decision to bring forward road and rail funding.

Commonwealth specific purpose and national partnership grants

Current grants have been revised down in 2011–12 and 2012–13 and up from 2013–14.

The downward revisions to current grants in 2011–12 and 2012–13 is mainly due to a reclassification of Commonwealth funding for the Adelaide Desalination Plant from current grants to capital grants to better reflect the purpose of this funding.

Current grants have also been revised down in 2011–12 in recognition that the Commonwealth Government prepaid a financial assistance grant to local government for 2011–12 in 2010–11. These grants are passed through State government accounts.

Specific purpose funding to non-government schools has been revised up in all years consistent with estimates from the Commonwealth. These revisions account for the upward revision to total current grant funding from 2013–14. This funding is fully on-passed to the non-government school sector.

Revisions to capital grants revenue estimates are mainly due to the reclassification of a number of Commonwealth funding programs from current grants to capital grants as well as the revised timing for the payment of some grants by the Commonwealth.

The significant revisions to capital grants in 2011–12 and 2012–13 mainly relate to:

- the Commonwealth's decision to bring forward road and rail national partnership funding from 2012–13 to 2011–12
- Commonwealth funding for the Adelaide Desalination Plant, which includes a payment previously expected in 2010–11 but now due in 2011–12 and the reclassification of existing funding from current grants to capital grants.

Other contributions and grants

Other contributions and grants have been revised up in 2011–12 mainly due to the reclassification of some health related revenue and primary industry research revenue from sales of goods and services to other contributions and grants and higher than expected donations to state hospitals for the purchase of hospital equipment.

Other contributions and grants have been revised down over the forward estimates due to revised revenue and related expenditure for a number of environmental programs.

Royalties

Royalty revenue estimates have been revised down over the forward estimates, mainly reflecting the impact of a stronger Australian dollar and lower oil and gas price projections on petroleum royalty revenue.

Total royalty revenue revisions from minerals are relatively minor in 2011–12 and across the forward estimates. While upward revisions to Australian dollar projections over the forward estimates and revised production estimates for new mines had a negative impact on royalty estimates, this impact is largely offset by an increase in the market value of heavy mineral sands due to strong demand for zircon.

Sales of goods and services

Revenue from sales of goods and services has been revised down over the forward estimates mainly due to downward revisions to land services regulatory fees reflecting the softer than expected property market conditions in 2011–12.

Interest income

Interest income is estimated using projections of interest rates applicable to government financial assets. Compared with the estimates in the 2011–12 Budget, interest income has been revised downwards in all years as a result of lower than forecast interest rates on cash balances.

Dividend and income tax equivalent income

Distributions from public non-financial corporations and public financial corporations have been revised up in 2011–12 and down in the out years.

Distributions from SA Water have been revised up across the forward estimates. The upward revision in 2011–12 mainly reflects delays in the Adelaide Desalination Plant achieving the first water milestone, with a reduction in interest costs and guarantee fees contributing to higher distributions in all years.

This upward revision to distributions is partially offset in 2011–12 and fully offset in the out years by a downward revision to Forestry SA's 2011–12 estimated distribution and lower than expected distributions from the Land Management Corporation (LMC) across the forward estimates.

Forestry SA's distribution has been revised down in 2011–12 due to lower sales expectations due to prevailing conditions in the domestic structural timber market and increased harvesting and transport costs.

The downward revision to LMC distributions reflects the revised timing of, and net sales revenue from, various developments, including Blakeview, Evanston Gardens, Playford Alive and the Port Adelaide Waterfront Development as well as the decision not to proceed with the planned development at Hackham.

Other revenue

Expiation fee revenue has been revised down in all years reflecting changes in driver behaviour. Other revenue has also been revised down due to the reclassification of revenue from telecommunications activity reimbursed from external parties to the sales of goods and services line. These downward revisions are more than offset in 2011–12 by the expected sale of the royalty stream for a prescription drug licence arrangement, with a consequential reduction in expected annual revenues over the forward estimates.

Expenditure

Policy measures

The 2011–12 Mid-Year Budget Review (MYBR) incorporates policy measures up to 28 November 2011. This section provides a summary of the measures by agency. Full details of all expenditure measures, including revenue offsets, are shown in Appendix A.

The MYBR contains operating initiatives in the general government sector totalling \$98.8 million over four years. The major items include the establishment of a Resources Unit in the Department for Health and Ageing to support improved financial management, and additional support for the establishment and ongoing operation of an Independent Commission Against Corruption, including an Office of Public Integrity. Additional operational support is also provided to the Royal Zoological Society of South Australia.

Table 1.7: Operating initiatives (\$million)^(a)

Agency	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Attorney-General	- 2.6	- 6.4	- 4.1	- 3.5
Auditor-General	—	—	—	—
Communities and Social Inclusion	- 2.5	- 1.0	- 2.0	- 2.1
Correctional Services	—	—	—	—
Courts	—	—	—	—
Defence SA	—	—	—	—
Education and Child Development	- 3.1	- 7.1	- 3.2	- 1.8
Electoral Commission	—	—	—	—
Emergency Services — CFS	—	—	—	—
Emergency Services — MFS	- 0.4	- 1.2	- 1.2	- 1.2
Emergency Services — SAFECOM	—	—	—	—
Emergency Services — SES	—	—	—	—
Environment and Natural Resources	- 1.4	- 4.3	- 2.1	- 2.2
Environment Protection Authority	- 0.3	—	—	—
Further Education, Employment, Science and Technology	—	—	—	—
Health and Ageing	- 3.4	- 4.8	- 3.7	- 3.8
Legislature	—	—	—	—
Manufacturing, Innovation, Trade, Resources and Energy	—	—	—	—
Planning, Transport and Infrastructure	- 0.3	- 1.9	- 2.0	- 0.2
Police	—	—	—	—
Premier and Cabinet	- 0.7	—	—	—
Primary Industries and Regions	—	—	—	—
South Australian Motor Sport Board	- 6.2	- 0.9	—	—
Tourism	- 1.2	- 0.1	- 0.1	- 0.1
Treasury and Finance	1.1	2.1	- 0.1	- 3.0
Water	—	—	—	—
Zero Waste	—	—	—	—
Across Government				
Shop trading hours arrangements	—	- 5.1	- 5.3	- 5.5
Total Operating initiatives	- 20.9	- 30.6	- 23.7	- 23.6

Note: Totals may not add due to rounding.

(a) Excludes depreciation on investing initiatives.

Savings measures in the general government sector totalling \$105.1 million over four years are reflected in the 2011–12 MYBR. These are shown by agency in Table 1.8. The major savings measures include extending the time to meet the Recruit 300 target from four years to six years, the reversal of the decision to establish the Southern Community Justice Court, the introduction of a 1.5 per cent Information and Communication Technology efficiency measure (phased in over two years from 2012–13) and the abolition of the Renewable Energy Fund.

Table 1.8: Savings measures (\$million)^(a)

Agency	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Attorney-General	2.8	3.1	3.1	3.8
Auditor-General	—	—	—	—
Communities and Social Inclusion	—	1.0	1.0	1.0
Correctional Services	—	—	—	—
Courts	—	—	—	—
Defence SA	—	—	—	—
Education and Child Development	—	—	—	—
Electoral Commission	—	—	—	—
Emergency Services — CFS	—	—	—	—
Emergency Services — MFS	—	—	—	—
Emergency Services — SAFECOM	—	—	—	—
Emergency Services — SES	—	—	—	—
Environment and Natural Resources	—	0.5	0.5	0.5
Environment Protection Authority	—	—	—	—
Further Education, Employment, Science and Technology	—	—	—	—
Health and Ageing	—	—	—	—
Legislature	—	—	—	—
Manufacturing, Innovation, Trade, Resources and Energy	8.2	4.9	1.5	1.5
Planning, Transport and Infrastructure	—	—	—	—
Police	11.1	12.1	15.7	13.3
Premier and Cabinet	—	—	0.5	0.5
Primary Industries and Regions	—	—	—	—
Tourism	—	1.2	1.2	1.2
Treasury and Finance	—	—	—	—
Water	—	—	—	—
Zero Waste	—	—	—	—
Across Government				
Information and Communication Technology efficiencies	—	2.9	5.9	6.0
Total Saving measures	22.1	25.7	29.3	27.9

Note: Totals may not add due to rounding.

(a) Excludes depreciation on investing initiatives.

Investing initiatives included in the 2011–12 MYBR result in an overall reduction in investing payments of \$8.5 million over four years. Expenditure of \$66.5 million, primarily for expanded works as part of the Southern Expressway duplication and metropolitan hospital car park infrastructure, has been more than offset by the deferral of the Darlington Interchange project, which reduces payments by \$75.0 million in 2013–14.

Table 1.9: Investing initiatives (\$million)

Agency	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Attorney-General	0.7	2.9	—	—
Auditor-General	—	—	—	—
Communities and Social Inclusion	- 0.1	—	—	—
Correctional Services	—	—	—	—
Courts	—	—	—	—
Defence SA	—	—	—	—
Education and Child Development	—	—	—	—
Electoral Commission	—	—	—	—
Emergency Services — CFS	—	—	—	—
Emergency Services — MFS	—	—	—	—
Emergency Services — SAFECOM	—	—	—	—
Emergency Services — SES	—	—	—	—
Environment and Natural Resources	—	—	—	—
Environment Protection Authority	—	—	—	—
Further Education, Employment, Science and Technology	—	—	—	—
Health and Ageing	- 7.6	—	—	—
Legislature	—	—	—	—
Manufacturing, Innovation, Trade, Resources and Energy	—	—	—	—
Planning, Transport and Infrastructure	- 16.7	- 8.2	38.5	- 0.5
Police	0.1	1.6	1.0	- 1.2
Premier and Cabinet	- 2.0	—	—	—
Primary Industries and Regions	—	—	—	—
Tourism	—	—	—	—
Treasury and Finance	—	—	—	—
Water	—	—	—	—
Zero Waste	—	—	—	—
Total Investing initiatives	- 25.6	- 3.7	39.5	- 1.7

Note: Totals may not add due to rounding.

Further detail on these policy measures is available in Appendix A.

Parameter and other variations

A number of parameter changes contribute to the variations in projected expenses and investing payments in 2011–12 and across the forward estimates including:

- the carryover of expenditure from 2010–11 to 2011–12 and the forward years (over and above the carryovers already reflected in the 2011–12 Budget)
- revision to provisions for service delivery costs such as the latest projections for school enrolments
- the on-passing of grants received from the Commonwealth to non-government schools and SA Water
- adjustments for enterprise bargaining outcomes and provisions
- revised timing of expenditure for a range of capital projects, predominantly relating to Transport
- revision to estimates of depreciation expense reflecting latest asset values
- revision to interest expense reflecting latest estimates of interest rates and gross debt
- revision to nominal superannuation interest expense reflecting the impact of revised assumptions and investment returns

- variations to accounting treatment for some transactions that have no net budget impact but vary both expenses and revenue
- the reclassification of some transactions in accordance with accounting standards.

