PART C

Agency Budget Statements

DEPARTMENT OF THE TREASURY

Section 1: Overview, Appropriations and Budget Measures Summary

OVERVIEW

The Department of the Treasury aims at strong sustainable economic growth and the improved wellbeing of the Australian people. It does so by providing sound and timely advice to Ministers based on thorough analysis of options, and by assisting Treasury portfolio Ministers in the administration of their responsibilities and the implementation of Government decisions. It provides advice in a range of areas which seeks to promote a sound macroeconomic environment; effective government spending and taxation arrangements; and well functioning markets.

APPROPRIATIONS

Total appropriations for the Department of the Treasury in the 1999-2000 Budget are $51,838.6 million (see Table 1.1).

Department of the Treasury — Appropriations 1999-2000

Table 1.1: Appropriations ($'000)

Outcomes	Administered Expenses				Price of Outputs					Total Appropriations (e)	Total Estimated Expenses
	Special Appropriations (a)	Annual Appropriations		Total Administered Appropriations	Total Price of Outputs(c)	Revenue from Other Sources(d)	Revenue from Government (Appropriations)				
		Bill 1	Bill 2 (SPPs & NAOs)(b)				Special	Annual Bill 1	Total		
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G)	(H=E-F-G)	(I=G+H)	(J=D+I)	(K=J+F)
Outcome 1 — Sound macroeconomic environment	8,991,705	8,078	90,400	9,090,183	22,800	211	-	22,589	22,589	9,112,772	9,112,983
Outcome 2 — Effective government spending and taxation arrangements	17,706,357	-	13,200	17,719,557	18,946	273	-	18,673	18,673	17,738,230	17,738,503
Outcome 3 — Well functioning markets	15,000	26,300	134,412	175,712	58,524	34,486	-	24,038	24,038	199,750	234,236
Total	26,713,062	34,378	238,012	26,985,452	100,270	34,970	-	65,300	65,300	27,050,752	27,085,722
Bill 2 and Special Appropriations Administered Capital(b)										24,783,096	
Bill 2 Departmental Carryover and Loans(b)										4,724	
Total Appropriations										51,838,572	

(a) Estimated expenses from individual Special Appropriations are shown in Appendix 2.
(b) Under the proposed Appropriation Structure, Bill 2 includes Specific Purpose Payments (SPPs), New Agency Outcomes (NAOs), Administered Capital and Departmental Capital via Departmental Carryover and Loans.
(c) Refer to Budget Statement of Revenue and Expenses for Application of Agency Revenue (see Table 3.1).
(d) Other Revenue includes other revenue from Government (eg resources free of charge) and revenue from other sources (eg sales of goods and services).
(e) Links from Appropriations to Budget Financial Statements include Budget Statement of Revenue and Expenses (see Table 3.1); and Capital Budget (see Tables 3.4 and 3.5).

BUDGET MEASURES — DEPARTMENT OF THE TREASURY SUMMARY

Table 1.2: Summary of Budget Measures in the 1999-2000 Budget

Measure	Outcome	Output Groups Affected	Appropriations ($'000) 1999-00			Appropriations ($'000) 2000-01			Appropriations ($'000) 2001-02			Appropriations ($'000) 2002-03		
			Admin Expenses	Dept Outputs	Total	Admin Expenses	Dept Outputs	Total	Admin Expenses	Dept Outputs	Total	Admin Expenses	Dept Outputs	Total
Establishment of the Australian Office of Financial Management — Expense	1	1.1	1,767	3,421	5,188	2,122	3,475	5,598	1,820	3,537	5,357	1,820	3,599	5,420
Establishment of the Australian Office of Financial Management — Capital	1	1.1	2,895	-	2,895	504	-	504	-	-	-	-	-	-
Additional Funding for Taxation Reform — Expense	2	2.1	-	3,054	3,054	-	2,117	2,117	-	1,076	1,076	-	-	-
A New Tax System — Grants to Balance State and Territory Budgets — Expense	2	2.1	-	-	-	-	-	-	365,337	-	365,377	345,465	-	345,465
A New Tax System — Advances to Balance State and Territory Budgets	2	2.1	-	-	-	182,667	-	182,667	-182,667	-	-182,667	-	-	-
Australia as a Centre for Global Financial Services — Expense	3	3.1	-	3,500	3,500	-	3,500	3,500	-	-	-	-	-	-
Enhancement of the Corporations and Securities Panel — Expense	3	3.1	-	1,770	1,770	-	1,761	1,761	-	1,779	1,779	-	1,798	1,798

Table 1.2: Summary of Budget Measures in the 1999-2000 Budget (continued)