The 2011–12 MYBR also includes a provision for operating slippage of \$150 million in 2011–12, reflecting the tendency, on a whole of government basis, for underspending against approved programs and initiatives in the current financial year.

In addition, the 2011–12 MYBR also includes a provision for the impact on budget expenditures, of the introduction of a carbon price from 1 July 2012. The provision reflects the anticipated increase in electricity and gas costs and impacts on rail, bus and remote diesel fuel. Full details of this funding will be reflected in the 2012–13 Budget.

Financial position

Tables 1.10 and 1.11 show the updated estimates for key balance sheet indicators for both the general government and non-financial public sectors.

Table 1.10: Key balance sheet indicators — general government sector

As at 30 June	2011 Outcome	2012 Budget	2012 MYBR	2013 Estimate	2014 Estimate	2015 Estimate
Net debt						
\$m	2 930	3 825	4 445	4 751	5 294	5 084
% of total revenue	19.5	24.3	28.2	30.3	33.0	29.7
Unfunded superannuation						
\$m	9 096	8 742	10 619	10 577	10 509	10 416
% of total revenue	60.6	55.6	67.4	67.4	65.6	60.8
Net financial liabilities						
\$m	14 313	15 029	17 489	17 978	18 656	18 588
% of total revenue	95.3	95.6	111.0	114.6	116.4	108.6
Net financial worth						
\$m	7 299	5 578	4 635	4 313	4 409	5 234
% of total revenue	48.6	35.5	29.4	27.5	27.5	30.6
Net worth						
\$m	40 958	37 713	39 500	39 956	40 296	41 268
% of total revenue	272.7	239.8	250.8	254.7	251.4	241.0

Table 1.11: Key balance sheet indicators — non-financial public sector

As at 30 June	2011 Outcome	2012 Budget	2012 MYBR	2013 Estimate	2014 Estimate	2015 Estimate
Net debt						
\$m	6 541	7 922	8 453	8 738	9 141	8 963
% of total revenue	41.0	47.1	50.4	52.1	53.3	49.2
Unfunded superannuation						
\$m	9 096	8 742	10 619	10 577	10 509	10 416
% of total revenue	57.0	51.9	63.2	63.1	61.3	57.2
Net financial liabilities						
\$m	18 273	19 465	21 827	22 216	22 751	22 706
% of total revenue	114.5	115.6	130.0	132.5	132.7	124.6
Net financial worth						
\$m	-18 402	-19 381	-21 988	-22 188	-22 557	-22 367
% of total revenue	-115.3	-115.1	-131.0	-132.3	-131.6	-122.8
Net worth						
\$m	40 958	37 713	39 500	39 956	40 296	41 268
% of total revenue	256.6	224.0	235.3	238.3	235.1	226.5

Net debt

General government net debt is forecast to be \$4445 million at 30 June 2012. This is an increase of \$620 million from that estimated at the time of the 2011–12 Budget (\$3825 million).

Estimated net debt has deteriorated across the forward estimates compared to 2011–12 Budget estimates. Estimated net debt at 30 June 2015 is \$1469 million higher than previously forecast. The main reason for this change has been lower revenue forecasts for taxation and GST.

The general government sector net debt to revenue ratio at 30 June 2012 and across the forward estimates is estimated to be higher than forecast in the 2011–12 Budget. This reflects the net debt and revenue variations as discussed above.

Non-financial public sector net debt as at 30 June 2012 is expected to be \$8.5 billion, \$531 million higher than estimated in the 2011–12 Budget due mainly to the impact of the general government sector debt. Non-financial public sector net debt is expected to increase over the forward estimates, peaking at \$9.1 billion in 2013–14 before decreasing to \$9.0 billion by 30 June 2015.

Public non-financial corporations are estimated to contribute \$4.0 billion to the non-financial public sector net debt at 30 June 2012; \$89 million lower than forecast in the 2011–12 Budget.

Unfunded superannuation

The estimated unfunded superannuation liability at 30 June 2012 and across the forward years has increased since the 2011–12 Budget. The increase is due to:

- a decrease in the long-term Commonwealth Bond rate used as the discount rate to value the superannuation liability in accordance with Australian accounting standards. The discount rate used in the 2011–12 MYBR is based on the prevailing annualised bond rate of 4.7 per cent compared with 5.6 per cent at the time of the 2011–12 Budget. The lower discount rate results in an increase in the present value of future superannuation obligations of \$1582 million between the 2011–12 Budget and the 2011–12 MYBR
- lower than expected returns on superannuation assets in 2011–12 compared with 2011–12 Budget assumptions. Earnings on superannuation assets for 2011–12 are currently projected to be 2.2 per cent, compared with 7.0 per cent assumed at the time of the 2011–12 Budget. The impact of lower earnings on the estimated superannuation liability as at 30 June 2012 is an increase in the liability of \$295 million. The assumed annual earnings rate beyond the 2011–12 year continues to be 7.0 per cent.

The net result of the variations in earnings and discount rates and other minor adjustments is an increase of \$1877 million in the estimated unfunded superannuation liability at 30 June 2012 compared with the estimate in the 2011–12 Budget. The unfunded superannuation liability is now expected to be \$10.6 billion at 30 June 2012, remaining relatively steady over the forward estimates.

It should be noted that the unfunded superannuation liability is a long-term liability. While financial market volatility in the recent past has resulted in multibillion dollar revisions to the value of the liability recorded on the balance sheet, there has been no material change in the actual expected payments to beneficiaries underlying liability.

The change in the book value of the liability resulting from the updated assumptions is reflected in the operating statement under other economic flows (refer to Table 1.2 earlier in this chapter and Table B.16 in Appendix B).

The government remains committed to its target to fully fund the defined benefit unfunded superannuation liability by 2034.

Net financial liabilities to revenue ratio

The general government sector's net financial liabilities to revenue ratio at 30 June 2012 and across the forward estimates is estimated to be higher than forecast in the 2011–12 Budget. This reflects the increases in net debt and the unfunded superannuation liability, and revenue deteriorations.

The valuation of the unfunded superannuation liability, and hence net financial liabilities, is very sensitive to the discount rate used to discount benefit payments. Table 1.12 sets out the net financial liabilities to revenue ratio based on the different discount rate assumptions.

Table 1.12: Sensitivity of general government sector NFL to revenue ratio to discount rate (%)

Discount Rate (%)	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
4.7	111.0	114.6	116.4	108.6
6.0	96.8	97.5	103.0	96.4
7.5	84.3	85.5	91.1	85.5

The net financial liabilities to revenue ratio is projected to remain steady over the forward estimates.

Net financial worth

The estimate for net financial worth at 30 June 2012 and across the forward estimates has decreased since the 2011–12 Budget due largely to an upwards revaluation of the state's unfunded superannuation liability and an increase in borrowings, partially offset by an increase in the value of net assets of public financial corporations and public non-financial corporations.

Net worth

The estimate for net worth at 30 June 2012 and across the forward estimates has increased since the 2011–12 Budget mainly due to an adjustment to incorporate an additional \$1823 million for previously unrecognised land under roads acquired prior to 1 July 2008 by the Department for Transport, Energy and Infrastructure. Under the accounting standard AASB 1051 *Land Under Roads*, reporting entities can elect not to recognise land under roads acquired prior to 1 July 2008, however, Government Finance Statistics (GFS) principles override this option for whole of government and general government reporting.

Chapter 2: The economic context

Since the Budget was announced in May, downside risks to global economic growth have intensified beyond expectation, due primarily to sovereign debt and banking issues in some European countries. The failure to speedily resolve these issues has led to high levels of volatility in financial markets, with fiscal tightening, reduced confidence and high unemployment weighing heavily on domestic demand in those areas. There have been downward revisions to world economic growth forecasts by the International Monetary Fund (IMF) and the Organisation for Economic Co-operation and Development (OECD), reflecting the very weak rates of growth expected in the developed economies.

Economic growth remains solid in Asia, including China, although there has been a tightening of macroeconomic policy over the past year or so in response to a pick-up in inflation in the region.

Although the Australian economy continues to grow at a moderate pace, conditions vary significantly across sectors. While the mining-related sectors of the economy are performing strongly, others such as tourism, manufacturing, building construction and retail are finding the economic environment challenging. The subdued growth in the non-mining sectors of the economy, which account for the bulk of employment, is evidenced by the softer than expected labour market outcomes experienced over the course of the past year. Nationally, annual trend employment growth has slowed to 0.8 per cent in October, compared with strong 3.4 per cent growth a year earlier.

Against the backdrop of deteriorating global economic and financial conditions, the Commonwealth Treasury in the Mid-Year Economic and Fiscal Outlook has revised down its forecasts for the Australian economy. Australian GDP is forecast to grow by $\frac{3}{4}$ per cent in both 2011–12 and 2012–13, reflecting a downward revision compared with Budget of $\frac{3}{4}$ of a percentage point and $\frac{1}{2}$ of a percentage point, respectively. Although softer than at Budget time, the economic growth forecasts remain solid relative to other developed economies. In line with an outlook for moderating economic growth, employment growth forecasts have also softened, rising by 1 per cent in 2011–12 and $1\frac{1}{2}$ per cent in 2012–13.

The South Australian economy is also experiencing variable conditions across sectors, with mining and agriculture in particular quite strong. Mineral exploration has rebounded strongly from a downturn experienced after the onset of the global financial crisis, and in the June quarter 2011 was 76 per cent higher than a year ago. Overseas goods export volumes are at high levels, rising by 25 per cent in the full year to September 2011 compared with the previous year to September 2010. On the other hand, sectors such as retailing and the property markets remain weak due to more cautious household spending and borrowing on the back of uncertainty around developments in the European economies and increased volatility in global financial markets.

Growth in State Final Demand (SFD) has slowed through the course of 2011 reflecting the unwinding of fiscal stimulus measures and a reduction in housing construction activity. Household consumption spending in South Australia has been subdued against a backdrop of consumer caution but picked up in the September quarter 2011 and was a significant contributor to SFD growth over the past year. New business investment has grown solidly over the past twelve months in South Australia, driven by spending on new machinery and equipment.

The farm sector looks set for a third successive year of good growing conditions. Estimates of South Australian winter crop production prepared by the Australian Bureau of Agricultural and Resource Economics and Sciences indicate a 17 per cent decline in crop production in 2011–12 from the record 2010–11 level, but this would still be a strong result, 47 per cent above the five year average.

South Australian employment growth slowed through the middle of 2011 but annual employment growth of 0.8 per cent as at November was slightly above the national average (0.6 per cent) and the State's unemployment rate of 5.3 per cent was equal to the national rate.

Overall economic conditions are weaker than expected at Budget time. For 2011–12, forecast GSP growth has been revised down to 2¼ per cent (from 2¾ per cent at Budget time) reflecting reduced consumer spending and more subdued demand conditions in the non-mining sectors of the economy. While some pre-commitment expenditure related to the proposed Olympic Dam expansion may occur in the second half of 2011–12, SFD growth has also been revised down slightly since Budget time to 2½ per cent. Employment growth is forecast to increase by 1 per cent in 2011–12, also lower than expected at Budget time.

Forecasts and projections for South Australia from 2012–13 onwards take into consideration the expected performance of the national economy over the medium term, relative population growth rates and the impact of major known and approved projects, in particular the impacts of the construction phase of the Olympic Dam mine expansion.

Table 2.1: Key economic indicators — Australia and South Australia real growth rates (% per annum)

	2010–11 Actual	2011–12 Budget Forecast	2011–12 Revised Forecast	2012–13 Forecast	2013–14 Projection	2014–15 Projection
Australia^(a)						
Gross Domestic Product (GDP)	2.1	4	3¼	3¼	3	3
South Australia						
Gross State Product (GSP)	2.4	2¾	2¼	3	3¼	3
State Final Demand (SFD)	1.2	2¾	2½	3¾	3¼	3
Employment	1.8	1½	1	1½	1¾	1½
Adelaide Consumer Price Index (CPI)	3.2	3	3¼	3	2¾	2½

Note Forecasts and projections are based largely on underlying national economic and state population trends, climatic conditions impacting on farm sector production and emerging major projects. An allowance for the impacts of the proposed Olympic Dam expansion and the introduction of a price on carbon is also incorporated. In relation to the carbon price, the Australian Government's assessment outlined in the Mid-Year Economic and Fiscal Outlook 2011–12 is that the introduction of the carbon price is not expected to have a material impact on the economic outlook. In addition to the one-off increase in headline inflation, the carbon price is expected to reduce real GDP and employment growth by less than a ¼ of a percentage point in 2012–13.

(a) Australian forecasts from Commonwealth Treasury Mid-Year Economic and Fiscal Outlook 2011–12.

Appendix A: Policy measures by agency

Overview

This appendix describes the expenditure, savings and revenue decisions in the general government sector since the 2011–12 Budget.

Expenditures are recorded as negative items, while savings and revenues are recorded as positive items.

Initiatives and savings are ongoing in nature unless an explicit Cabinet decision is made to the contrary.

Table A.1: Policy measures (\$million)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
New savings and revenue measures				
Revenue measures — taxation	7.5	28.5	—	—
Operating savings	22.1	25.7	29.3	27.9
New policy decisions				
Revenue measures — other	- 8.7	- 5.4	- 5.2	- 5.3
Revenue offsets	4.7	2.1	- 6.7	- 7.0
Operating expenses ^(a)	- 20.9	- 30.6	- 23.7	- 23.6
Total operating initiatives	4.8	20.3	- 6.3	- 8.0
Total investing initiatives	- 25.6	- 3.7	39.5	- 1.7

Note: Totals may not add due to rounding.

(a) Excludes depreciation on investing initiatives.

The 2011–12 MYBR includes new savings and revenue measures totalling \$141.1 million over four years which more than offset the cost of new policy decisions made since the 2011–12 Budget of \$130.2 million over four years. The new savings and revenue measures are summarised in Table A.2.

The individual measures are described in more detail later in the Appendix.

Table A.2: New savings and revenue measures (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Revenue measures — taxation				
Defer abolition of stamp duty on non-real property transfers	7 500	28 500	—	—
Operating savings				
Across government				
Information and Communication Technology efficiencies	—	2 900	5 900	6 000
Administered Items for the Attorney-General's Department				
Southern Community Justice Court — not proceeding	2 786	3 060	3 082	3 842
Department for Communities and Social Inclusion				
Social Inclusion Unit — efficiencies	—	1 000	1 000	1 000
Department of Environment and Natural Resources				
Sustainability and Climate Change Division — efficiencies	—	500	500	500
Department of Manufacturing, Innovation, Trade, Resources and Energy				
Manufacturing industries support — reduced	—	1 500	1 500	1 538
Renewable Energy Fund — abolish	8 224	3 439	—	—
South Australia Police				
Recruit 300 — delay finish	11 098	12 133	15 657	13 296
Department of the Premier and Cabinet				
Commissioner for Integrated Design — efficiencies	—	—	500	500
South Australian Tourism Commission				
Operational efficiencies	—	1 200	1 200	1 200
Total net operating balance impact	29 608	54 232	29 339	27 876

Some revenue measures introduced in previous budgets have been delayed or changed compared to their original implementation plan, which has reduced budgeted revenue by \$24.6 million over four years.

- Biosecurity animal health — reduction in revenue of \$400 000 in 2011–12
- Council expiations and matters lodged for relief — reduction in revenue of \$1.2 million in 2011–12
- Diagnostic X-Ray apparatus — reduction in revenue of \$50 000 in 2011–12
- Metropolitan hospitals car parks — 2 hour free parking — reduction in revenue of \$4.2 million per annum
- Radiation permit licence fees — reduction in revenue of \$673 000 in 2011–12
- Unroadworthy vehicles — reduction in revenue of \$2.1 million in 2011–12, \$1.2 million in 2012–13, \$949 000 in 2013–14 and \$1.1 million in 2014–15.

In addition the 2010-11 Budget savings measure to reduce the Family and Community Development program has been reversed — reduction in savings of \$1 million in 2012–13, \$2 million in 2013–14 and \$2.1 million in 2014–15.

Details of these items are presented in the following tables.

Policy measures by agency

Revenue measures — taxation

Defer abolition of stamp duty on non-real property transfers

Budget Implications (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Revenue	7 500	28 500	—	—

The abolition of stamp duty on non-real property transfers will be deferred by one year to 1 July 2013. The government had previously announced that stamp duty on non-real property transfers would be abolished from 1 July 2012.

The government remains committed to the abolition of this tax and the revised timeframe is consistent with the Intergovernmental Agreement on Federal Financial Relations. From 1 July 2013, South Australia will have satisfied all of the terms of this agreement.

There is no change to the planned timetable to abolish stamp duty on the transfer of non-quoted marketable securities, which is scheduled to be abolished from 1 July 2012.

Across government

Information and Communication Technology efficiencies

Budget Implications (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Expenses	—	2 900	5 900	6 000

An Information and Communication Technology (ICT) efficiency measure (phased in from 0.75 per cent in 2012–13 rising to 1.5 per cent in 2013–14) will be applied to agency ICT expenditures. This will result in savings of \$2.9 million in 2012–13 and \$5.9 million (indexed) from 2013–14.

Shop trading hours arrangements

Budget Implications (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Expenses	—	-5 100	-5 300	-5 500

This initiative provides for additional costs across the South Australian public sector associated with the introduction of part public holidays, from 5pm to Midnight on Christmas Eve and New Year's Eve, from 2012.

Attorney-General's Department

Building and Construction Industry Security of Payment

Budget Implications (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Revenue	—	231	234	239
Operating Expenses	—	-231	-234	-239

This initiative provides additional resources of \$231 000 per annum (indexed) from 2012–13 for the ongoing administration of new Building and Construction Industry Security of Payment arrangements.

The *Building and Construction Industry (Security of Payment) Act 2009* ensures that persons carrying out construction work or supplying goods and services under a construction contract will be eligible to receive progress payments. This will improve the rights of small businesses in the building and construction industry.

The additional expenditure will be offset by an increase in licence fees under *the Building Work Contractors Act 1995* and the *Plumbers, Gas Fitters and Electricians Act 1995* by around \$8 from 1 July 2012.

National Business Names Registration regime

Budget Implications (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Revenue	-596	-6 395	-6 594	-6 798
Operating Expenses	—	130	264	269

This initiative recognises revenue foregone by the State and reduced agency expenditure associated with the move to establish a National Business Names Registration (NBNR) regime.

This is one of the reforms agreed under the Seamless National Economy National Partnership Agreement with the Commonwealth and all states and territories.

The NBNR regime will be managed and administered by the Australian Securities and Investments Commission. Existing state and territory business names registrations will be transferred to the NBNR regime on its commencement.

Public Integrity Office and Independent Commission Against Corruption*Budget Implications (\$000)*

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Expenses	-1 883	-5 755	-3 526	-2 933
Investing Payments	-332	—	—	—

This initiative provides additional support for the establishment and ongoing operation of an Independent Commission Against Corruption, including an Office of Public Integrity, over and above the amount provided in the 2011–12 Budget. Total operating resources for this initiative will be \$32 million over five years.

Reform of laws relating to financial powers of attorney*Budget Implications (\$000)*

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Expenses	-722	-591	-607	-622

This initiative provides additional support of around \$600 000 per annum for the Office of the Public Advocate, the Public Trustee, the Guardianship Board and the Legal Services Commission to implement, administer and manage legislative reforms relating to financial powers of attorney and advanced care directives.

Administered items for the Attorney-General's Department

Southern Community Justice Court

Budget Implications (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Expenses	2 786	3 060	3 082	3 842
Investing Payments	1 000	2 900	—	—

The Southern Community Justice Court, announced as part of the 2010–11 Budget, will no longer proceed, to partially offset the cost of the Public Integrity Office and Independent Commission Against Corruption.

Department for Communities and Social Inclusion

Reinstate Family and Community Development Program

Budget Implications (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Expenses	—	-1 000	-2 000	-2 080

This initiative reverses the 2010–11 State Budget Savings measure to reduce the Family and Community Development program.

Seniors Smart Card

Budget Implications (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Expenses	-2 515	-46	-47	-48
Investing Payment	-73	—	—	—

This initiative provides additional support to produce new seniors 'smart cards' which will combine functions of the existing Seniors Card and the new MetroCard used for public transport. Planned distribution of the new Seniors Card will be in 2012 in line with the introduction of the new MetroCard system and will be issued free of charge to all Seniors Card holders.

The additional support will provide for the purchase of card printing equipment, the distribution of approximately 315 000 new cards and 25 000 new and replacement cards per annum.

Social Inclusion Unit

Budget Implications (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Expenses	—	1 000	1 000	1 000

This measure will save \$1.0 million per annum from 2012–13 through a mainstreaming of the social inclusion functions.

Courts Administration Authority

Council Expiations and matters lodged for relief

Budget Implications (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Revenue	-1 216	—	—	—

Delays in the 2010–11 Budget measure to introduce a lodgement fee for council expiations and an application fee for matters lodged for relief with the courts will reduce revenue by \$1.2 million in 2011–12. The fees are now budgeted to commence on 1 July 2012.

Department for Education and Child Development

Literacy and Numeracy reward National Partnership

Budget Implications (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Expenses	-3 109	-5 106	-1 256	—

This initiative allocates Round 1 reward payments received from the Commonwealth government in 2010–11 for government schools under the Literacy and Numeracy National Partnership. The reward payment of \$9.5 million will be spent over three years and will contribute towards a program of teacher development and coaching skills being provided in government schools.

National Curriculum

Budget Implications (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Expenses	—	-2 020	-1 899	-1 816

This initiative provides \$10.5 million additional expenditure authority over the period 2012–13 to 2017–18 including \$7.6 million over the forward estimates to support implementation of the Reception to Year 12 Australian National Curriculum in government schools.

This will enable government schools to meet COAG commitments to teach, assess and report on student achievement using the National Curriculum as it is progressively developed for Reception to Year 12 students up to 2017 and beyond.