Measure	Outcome	Output Groups Affected	Appropriations ($'000) 1999-00			Appropriations ($'000) 2000-01			Appropriations ($'000) 2001-02			Appropriations ($'000) 2002-03		
			Admin Expenses	Dept Outputs	Total	Admin Expenses	Dept Outputs	Total	Admin Expenses	Dept Outputs	Total	Admin Expenses	Dept Outputs	Total
Savings to offset National Competition Council measure 'Additional legal funding for matters relating to Part IIIA of the *Trade Practices Act 1974*' — Expense	3	3.1	-	-150	-150	-	-150	-150	-	-	-	-	-	-

Note: Administered revenue measures are not attributed to agencies and are reported in *Budget Paper No. 2*.
Departmental borrowings of $0.749 million for the Establishment of the Australian Office of Financial Management and $0.775 million for the Enhancement of the Corporations and Securities Panel are related to the above Budget Measures.

ADMINISTERED CAPITAL AND DEPARTMENTAL EQUITY INJECTIONS AND LOANS

The Department of the Treasury will receive administered capital appropriations of $93.3 million in 1999-2000, $1,200.5 million in 2000-01 and $104.0 million in 2001-02. This includes equity injections of $2.9 million in 1999-2000 and $0.5 million in 2000-01 for the purchase of capital items relating to administered expenses for the Australian Office of Financial Management. Treasury's administered capital special appropriations relate to financial assets.

The Department of the Treasury will receive the previous year's carryover of $3.2 million and a departmental loan of $1.524 million in 1999-2000. The departmental loan relates to costs associated with the establishment of the Australian Office of Financial Management and costs associated with the Corporations and Securities Panel.

Section 2: Outcomes and Outputs Information

OUTCOMES AND OUTPUT GROUPS

The map on the following page shows the relationship between Government outcomes and the contributing outputs for the Department of the Treasury. Financial detail for Outcomes 1, 2 and 3 by output appears in Tables 2.2.1, 2.2.2 and 2.2.3, while non-financial information for the three outcomes appears in Tables 2.3.1, 2.3.2 and 2.3.3.

Department of the Treasury

Secretary: Mr Ted Evans

Total Price of Outputs: $100.270 million
Departmental Outcomes Appropriation: $65.300 million
Total Administered Expenses: $26,985.452 million

Overall Outcome

Strong, sustainable economic growth and the improved wellbeing of Australians

Outcome 1

Sound macroeconomic environment

Output Group 1.1

Economic

Total Price:	$22.800 million
Dept Outputs Appropriation:	$22.589 million
Admin Expenses:	$9,090.183 million

- Output 1.1.1 — Domestic economic policy advice and forecasting
- Output 1.1.2 — International economic policy advice and assessment
- Output 1.1.3 — Debt management

Outcome 2

Effective government spending and taxation arrangements

Output Group 2.1

Budget

Total Price:	$18.946 million
Dept Outputs Appropriation:	$18.673 million
Admin Expenses:	$17,719.557 million

- Output 2.1.1 — Budget policy advice and coordination
- Output 2.1.2 — Commonwealth-State financial policy advice
- Output 2.1.3 — Industry policy advice
- Output 2.1.4 — Taxation and income support policy advice

Outcome 3

Well functioning markets

Output Group 3.1

Markets

Total Price:	$58.524 million
Dept Outputs Appropriation:	$24.038 million
Admin Expenses:	$175.712 million

- Output 3.1.1 — Foreign investment policy advice and administration
- Output 3.1.2 — Financial system and markets policy advice
- Output 3.1.3 — Business and consumer policy advice
- Output 3.1.4 — Circulating coin and like products

OUTCOME 1 — SOUND MACROECONOMIC ENVIRONMENT

A sound macroeconomic environment is an essential foundation for strong sustainable economic growth and the improved wellbeing of Australians. Treasury provides ongoing policy advice to Treasury portfolio Ministers to assist them in developing and implementing policies to achieve this outcome.

A sound macroeconomic environment is characterised by stable prices, low interest rates, healthy economic and employment growth and a sustainable external position. As there are many influences on macroeconomic outcomes beyond the control of the Government, policy is aimed at improving the prospects for the Australian economy, rather than targeting specific outcomes for major economic indicators. Success is judged more by medium- to long-term performance relative to Australia's past and to other countries, rather than by particular results in any year.

Table 2.1.1 shows the relationship between the programme structure for 1998-99 and the new outcome structure for the 1999-2000 Budget for Outcome 1.