South Australian Metropolitan Fire Service

State Fire and Emergency Communications Centre

Budget Implications (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Expenses	-426	-1 211	-1 198	-1 222

The initiative provides additional resources, rising to \$1.2 million per annum from 2012–13, to increase the number of operators in the State Fire and Emergency Communications Centre by two persons per shift to enhance the call receipt and dispatch of resources to emergency incidents.

Department of Environment and Natural Resources

Sustainability and Climate Change Division

Budget Implications (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Expenses	—	500	500	500

This measure will save \$500 000 per annum from 2012–13 through a reduction in support for the Sustainability and Climate Change Division.

Administered Items for the Department of Environment and Natural Resources

Royal Zoological Society of South Australia

Budget Implications (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Expenses	-1 394	-4 277	-2 092	-2 210

This initiative provides additional operational support to the Royal Zoological Society of South Australia. It includes an increase in the annual grant to the Zoo and additional assistance to ensure that it is able to service the interest over five years on the remaining debt to Westpac and the principal and interest payments on the loan held with the State Government.

The annual grant to the Zoo will now be \$4.5 million (indexed).

Environment Protection Authority

Container Deposit Scheme

Budget Implications (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Expenses	-373	—	—	—

Delays in implementing the legislation required to fully implement a 2010–11 Budget measure requiring beverage manufacturers to register labels under the scheme will reduce revenue by \$373 000 in 2011–12. The scheme will now commence on 1 July 2012.

Diagnostic X-Ray apparatus

Budget Implications (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Revenue	-50	—	—	—
Operating Expenses	100	—	—	—

Delays in the implementation of the 2011–12 Budget measure to provide for two additional diagnostic radiographers to assist in reducing the backlog of inspections will result in savings of \$100 000 which are partially offset by a \$50 000 reduction in revenue. Due to complexities with the proposed fee model and significant impact on stakeholders, the implementation of the initiative will be delayed to January 2012.

Radiation permit licence fees

Budget Implications (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Revenue	-673	—	—	—

Delays in implementing new and increased fees for activities requiring a licence and/or registration under the *Radiation Protection and Control Act 1982* will reduce revenue by \$673 000 in 2011–12. The fee increases will now commence in January 2012.

Department for Health and Ageing

Improving Ear Health Services for Indigenous Australian Children

Budget Implications (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Revenue	1 041	770	86	—
Operating Expenses	-718	-1 164	-15	—

This initiative recognises additional revenue from the Commonwealth and associated expenditure of \$1.9 million over three years, commencing in 2011–12, associated with the Council of Australian Governments (COAG) Project Agreement on Improving Ear Health Services for Indigenous Australian Children.

Metropolitan hospitals car parks — 2 hours free parking

Budget Implications (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Revenue	-4 242	-4 242	-4 242	-4 242
Operating Expenses	-200	—	—	—

This initiative reduces car parking revenue by \$4.2 million per annum, following the decision to provide free parking for two hours at all "open air" car parks at the Modbury Hospital, Hampstead Rehabilitation Centre, the Queen Elizabeth Hospital, Noarlunga Hospital, Lyell McEwin Hospital and the Repatriation General Hospital.

This initiative also provides \$200 000 in 2011–12 to change car park signage and communicate the changes.

Metropolitan hospitals car parks — infrastructure

Budget Implications (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Revenue	-6 186	—	—	—
Operating Expenses	-583	-1 022	-1 045	-1 069
Investing Payments	-7 559	—	—	—

This initiative provides additional investing expenditure authority of \$7.6 million in 2011–12 for the purchase and installation of equipment and related civil works associated with the introduction of charging for parking at metropolitan hospitals. Additional expenditure of \$583 000 in 2011–12 and \$1.0 million per annum (indexed) from 2012–13 will be incurred for ongoing operations associated with the car parks.

Revenue has been reduced by \$6.2 million in 2011–12 due to delays in the introduction of car parking fees.

Resources Unit*Budget Implications (\$000)*

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Expenses	-1 875	-2 578	-2 657	-2 740

This initiative provides \$2.5 million per annum (indexed) to establish a Resources Unit in the Department for Health and Ageing to support the delivery of improved financial management and savings measures.

Department of Manufacturing, Innovation, Trade, Resources and Energy**Manufacturing industries***Budget Implications (\$000)*

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Expenses	—	1 500	1 500	1 538

This measure will save \$1.5 million per annum from 2012–13 from the cessation of the Small and Medium Enterprise Investment Development Program and the National Medical Devices Partnering Program.

Renewable Energy Fund*Budget Implications (\$000)*

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Expenses	8 224	3 439	—	—

The Renewable Energy Fund is to be abolished and will save \$11.7 million. The introduction of a price on carbon is designed to drive a reduction in carbon intensity at least cost to the economy, reducing the need to support individual projects.

Department of Planning, Transport and Infrastructure**Building Auditing Regulations***Budget Implications (\$000)*

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Revenue	53	217	224	231
Operating Expenses	-53	-217	-224	-231

This initiative provides two ongoing staff to assist with auditing the building assessment process under section 56B of the *Development Act 1993*. These costs will be funded on a cost recovery basis from developers and other applicants requiring a building rules assessment.

Darlington Interchange deferral*Budget Implications (\$000)*

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Investing Payments	—	—	75 000	—

This initiative recognises the deferral of the construction of a grade separated interchange to connect the Southern Expressway to South Road at Darlington budgeted to cost \$75.0 million.

Design works on the proposed interchange have identified that, in the absence of Commonwealth funding for the proposed Darlington Transport project, the most cost effective interim arrangement for the junction of the Southern Expressway with the South Road at Darlington is to widen the existing signalised junction.

Kangaroo Island Authority and Advisory Board*Budget Implications (\$000)*

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Expenses	-500	-1 750	-1 750	—

This initiative provides \$4.0 million over three years to establish the Kangaroo Island Authority and Kangaroo Island Advisory Board. The Authority will be responsible for strategies to drive increased economic output, infrastructure development and improved coordination of South Australian Government service delivery on Kangaroo Island.

Port Augusta to Olympic Dam Road*Budget Implications (\$000)*

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Revenue	16 800	8 200	—	—
Operating Expenses	—	—	-100	-100
Investing Payments	-16 800	-8 200	—	—

This initiative provides \$25.0 million over two years for construction works to seal the road shoulders of the Stuart Highway and Olympic Dam - Pimba Road from Port Augusta to Olympic Dam. The shoulder sealing will enable safer and more efficient movement of traffic and over-dimension loads associated with the Olympic Dam Expansion project. Revenue of \$25.0 million is being provided by BHP Billiton to reimburse the cost of the project.

Southern Expressway duplication project*Budget Implications (\$000)*

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Investing Payments	—	—	-36 500	-500

This initiative provides \$37.0 million over two years for additional works on the Southern Expressway and associated roads to cater for the future capacity and access of the Expressway, and to rehabilitate the existing carriageway.

The additional works include the increase from three to four lanes for north bound traffic between Reynella and Darlington, widening of Beach Road, additional turning lanes, rehabilitation work on the existing pavement and the duplication and widening of the intersection of the Southern Expressway and South Road at Darlington.

Unroadworthy vehicles*Budget Implications (\$000)*

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Revenue	-2 082	-1 197	-949	-1 083
Operating Expenses	265	105	104	105
Investing Payments	80	—	—	—

This initiative implements the 2010–11 Budget measure to introduce fines for unroadworthy vehicles receiving a defect notice. Expiation fees for breaching a vehicle standards or maintenance requirement are generally increased from \$253 to \$350 and expiation fees for defacing, altering, obscuring or removing a defective vehicle label are increased from \$165 to \$350. A new expiation fee of \$500 has been introduced for driving or causing or permitting a vehicle to be driven or to stand on a road, or selling or otherwise disposing of a vehicle, contrary to the terms of a defect notice. The fee for clearance of a minor defect at a police station has been increased from \$27 to \$52.

This initiative reduces the revenue estimates included in the 2010–11 Budget measure due to operational difficulties in implementing the original proposals, which would have reduced the discretion of the police in dealing with minor vehicle defects. Revised assumptions relating to the number of defect notices issued have led to a reduction in the revenue estimates.

South Australian Police

Recruit 300

Budget Implications (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Expenses	11 098	12 133	15 657	13 296
Investing Payments	133	1 579	983	-1 200

This initiative re-profiles the recruitment of an additional 300 police officers.

The 2010–11 Budget included funding for the Recruit 300 election commitment to employ an additional 300 police officers over four years, to 2013–14. The timing to meet the Recruit 300 target has been extended to six years, with the additional 300 officers now expected to be in place by 2015–16.

Department of the Premier and Cabinet

Commissioner for Integrated Design

Budget Implications (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Expenses	—	—	500	500

This measure will save \$500 000 per annum from 2013–14 through a reduction in funding for the Commissioner for Integrated Design.

South Australian Museum

Budget Implications (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Expenses	-660	—	—	—
Investing Payments	-2 014	—	—	—

This initiative provides additional support of \$2.7 million in 2011–12 to implement a treatment program to protect the South Australian Museum's entomology collection.

An amount of \$2.0 million will be provided to rehouse the collection in cabinets and drawers that have effective insect seals and install a separate filtered air conditioning system. A further \$0.7 million will be provided to fumigate and transfer the collection, and to clean and seal the roof space of the area that houses the collection.

Department of Primary Industries and Regions

Biosecurity animal health

Budget Implications (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Revenue	-400	—	—	—

Revenue forecasts for the 2010–11 Budget savings measure Biosecurity Fee and the Property Identification Code fee have been reduced. Greater consultation is being undertaken with industry to enable its views to be taken into consideration in formulating the required legislative amendments. The delay in commencement of the fees will result in reduced revenue of \$400 000 in 2011–12.

South Australian Tourism Commission

Major Events

Budget Implications (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Expenses	-1 150	-80	-60	-139

This initiative provides additional funding of \$1.4 million over the four years to the South Australian Tourism Commission to attract and support major events in South Australia.

South Australian Tourism Commission — operational efficiencies

Budget Implications (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Expenses	—	1 200	1 200	1 200

This measure saves \$1.2 million per annum through a combination of administration efficiencies with the South Australian Tourism Commission.

Department of Treasury and Finance

Casino Taskforce

Budget Implications (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Expenses	-100	—	—	—

This initiative provides \$100 000 in 2011–12 to the Casino Taskforce to retain the services of a commercial advisor.

Shared Services SA — Health e-procurement implementation delay

Budget Implications (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Expenses	-2 000	—	—	—

Changes to the implementation schedule of Oracle business software by the Department for Health and Ageing have delayed the deployment of the Shared Services SA e-Procurement initiative to the department. This has resulted in reduced savings of \$2.0 million in 2011–12.

Shared Services SA — ICT transition

Budget Implications (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Expenses	3 221	2 133	-86	-3 000

The transfer of agencies' Information and Communication Technology (ICT) services to Shared Services SA will not proceed.

This measure reduces funding for the transition of agencies ICT services to Shared Services SA by \$6.3 million over the three years to 2013–14. Budgeted savings of \$1.0 million in 2013–14, \$3.0 million in 2014–15 and \$6.0 million per annum from 2015–16 associated with the measure will not be achieved.

Shared Services SA will also transfer to the Department of the Premier and Cabinet. This is consistent with the whole of government service delivery functions of Services SA and the Office of the Chief Information Officer (OCIO).

South Australian Motor Sport Board

South Australian Motor Sport Board

Budget Implications (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Expenses	-6 210	-860	—	—

This initiative provides additional funding to support the Clipsal 500 race.

Additional funding of \$4.1 million in 2011–12 is partially offset by savings of \$350 000 to be achieved through a reduction in the size of the State suite at the Clipsal 500 event in 2012.

A further \$1.7 million has been provided over 2011–12 and 2012–13 to improve track and infrastructure quality at the Clipsal 500.

Once-off funding of \$1.6 million was also provided to the South Australian Motor Sport Board to address an operating deficit incurred in 2010–11.

Land Management Corporation

Port Adelaide waterfront redevelopment

Budget Implications (\$000)

	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Operating Revenue	-6 374	-921	-627	-676

On 31 October 2011, the Land Management Corporation (LMC) announced that it had exercised its discretionary termination right under the Port Adelaide Waterfront Redevelopment Project Development Agreement with the Newport Quays Consortium. Discretionary termination of the agreement obliges LMC to pay the Newport Quays Consortium \$5.0 million plus marketing and design costs estimated by LMC to be \$0.9 million in 2011–12.

This initiative also provides for additional expenditure to develop a new approach to revitalise Port Adelaide through community involvement in master planning the entire precinct.

Appendix B: Uniform presentation framework

Overview

By agreement between the Commonwealth and the states and territories, each jurisdiction presents financial information on a *Uniform Presentation Framework* (UPF) basis in their budget papers, mid-year budget update and budget outcome reporting. The tables in this appendix present information for South Australia on the UPF basis.

The primary objective of the UPF is to ensure that Commonwealth, state and territory governments provide a common ‘core’ of financial information in their budget-related papers to enable direct comparisons of each government’s budget and financial results.

In October 2007, the Australian Accounting Standards Board (AASB) issued a new standard AASB 1049 *Whole of Government and General Government Sector Financial Reporting* applicable from 1 July 2008. Consistent with the disclosure requirements of AASB 1049, the Australian Loan Council approved a revised UPF in March 2008. The tables in this appendix reflect the requirements of the 2008 revision to the UPF.

The *Australian System of Government Finance Statistics: Concepts, Sources and Methods*, published by the Australian Bureau of Statistics (ABS), requires that provisions for doubtful debts be excluded from the balance sheet. Consistent with the Commonwealth Government’s methodology, South Australia has not adopted this treatment in the UPF reports because excluding such provisions would overstate the value of assets in the balance sheet (and would therefore be inconsistent with the market valuation principle).

UNIFORM PRESENTATION FRAMEWORK TABLES

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

	2011–12 Budget	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Revenue					
Taxation revenue	4 129	3 968	4 214	4 438	4 762
Grants	8 397	8 586	8 245	8 321	8 943
Sales of goods and services	2 054	2 011	2 070	2 121	2 202
Interest income	172	169	167	152	158
Dividend and income tax equivalent income	371	380	387	392	406
Other	605	635	602	604	652
Total revenue	15 727	15 749	15 685	16 028	17 122
<i>less</i>					
Expenses					
Employee expenses	6 606	6 605	6 711	6 837	7 046
Superannuation expenses					
Superannuation interest cost	412	407	397	390	381
Other superannuation expenses	701	708	718	727	744
Depreciation and amortisation	768	751	819	866	948
Interest expenses	366	382	413	446	479
Other property expenses	—	—	—	—	—
Other operating expenses	4 105	4 102	4 173	4 207	4 370
Grants	3 034	3 161	2 908	2 902	2 819
Total expenses	15 990	16 116	16 138	16 375	16 788
<i>equals</i>					
Net operating balance	-263	-367	-453	-348	334
<i>plus</i>					
Other economic flows	520	-1 091	909	688	638
<i>equals</i>					
Comprehensive result - total change in net worth	257	-1 458	456	340	972
<i>equals</i>					
Net operating balance	-263	-367	-453	-348	334
<i>less</i>					
Net acquisition of non-financial assets					
Purchases of non-financial assets	2 125	2 181	1 945	1 232	1 139
less Sales of non-financial assets	369	277	431	213	86
less Depreciation	768	751	819	866	948
plus Change in inventories	—	—	—	—	—
plus Other movements in non-financial assets	—	—	—	—	—
equals Total net acquisition of non-financial assets	988	1 153	695	152	105
<i>equals</i>					
Net lending / borrowing	-1 252	-1 519	-1 148	-500	230

Note: Totals may not add due to rounding.

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

	2011–12 Budget	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Revenue					
Taxation revenue	—	—	—	—	—
Grants	749	827	563	533	547
Sales of goods and services	1 965	1 887	2 037	1 986	1 998
Interest income	20	21	11	9	9
Dividend and income tax equivalent income	5	5	4	3	3
Other	203	189	161	154	154
Total revenue	2 942	2 929	2 777	2 686	2 711
<i>less</i>					
Expenses					
Employee expenses	242	248	283	294	303
Superannuation expenses					
Superannuation interest cost	—	—	—	—	—
Other superannuation expenses	28	27	30	32	33
Depreciation and amortisation	386	386	420	449	467
Interest expenses	249	248	253	251	250
Other property expenses	327	335	362	376	391
Other operating expenses	1 638	1 644	1 354	1 253	1 238
Grants	86	111	91	78	67
Total expenses	2 955	3 000	2 793	2 733	2 749
<i>equals</i>					
Net operating balance	-13	-71	-16	-48	-38
<i>plus</i>					
Other economic flows	-79	615	-6	657	649
<i>equals</i>					
Comprehensive result - total change in net worth	-92	544	-22	609	611
<i>equals</i>					
Net operating balance	-13	-71	-16	-48	-38
<i>less</i>					
Net acquisition of non-financial assets					
Purchases of non-financial assets	1 244	1 224	636	491	638
less Sales of non-financial assets	950	463	1 059	188	178
less Depreciation	386	386	420	449	467
plus Change in inventories	-98	38	-68	-5	12
plus Other movements in non-financial assets	—	—	—	—	—
equals Total net acquisition of non-financial assets	-190	413	-910	-151	5
<i>equals</i>					
Net lending / borrowing	177	-484	894	103	-43

Note: Totals may not add due to rounding.

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

	2011–12 Budget	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Revenue					
Taxation revenue	3 739	3 597	3 815	4 137	4 450
Grants	8 395	8 584	8 243	8 321	8 943
Sales of goods and services	3 714	3 596	3 788	3 773	3 858
Interest income	162	152	148	133	143
Dividend and income tax equivalent income	44	45	24	22	21
Other	782	816	751	755	804
Total revenue	16 836	16 789	16 769	17 141	18 219
<i>less</i>					
Expenses					
Employee expenses	6 841	6 853	6 994	7 131	7 350
Superannuation expenses					
Superannuation interest cost	412	407	397	390	381
Other superannuation expenses	728	736	748	759	777
Depreciation and amortisation	1 154	1 137	1 239	1 316	1 416
Interest expenses	585	590	636	670	705
Other property expenses	—	—	—	—	—
Other operating expenses	5 024	5 060	4 790	4 824	4 954
Grants	2 368	2 443	2 434	2 447	2 340
Total expenses	17 112	17 227	17 239	17 536	17 922
<i>equals</i>					
Net operating balance	-276	-438	-470	-395	297
<i>plus</i>					
Other economic flows	533	-1 020	926	735	676
<i>equals</i>					
Comprehensive result - total change in net worth	257	-1 458	456	340	972
Net operating balance	-276	-438	-470	-395	297
<i>less</i>					
Net acquisition of non-financial assets					
Purchases of non-financial assets	3 369	3 405	2 574	1 723	1 777
less Sales of non-financial assets	1 319	741	1 482	401	264
less Depreciation	1 154	1 137	1 239	1 316	1 416
plus Change in inventories	-98	38	-68	-5	13
plus Other movements in non-financial assets	—	—	—	—	—
<i>equals</i> Total net acquisition of non-financial assets	799	1 565	-215	2	110
<i>equals</i>					
Net lending / borrowing	-1 075	-2 003	-255	-397	187

Note: Totals may not add due to rounding.

Table B.4: General government sector balance sheet (\$million)

	2011–12 Budget	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Assets					
Financial assets					
Cash and deposits	806	900	834	861	887
Advances paid	542	537	488	396	295
Investments, loans and placements	188	200	213	224	238
Receivables	665	569	530	526	517
Equity					
Investments in other public sector entities	20 607	22 124	22 291	23 065	23 822
Investments - other	751	741	737	737	737
Other financial assets	43	78	78	77	76
Total financial assets	23 604	25 150	25 171	25 886	26 571
Non-financial assets					
Land and other fixed assets	32 131	34 862	35 641	35 885	36 032
Other non-financial assets	3	2	2	2	2
Total non-financial assets	32 134	34 864	35 643	35 887	36 034
Total assets	55 738	60 014	60 814	61 772	62 605
Liabilities					
Deposits held	378	213	271	269	272
Advances received	590	590	571	531	510
Borrowing	4 394	5 279	5 443	5 974	5 722
Superannuation	8 742	10 619	10 577	10 509	10 416
Other employee benefits	2 106	2 098	2 221	2 352	2 512
Payables	924	802	804	807	811
Other liabilities	891	914	972	1 033	1 094
Total liabilities	18 025	20 515	20 858	21 476	21 337
Net worth	37 713	39 500	39 956	40 296	41 268
Net financial worth (a)	5 578	4 635	4 313	4 409	5 234
Net financial liabilities	15 029	17 489	17 978	18 656	18 588
Net debt (b)	3 825	4 445	4 751	5 294	5 084

Note: Totals may not add due to rounding.

(a) Net financial worth equals total financial assets minus total liabilities.

(b) Net debt equals the sum of deposits held, advances received and borrowing, minus the sum of cash and deposits, advances paid, and investments, loans and placements.

Table B.5: Public non-financial corporations (public trading enterprises) sector balance sheet (\$million)

	2011–12 Budget	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Assets					
Financial assets					
Cash and deposits	267	262	216	219	228
Advances paid	38	37	29	22	15
Investments, loans and placements	42	40	42	45	47
Receivables	244	225	217	221	224
Equity					
Investments in other public sector entities	—	—	—	—	—
Investments - other	9	15	13	10	7
Other financial assets	4	4	4	4	4
Total financial assets	604	583	521	519	526
Non-financial assets					
Land and other fixed assets	24 958	26 622	26 500	26 965	27 600
Other non-financial assets	2	1	1	1	1
Total non-financial assets	24 959	26 623	26 501	26 966	27 601
Total assets	25 563	27 206	27 022	27 486	28 127
Liabilities					
Deposits held	1	—	1	1	2
Advances received	511	507	457	367	268
Borrowing	3 933	3 840	3 817	3 764	3 901
Superannuation	—	—	—	—	—
Other employee benefits	78	86	82	84	86
Payables	401	352	323	329	335
Other liabilities	116	135	79	69	53
Total liabilities	5 040	4 922	4 760	4 614	4 645
Net worth	20 523	22 284	22 262	22 871	23 483
Net financial worth (a)	-4 436	-4 338	-4 239	-4 095	-4 119
Net financial liabilities	4 436	4 338	4 239	4 095	4 119
Net debt (b)	4 097	4 009	3 987	3 847	3 880

Note: Totals may not add due to rounding.

(a) Net financial worth equals total financial assets minus total liabilities.

(b) Net debt equals the sum of deposits held, advances received and borrowing, minus the sum of cash and deposits, advances paid, and investments, loans and placements.

Table B.6: Non-financial public sector balance sheet (\$million)

	2011–12 Budget	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Assets					
Financial assets					
Cash and deposits	896	1 121	951	982	1 015
Advances paid	70	67	59	50	43
Investments, loans and placements	231	240	255	269	285
Receivables	797	655	639	639	640
Equity					
Investments in other public sector entities	85	-160	29	194	339
Investments - other	760	756	750	747	744
Other financial assets	45	81	80	79	78
Total financial assets	2 883	2 760	2 763	2 960	3 144
Non-financial assets					
Land and other fixed assets	57 089	61 484	62 141	62 850	63 632
Other non-financial assets	5	3	3	3	4
Total non-financial assets	57 093	61 487	62 144	62 853	63 635
Total assets	59 976	64 247	64 907	65 813	66 779
Liabilities					
Deposits held	202	172	172	173	173
Advances received	590	590	571	531	510
Borrowing	8 326	9 119	9 260	9 738	9 623
Superannuation	8 742	10 619	10 577	10 509	10 416
Other employee benefits	2 184	2 184	2 303	2 436	2 598
Payables	1 217	1 037	1 017	1 026	1 036
Other liabilities	1 002	1 025	1 051	1 103	1 155
Total liabilities	22 264	24 747	24 951	25 517	25 511
Net worth	37 713	39 500	39 956	40 296	41 268
Net financial worth (a)	-19 381	-21 988	-22 188	-22 557	-22 367
Net financial liabilities	19 465	21 827	22 216	22 751	22 706
Net debt (b)	7 922	8 453	8 738	9 141	8 963

Note: Totals may not add due to rounding.

(a) Net financial worth equals total financial assets minus total liabilities.

(b) Net debt equals the sum of deposits held, advances received and borrowing, minus the sum of cash and deposits, advances paid, and investments, loans and placements.

Table B.7: General government sector cash flow statement (\$million)

	2011–12 Budget	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Cash receipts from operating activities					
Taxes received	4 122	3 961	4 222	4 434	4 757
Receipts from sales of goods and services	2 024	1 981	2 048	2 100	2 180
Grants and subsidies received	8 395	8 625	8 244	8 319	8 941
Interest receipts	164	169	157	142	148
Dividends and income tax equivalents	395	390	410	393	412
Other receipts	632	658	630	630	679
Total operating receipts	15 732	15 784	15 711	16 019	17 119
Cash payments for operating activities					
Payments for employees	-7 699	-7 728	-7 836	-7 985	-8 205
Payments for goods and services	-3 916	-3 810	-3 914	-3 948	-4 115
Grants and subsidies paid	-3 098	-3 274	-3 032	-3 032	-2 949
Interest paid	-366	-382	-413	-446	-479
Other payments	-72	-95	-92	-80	-82
Total operating payments	-15 150	-15 289	-15 288	-15 491	-15 829
Net cash flows from operating activities	581	495	423	528	1 289
Net cash flows from investments in non-financial assets					
Sales of non-financial assets	360	237	431	209	86
Purchases of non-financial assets (a)	-2 123	-2 177	-1 943	-1 229	-1 137
Net cash flows from investments in non-financial assets	-1 763	-1 940	-1 512	-1 021	-1 050
Net cash flows from investments in financial assets for policy purposes (b)	749	50	840	47	78
Net cash flows from investments in financial assets for liquidity purposes	-9	-9	-8	-11	-13
Net cash flows from financing activities					
Advances received (net)	-1	-1	-19	-40	-22
Borrowing (net)	528	-1 216	166	535	-249
Deposits received (net)	-58	-146	58	-2	3
Dividends paid	—	—	—	—	—
Other financing (net)	-1	-1	-1	-1	-1
Net cash flows from financing activities	468	-1 365	203	492	-268
Net increase / (decrease) in cash held	25	-2 769	-55	36	36
Net cash flows from operating activities	581	495	423	528	1 289
Net cash flows from investments in non-financial assets	-1 763	-1 940	-1 512	-1 021	-1 050
Dividends paid	—	—	—	—	—
Cash surplus / (deficit)	-1 182	-1 445	-1 089	-492	239

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, disposals and privatisations (net).

Table B.8: Public non-financial corporations (public trading enterprises) sector cash flow statement (\$million)

	2011–12 Budget	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Cash receipts from operating activities					
Taxes received	—	—	—	—	—
Receipts from sales of goods and services	1 952	1 856	2 030	1 969	1 981
Grants and subsidies received	750	827	563	533	547
Interest receipts	20	21	11	8	8
Dividends and income tax equivalents	5	5	4	3	3
Other receipts	180	219	134	128	127
Total operating receipts	2 906	2 927	2 741	2 642	2 667
Cash payments for operating activities					
Payments for employees	-291	-290	-336	-343	-354
Payments for goods and services	-721	-1 016	-844	-918	-908
Grants and subsidies paid	-86	-111	-91	-78	-67
Interest paid	-250	-249	-254	-252	-251
Other payments	-778	-507	-606	-429	-450
Total operating payments	-2 127	-2 173	-2 131	-2 020	-2 030
Net cash flows from operating activities	778	754	611	622	637
Net cash flows from investments in non-financial assets					
Sales of non-financial assets	792	212	1 052	188	178
Purchases of non-financial assets (a)	-1 212	-1 191	-604	-458	-604
Net cash flows from investments in non-financial assets	-420	-979	448	-270	-426
Net cash flows from investments in financial assets for policy purposes (b)	8	9	8	8	7
Net cash flows from investments in financial assets for liquidity purposes	29	-1	-2	-2	-2
Net cash flows from financing activities					
Advances received (net)	-661	-26	-840	-46	-77
Borrowing (net)	428	267	-23	-53	138
Deposits received (net)	—	—	—	—	—
Dividends paid	-228	-234	-247	-257	-267
Other financing (net)	—	—	—	—	—
Net cash flows from financing activities	-460	6	-1 110	-355	-206
Net increase / (decrease) in cash held	-65	-211	-46	2	10
Net cash flows from operating activities	778	754	611	622	637
Net cash flows from investments in non-financial assets	-420	-979	448	-270	-426
Dividends paid	-228	-234	-247	-257	-267
Cash surplus / (deficit)	130	-459	811	95	-56

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, disposals and privatisations (net).

Table B.9: Non-financial public sector cash flow statement (\$million)

	2011–12 Budget	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Cash receipts from operating activities					
Taxes received	3 735	3 592	3 814	4 132	4 445
Receipts from sales of goods and services	3 673	3 537	3 761	3 739	3 823
Grants and subsidies received	8 394	8 623	8 242	8 319	8 941
Interest receipts	154	151	139	123	134
Dividends and income tax equivalents	44	45	24	22	21
Other receipts	782	867	748	753	801
Total operating receipts	16 783	16 814	16 729	17 088	18 165
Cash payments for operating activities					
Payments for employees	-7 967	-8 002	-8 156	-8 311	-8 541
Payments for goods and services	-4 337	-4 545	-4 461	-4 555	-4 706
Grants and subsidies paid	-2 432	-2 556	-2 559	-2 578	-2 469
Interest paid	-586	-591	-637	-670	-706
Other payments	-329	-104	-130	-81	-84
Total operating payments	-15 652	-15 799	-15 943	-16 195	-16 505
Net cash flows from operating activities	1 131	1 015	786	893	1 659
Net cash flows from investments in non-financial assets					
Sales of non-financial assets	1 152	449	1 475	396	264
Purchases of non-financial assets (a)	-3 336	-3 368	-2 539	-1 687	-1 741
Net cash flows from investments in non-financial assets	-2 183	-2 919	-1 064	-1 291	-1 476
Net cash flows from investments in financial assets for policy purposes (b)	96	33	7	9	8
Net cash flows from investments in financial assets for liquidity purposes	20	-11	-10	-13	-15
Net cash flows from financing activities					
Advances received (net)	-1	-1	-19	-40	-22
Borrowing (net)	957	-950	143	482	-111
Deposits received (net)	6	—	—	—	—
Dividends paid	—	—	—	—	—
Other financing (net)	-1	-1	-1	-1	-1
Net cash flows from financing activities	961	-951	122	441	-133
Net increase / (decrease) in cash held	24	-2 833	-158	40	43
Net cash flows from operating activities	1 131	1 015	786	893	1 659
Net cash flows from investments in non-financial assets	-2 183	-2 919	-1 064	-1 291	-1 476
Dividends paid	—	—	—	—	—
Cash surplus / (deficit)	-1 052	-1 904	-278	-397	183

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, disposals and privatisations (net).

Table B.10: General government sector derivation of ABS GFS cash surplus/deficit (\$million)

	2011–12 Budget	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Cash surplus / (deficit)	-1 182	-1 445	-1 089	-492	239
Acquisitions under finance leases and similar arrangements (a)	—	-2	—	—	—
ABS GFS Surplus (+) / deficit (-) including finance leases and similar arrangements	-1 182	-1 446	-1 089	-492	239

Table B.11: Public non-financial corporations (public trading enterprises) sector derivation of ABS GFS cash surplus/deficit (\$million)

Cash surplus / (deficit)	130	-459	811	95	-56
Acquisitions under finance leases and similar arrangements (a)	—	—	—	—	—
ABS GFS Surplus (+) / deficit (-) including finance leases and similar arrangements	130	-459	811	95	-56

Table B.12: Non-financial public sector derivation of ABS GFS cash surplus/deficit (\$million)

Cash surplus / (deficit)	-1 052	-1 904	-278	-397	183
Acquisitions under finance leases and similar arrangements (a)	—	-2	—	—	—
ABS GFS Surplus (+) / deficit (-) including finance leases and similar arrangements	-1 052	-1 906	-278	-397	183

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.

Table B.13: General government sector taxes (\$million) (a)

	2011–12 Budget	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Taxes on employers' payroll and labour force	1 049	1 039	1 114	1 188	1 264
Taxes on property					
Land taxes	603	601	605	634	665
Stamp duties on financial and capital transactions	989	817	922	1 018	1 167
Financial institutions' transaction taxes	—	—	—	—	—
Other	171	174	178	183	189
Total	1 763	1 592	1 704	1 836	2 021
Taxes on the provision of goods and services					
Excises and levies	—	—	—	—	—
Taxes on gambling	420	419	474	461	492
Taxes on insurance	387	401	402	417	430
Total	807	820	876	877	922
Taxes on use of goods and performance of activities					
Motor vehicle taxes	509	517	520	537	555
Total	509	517	520	537	555
Total GFS taxation revenue	4 129	3 968	4 214	4 438	4 762

Note: Totals may not add due to rounding.

(a) Excludes taxes paid by general government entities.

Table B.14(a): General government sector grant revenue (\$million)

	2011–12 Budget	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Current grant revenue					
Current grants from the Commonwealth					
General purpose grants	4 493	4 417	4 796	4 953	5 372
National partnership grants	793	641	589	539	439
Specific purpose grants	1 440	1 440	1 487	1 513	1 627
Specific purpose grants for on-passing	783	768	848	903	967
Total current grants from the Commonwealth	7 508	7 265	7 720	7 908	8 404
Other contributions and grants	158	158	150	149	148
Total current grant revenue	7 666	7 423	7 870	8 057	8 553
Capital grant revenue					
Capital grants from the Commonwealth					
General purpose grants	—	—	—	—	—
National partnership grants	574	1 000	220	111	236
Specific purpose grants	117	117	120	118	119
Specific purpose grants for on-passing	13	13	14	14	14
Other capital grants	6	6	5	5	4
Total capital grants from the Commonwealth	712	1 138	358	248	374
Other contributions and grants	19	25	16	16	16
Total capital grant revenue	730	1 163	375	264	390
Total grant revenue	8 397	8 586	8 245	8 321	8 943

Table B.14(b): General government sector grant expense (\$million)

	2011–12 Budget	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Current grant expense					
State/territory government	3	4	3	3	3
Local government	61	65	62	64	68
Local government on-passing	163	136	167	171	175
Private and not-for-profit sector	937	976	957	973	988
Private and not-for-profit sector on-passing	620	632	681	732	791
Grants to other sectors of Government	728	575	518	535	549
Other	209	248	176	170	166
Total current grant expense	2 721	2 636	2 563	2 648	2 740
Capital grant expense					
State/territory government	—	—	—	—	—
Local government	32	36	27	3	—
Local government on-passing	—	—	—	—	—
Private and not-for-profit sector	240	216	257	236	64
Private and not-for-profit sector on-passing	13	13	14	14	14
Grants to other sectors of Government	23	253	46	—	—
Other	3	7	1	1	1
Total capital grant expense	313	525	345	254	79
Total grant expense	3 034	3 161	2 908	2 902	2 819

Note: Totals may not add due to rounding.

Table B.15: General government sector dividend and income tax equivalent income (\$million)

	2011–12 Budget	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Dividend and income tax equivalent income from PNFC sector	332	340	368	374	388
Dividend and income tax equivalent income from PFC sector	40	40	19	19	18
Other dividend income	—	—	—	—	—
Total dividend and income tax equivalent income	371	380	387	392	406

Note: Totals may not add due to rounding.

Table B.16: Movement in general government net worth (\$million)

	2011–12 Budget	2011–12 MYBR	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Net worth at beginning of year	37 456	40 958	39 500	39 956	40 296
Change in net worth from operating transactions:					
Net operating balance	- 263	- 367	- 453	- 348	334
Change in net worth from other economic flows:					
Movement in net assets of PFCs	95	- 32	189	165	145
Movement in net assets of PNFCs ^(a)	484	486	768	565	589
Revaluation of unfunded superannuation liability	- 5	-1 524	- 8	- 9	- 9
Revaluation of long service leave liability	- 71	- 71	- 75	- 79	- 83
Revaluation of annual leave liability	- 10	- 10	- 10	- 10	- 10
Other revaluation adjustments	26	59	45	55	7
Total other economic flows	520	-1 091	909	688	638
Net worth at year end	37 713	39 500	39 956	40 296	41 268

Note: Totals may not add due to rounding.

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

Table B.17: Loan Council Allocation 2011–12^(a) (\$million)

	2011–12 Budget	2011–12 MYBR
General government sector cash deficit / (surplus)	1 182	1 445
PNFC sector cash deficit / (surplus)	- 130	459
Total non-financial public sector cash deficit / (surplus)^(b)	1 052	1 904
Acquisitions under finance leases and similar arrangements	—	2
ABS Government Finance Statistics cash surplus	1 052	1 906
Net cash flows from investments in financial assets for policy purposes ^(c)	- 96	- 33
Adjusted total non-financial public sector cash deficit / (surplus)	956	1 873
Memorandum items^(d)		
Operating leases ^(e)	- 87	- 100
Recourse asset sales	—	—
Superannuation ^(f)	- 476	- 326
Local government	55	60
Home finance schemes	150	139
Total memorandum items	- 358	- 227
LCA deficit / (surplus)^{(g)(h)}	598	1 646

Note: Totals may not add due to rounding.

- (a) For the purposes of this table a surplus is represented as a negative, while a deficit is represented as a positive.
- (b) The sum of the general government and PNFC sector may not equal the non-financial public sector deficit due to intersectoral transfers, which are netted out in the calculation of the total figure. These figures exclude statutory marketing authorities.
- (c) This item is the negative of net advances paid under a cash accounting framework.
- (d) Excludes universities.
- (e) Increase/decrease in the net present value (NPV) of operating leases with an NPV of \$5 million or greater.
- (f) Includes both 'payments in excess of emerging costs of superannuation' and 'interest earnings on employer balances'.
- (g) The 2 per cent of total revenue tolerance limit around South Australia's 2011–12 LCA is \$336 million.
- (h) South Australia is not expected to have any infrastructure projects with private sector involvement that meet the recognition criteria for 2011–12.

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) is sourced for 1998–99 from *Australian Bureau of Statistics Government Finance Statistics 2007–08* (catalogue number 5512.0) and for 1999–2000 to 2010–11 from Budget Outcome publications for South Australia.

Gross State Product (GSP) and Consumer Price Index (for real-growth calculations) data up to 2009–10 is sourced from the latest Australian Bureau of Statistics publications. Department of Treasury and Finance forecasts are used for the forward estimates.

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 sector

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	\$m	\$m	
	\$m	growth	% GSP	\$m	growth				% GSP
1998–99	7 290		16.7	7 505		17.2	- 215	19	- 233
1999–2000	7 644	2.3	16.8	7 974	3.7	17.5	- 330	140	- 471
2000–01	8 108	3.0	16.6	8 406	2.4	17.2	- 297	102	- 399
2001–02	8 538	2.0	16.2	8 713	0.5	16.5	- 174	- 50	- 124
2002–03	9 346	5.2	16.7	8 898	-1.8	15.9	448	34	414
2003–04	9 955	3.4	16.7	9 570	4.4	16.0	385	- 38	424
2004–05	10 592	4.0	17.0	10 368	5.9	16.6	224	105	119
2005–06	11 242	2.9	17.0	11 040	3.2	16.7	202	119	83
2006–07	11 757	1.9	16.5	11 547	2.0	16.2	209	139	71
2007–08	12 879	6.1	16.5	12 414	4.1	15.9	464	242	222
2008–09	13 531	1.8	16.9	13 764	7.4	17.2	- 233	639	- 872
2009–10 ^(a)	15 534	12.4	18.4	15 347	9.1	18.2	187	1 279	- 1 092
2010–11 ^(a)	15 017	-6.3	16.7	15 069	-4.8	16.7	- 53	1 370	- 1 422
2011–12	15 749	1.6	16.6	16 116	3.6	17.0	- 367	1 153	- 1 519
2012–13	15 685	-3.2	15.7	16 138	-2.7	16.1	- 453	695	- 1 148
2013–14	16 028	-0.5	15.1	16 375	-1.2	15.5	- 348	152	- 500
2014–15	17 122	4.2	15.3	16 788	0.0	15.0	334	105	230

Note: Totals 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*.

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	4 445	10 619	17 489	4 635	39 500
2013	4 751	10 577	17 978	4 313	39 956
2014	5 294	10 509	18 656	4 409	40 296
2015	5 084	10 416	18 588	5 234	41 268

- (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 *Australian Bureau of Statistics, 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 Commonwealth Government bond rate for valuation purposes in line with *AASB119, 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.

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

	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	16 021	17 468	-1 446
2012–13	16 141	17 231	-1 089
2013–14	16 228	16 720	- 492
2014–15	17 205	16 966	239

Note: Totals 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 Australian Bureau of Statistics (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 as an 'investment in financial assets for policy purposes') are not included in the 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.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	3 968	4 214	4 438	4 762
Grants	5 766	5 969	6 616	7 249	8 881	8 185	8 586	8 245	8 321	8 943
Sales of goods and services	1 333	1 464	1 572	1 697	1 936	1 879	2 011	2 070	2 121	2 202
Interest income	147	167	203	150	138	168	169	167	152	158
Dividend and income tax equivalent income	575	450	429	382	433	403	380	387	392	406
Other	441	456	490	517	497	550	635	602	604	652
<i>Total revenue</i>	11 242	11 757	12 879	13 531	15 534	15 017	15 749	15 685	16 028	17 122
<i>less</i>										
Expenses										
Employee expenses	4 644	4 933	5 268	5 749	6 221	6 400	6 605	6 711	6 837	7 046
Superannuation expenses										
Superannuation interest cost	344	316	276	383	455	427	407	397	390	381
Other superannuation expenses	480	506	546	580	600	621	708	718	727	744
Depreciation and amortisation	454	498	525	566	633	670	751	819	866	948
Interest expenses	223	204	218	180	204	308	382	413	446	479
Other property expenses	—	—	—	—	—	—	—	—	—	—
Other operating expenses	2 874	3 021	3 246	3 624	3 695	3 824	4 102	4 173	4 207	4 370
Grants	2 021	2 069	2 337	2 682	3 540	2 819	3 161	2 908	2 902	2 819
<i>Total expenses</i>	11 040	11 547	12 414	13 764	15 347	15 069	16 116	16 138	16 375	16 788
<i>equals</i>										
Net operating balance	202	209	464	- 233	187	- 53	- 367	- 453	- 348	334
<i>plus</i>										
Other economic flows	3 142	2 215	1 149	708	11 830	2 905	- 1 091	909	688	638
<i>equals</i>										
Comprehensive result - total change in net worth	3 344	2 424	1 613	475	12 017	2 852	- 1 458	456	340	972
<i>less</i>										
Net operating balance	202	209	464	- 233	187	- 53	- 367	- 453	- 348	334
Net acquisition of non-financial assets										
Purchases of non-financial assets	717	771	875	1 305	2 144	2 122	2 181	1 945	1 232	1 139
less Sales of non-financial assets	144	134	108	108	29	82	277	431	213	86
less Depreciation	454	498	525	566	633	670	751	819	866	948
plus Change in inventories	—	—	—	7	3	—	—	—	—	—
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	1 153	695	152	105
<i>equals</i>										
Net lending / borrowing	83	71	222	- 872	- 1 092	- 1 422	- 1 519	- 1 148	- 500	230

Note: Totals may not add due to rounding.

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	2 210	2 384	2 760	3 084	3 277	3 675	900	834	861	887
Advances paid	902	905	782	752	676	642	537	488	396	295
Investments, loans and placements	180	119	134	140	163	189	200	213	224	238
Receivables	454	471	498	610	713	575	569	530	526	517
Equity										
Investments in other public sector entities	14 017	15 364	15 658	17 113	19 734	21 612	22 124	22 291	23 065	23 822
Investments - other	173	30	668	707	752	743	741	737	737	737
Other financial assets	44	39	38	43	47	80	78	78	77	76
Total financial assets	17 979	19 311	20 539	22 449	25 363	27 516	25 150	25 171	25 886	26 571
Non-financial assets										
Land and other fixed assets	13 840	14 013	16 138	18 590	29 677	33 657	34 862	35 641	35 885	36 032
Other non-financial assets	17	4	23	5	3	2	2	2	2	2
Total non-financial assets	13 857	14 018	16 161	18 595	29 680	33 658	34 864	35 643	35 887	36 034
Total assets	31 836	33 329	36 700	41 045	55 043	61 175	60 014	60 814	61 772	62 605
Liabilities										
Deposits held	282	331	328	335	387	354	213	271	269	272
Advances received	682	659	644	628	610	592	590	571	531	510
Borrowing	2 209	2 394	2 427	3 488	4 522	6 491	5 279	5 443	5 974	5 722
Superannuation	6 146	5 075	6 468	8 939	9 478	9 096	10 619	10 577	10 509	10 416
Other employee benefits	1 393	1 492	1 646	1 867	1 922	2 022	2 098	2 221	2 352	2 512
Payables	616	553	665	760	1 004	810	802	804	807	811
Other liabilities	805	699	779	881	888	853	914	972	1 033	1 094
Total liabilities	12 133	11 201	12 959	16 898	18 811	20 217	20 515	20 858	21 476	21 337
Net worth^(a)	19 703	22 128	23 741	24 146	36 231	40 958	39 500	39 956	40 296	41 268
Net financial worth ^{(a)(b)(c)}	5 846	8 110	7 580	5 551	6 551	7 299	4 635	4 313	4 409	5 234
Net financial liabilities ^{(a)(b)(c)}	8 171	7 254	8 078	11 562	13 182	14 313	17 489	17 978	18 656	18 588
Net debt ^{(b)(c)(d)}	- 119	- 24	- 276	475	1 402	2 930	4 445	4 751	5 294	5 084

Note: Totals may not add due to rounding.

- (a) 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.
- (b) 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 liability of \$66 million in 2007-08, and a reduction in net financial worth of \$591 million, with no impact on net worth.
- (c) 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.
- (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.

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
	% real		% GSP	% real		% GSP			
	\$m	growth		\$m	growth				
1998–99	9 468		21.7	9 597		22.0	- 129	- 115	- 14
1999–2000	9 206	-5.1	20.2	9 552	-2.9	20.9	- 346	-3 508	3 161
2000–01	9 051	-4.5	18.6	9 279	-5.7	19.0	- 228	-1 111	883
2001–02	9 367	0.3	17.8	9 487	-0.9	18.0	- 120	- 124	5
2002–03	10 172	4.4	18.2	9 696	-1.7	17.4	476	72	405
2003–04	10 707	2.2	17.9	10 294	3.1	17.2	413	33	379
2004–05	11 343	3.5	18.2	11 029	4.7	17.7	314	125	189
2005–06	11 807	0.9	17.9	11 634	2.3	17.6	172	53	119
2006–07	12 321	1.7	17.3	12 175	2.0	17.1	147	173	- 26
2007–08	13 634	7.1	17.5	13 065	3.9	16.7	569	303	266
2008–09	14 360	2.1	17.9	14 567	8.0	18.2	- 207	1 249	-1 456
2009–10 ^(a)	16 315	11.2	19.4	15 679	5.3	18.6	636	2 361	-1 725
2010–11 ^(a)	15 960	-5.2	17.7	15 939	-1.5	17.7	21	1 920	-1 898
2011–12	16 789	1.9	17.7	17 227	4.7	18.2	- 438	1 565	-2 003
2012–13	16 769	-3.0	16.8	17 239	-2.8	17.2	- 470	- 215	- 255
2013–14	17 141	-0.5	16.2	17 536	-0.9	16.6	- 395	2	- 397
2014–15	18 219	3.7	16.3	17 922	-0.3	16.0	297	110	187

Note: Totals 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*.

Table C.7: Non-financial public sector key balance sheet and 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	8 453	10 619	21 827	- 21 988	39 500
2013	8 738	10 577	22 216	- 22 188	39 956
2014	9 141	10 509	22 751	- 22 557	40 296
2015	8 963	10 416	22 706	- 22 367	41 268

(a) Net debt data for the years before 1999 are sourced from *Australian Bureau of Statistics, 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 Commonwealth Government bond rate for valuation purposes in line with *AASB119, 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 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 South Australian Community Housing Authority (PFC) with the South Australian Housing Trust (PNFC). 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 (\$million)^(a)

	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	17 264	19 169	-1 906
2012–13	18 204	18 482	- 278
2013–14	17 485	17 882	- 397
2014–15	18 429	18 246	183

Note: Totals 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 Australian Bureau of Statistics (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 as an 'investment in financial assets for policy purposes') are not included in the 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	3 597	3 815	4 137	4 450
Grants	5 849	6 039	6 616	7 262	8 897	8 223	8 584	8 243	8 321	8 943
Sales of goods and services	2 494	2 610	2 926	3 082	3 311	3 366	3 596	3 788	3 773	3 858
Interest income	113	155	188	125	123	163	152	148	133	143
Dividend and income tax equivalent income	126	42	24	36	58	91	45	24	22	21
Other	476	466	572	611	594	651	816	751	755	804
Total revenue	11 807	12 321	13 634	14 360	16 315	15 960	16 789	16 769	17 141	18 219
less										
Expenses										
Employee expenses	4 808	5 108	5 450	5 944	6 436	6 625	6 853	6 994	7 131	7 350
Superannuation expenses										
Superannuation interest cost	344	316	276	383	455	427	407	397	390	381
Other superannuation expenses	499	525	568	605	628	649	736	748	759	777
Depreciation and amortisation	692	755	798	852	958	1 024	1 137	1 239	1 316	1 416
Interest expenses	310	290	322	290	344	493	590	636	670	705
Other property expenses	—	—	—	—	—	—	—	—	—	—
Other operating expenses	3 325	3 483	3 840	4 404	4 306	4 472	5 060	4 790	4 824	4 954
Grants	1 655	1 698	1 811	2 089	2 553	2 249	2 443	2 434	2 447	2 340
Total expenses	11 634	12 175	13 065	14 567	15 679	15 939	17 227	17 239	17 536	17 922
equals										
Net operating balance	172	147	569	-207	636	21	-438	-470	-395	297
plus										
Other economic flows	3 172	2 278	1 044	682	11 382	2 831	-1 020	926	735	676
equals										
Comprehensive result - total change in net worth	3 344	2 424	1 613	475	12 017	2 852	-1 458	456	340	972
Net operating balance	172	147	569	-207	636	21	-438	-470	-395	297
less										
Net acquisition of non-financial assets										
Purchases of non-financial assets	1 127	1 145	1 399	2 328	3 762	3 217	3 405	2 574	1 723	1 777
less Sales of non-financial assets	381	217	298	304	336	281	741	1 482	401	264
less Depreciation	692	755	798	852	958	1 024	1 137	1 239	1 316	1 416
plus Change in inventories	—	—	—	76	99	7	38	-68	-5	13
plus Other movements in non-financial assets	—	—	—	—	-206	—	—	—	—	—
equals Total net acquisition of non-financial assets	53	173	303	1 249	2 361	1 920	1 565	-215	2	110
equals										
Net lending / borrowing	119	-26	266	-1 456	-1 725	-1 898	-2 003	-255	-397	187

Note: Totals may not add due to rounding.

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	2 372	2 566	3 040	3 360	3 573	3 961	1 121	951	982	1 015
Advances paid	83	34	81	71	72	99	67	59	50	43
Investments, loans and placements	204	139	163	176	232	228	240	255	269	285
Receivables	436	522	521	520	766	635	655	639	639	640
Equity										
Investments in other public sector entities	562	723	-279	-619	-371	-128	-160	29	194	339
Investments - other	199	58	693	727	766	761	756	750	747	744
Other financial assets	46	41	40	82	104	83	81	80	79	78
Total financial assets	3 902	4 084	4 259	4 316	5 143	5 638	2 760	2 763	2 960	3 144
Non-financial assets										
Land and fixed assets	29 564	30 917	34 202	39 059	53 224	59 302	61 484	62 141	62 850	63 632
Other non-financial assets	28	6	25	8	4	57	3	3	3	4
Total non-financial assets	29 592	30 922	34 227	39 067	53 228	59 359	61 487	62 144	62 853	63 635
Total assets	33 494	35 006	38 486	43 384	58 371	64 997	64 247	64 907	65 813	66 779
Liabilities										
Deposits held	147	159	166	174	171	171	172	172	173	173
Advances received	715	659	644	628	610	592	590	571	531	510
Borrowing	3 583	3 910	4 084	5 677	7 583	10 065	9 119	9 260	9 738	9 623
Superannuation	6 146	5 075	6 468	8 939	9 478	9 096	10 619	10 577	10 509	10 416
Other employee benefits	1 473	1 560	1 719	1 944	2 003	2 106	2 184	2 303	2 436	2 598
Payables	706	715	801	907	1 319	1 077	1 037	1 017	1 026	1 036
Other liabilities	1 020	801	862	969	975	932	1 025	1 051	1 103	1 155
Total liabilities	13 790	12 878	14 745	19 237	22 140	24 040	24 747	24 951	25 517	25 511
Net worth^(a)	19 703	22 128	23 741	24 146	36 231	40 958	39 500	39 956	40 296	41 268
Net financial worth ^{(a)(b)}	-9 889	-8 795	-10 487	-14 921	-16 997	-18 402	-21 988	-22 188	-22 557	-22 367
Net financial liabilities ^{(a)(b)}	10 451	9 518	10 208	14 302	16 626	18 273	21 827	22 216	22 751	22 706
Net debt ^{(b)(c)}	1 786	1 989	1 611	2 872	4 487	6 541	8 453	8 738	9 141	8 963

Note: Totals may not add due to rounding.

- (a) 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.
- (b) There is a structural break in 2008 reflecting the amalgamation of the South Australian Community Housing Authority (PFC) with the South Australian Housing Trust (PNFC). 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.
- (c) There is a structural break in 2007 reflecting on 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 corporation sector resulted in an increase in non-financial public sector net debt of \$99 million at 1 July 2006.

www.statebudget.sa.gov.au

www.statebudget.sa.gov.au



**Government of
South Australia**

Department of Treasury and Finance

State Administration Centre, 200 Victoria Square, Adelaide, South Australia, 5000

GPO Box 1045, Adelaide, South Australia, 5001

Telephone: +61 (08) 8226 9500

Web: www.treasury.sa.gov.au