Table 2.1.1: Relationship between Programme and Outcome Structure for Outcome 1 — Sound Macroeconomic Environment

Programme Management Budgeting	Accrual Budgeting
Programme 1 — Treasury To improve living standards of the Australian community through high, sustainable economic and employment growth with low inflation and efficient and sustainable use of resources	**Outcome 1** Sound macroeconomic environment
Sub-programmes **Sub-programme 1.1** — Domestic Economy **Sub-programme 1.2** — International Economy **Sub-programme 1.6** — Debt Management **Sub-programme 1.11** — Corporate Direction and Support	**Output Groups** **Output Group 1.1** — Economic
Appropriations for Programme 1	**Appropriations for Outcome 1**
Sub-programme 1.1 Appropriation Bill 1 Running costs, including Section 31 receipts (670-1)	**Output Group 1.1**
Sub-programme 1.2 Special Appropriations *Asian Development Bank (Additional Subscription) Act 1995* *International Monetary Agreements Act 1947* *Multilateral Investment Guarantee Agency Act 1997*	Special Appropriations *Asian Development Bank (Additional Subscription) Act 1995* *International Monetary Agreements Act 1947* *Multilateral Investment Guarantee Agency Act 1997*

Table 2.1.1: Relationship between Programme and Outcome Structure for Outcome 1 — Sound Macroeconomic Environment (continued)

Programme Management Budgeting	Accrual Budgeting
Sub-programme 1.2 (continued)	
Appropriation Bill 1	
Running costs, including Section 31 receipts (670-1)	
International Finance Corporation — Capital subscription (670-2-06)	
International Bank for Reconstruction and Development — Capital subscription (670-2-07)	
Contributions to the International Monetary Fund — Enhanced Structural Adjustment Facility (670-2-08)	
Sub-programme 1.6	
Special Appropriations	Special Appropriations
Airports (Transitional) Act 1996 — Former debts of the Federal Airports Corporation — Interest	*Airports (Transitional) Act 1996* — Former debts of the Federal Airports Corporation — Interest
Commonwealth Inscribed Stock Act 1911, Loans Securities Act 1919, Loans Redemption and Conversion Act 1921 — Commonwealth Government Securities interest	*Commonwealth Inscribed Stock Act 1911, Loans Securities Act 1919, Loans Redemption and Conversion Act 1921* — Commonwealth Government Securities interest
Commonwealth Inscribed Stock Act 1911, Treasury Bills Act 1914 — Payment of Special Bond premiums on redemption	*Commonwealth Inscribed Stock Act 1911, Treasury Bills Act 1914* — Payment of Special Bond premiums on redemption
Financial Agreement Act 1994 — Assistance for debt redemption	*Financial Agreement Act 1994* — Assistance for debt redemption
Financial Agreement Act 1994 — Commonwealth Contribution to Debt Retirement Reserve Trust Account on State and Northern Territory Debt	*Financial Agreement Act 1994* — Commonwealth Contribution to Debt Retirement Reserve Trust Account on State and Northern Territory Debt
Financial Agreement Act 1994 — Interest on Debt Retirement Reserve Trust Account Balances	*Financial Agreement Act 1994* — Interest on Debt Retirement Reserve Trust Account Balances
Loans Redemption and Conversion Act 1921 — Interest on overdue stocks	*Loans Redemption and Conversion Act 1921* — Interest on overdue stocks
Loans Securities Amendment Act 1988 (Swaps) — Interest	*Loans Securities Amendment Act 1988* (Swaps) — Interest
Loans Securities Amendment Act 1988 (Swaps) — Principal	*Loans Securities Amendment Act 1988* (Swaps) — Principal
Moomba — Sydney Pipeline System Sale Act 1994 — Costs on former debt of the Pipeline Authority	*Moomba — Sydney Pipeline System Sale Act 1994* — Costs on former debt of the Pipeline Authority
Qantas Sale Act 1992 — Costs on former debt of Qantas. Qantas debt servicing	*Qantas Sale Act 1992* — Costs on former debt of Qantas. Qantas debt servicing
Appropriation Bill 1	
Running costs, including Section 31 receipts (670-1)	
Loan management expenses (670-2-02)	
Overseas bond issues — Payments in respect of lapsed coupons (670-2-03)	
Australian National Railways Commission — Debt acquisition (670-2-04)	

Table 2.1.1: Relationship between Programme and Outcome Structure for Outcome 1 — Sound Macroeconomic Environment (continued)

Programme Management Budgeting	Accrual Budgeting
Sub-programme 1.11 Appropriation Bill 1 Running costs, including Section 31 receipts (670-1) Compensation and legal expenses (670-2-01)	
	Outcome 1 Appropriation Bill 1 Departmental outputs Administered expenses Appropriation Bill 2 Administered expenses

MEASURES IN THE 1999-2000 BUDGET

Establishment of the Australian Office of Financial Management — Expense

Budget Measure Purpose

A new specialist agency, the Australian Office of Financial Management (AOFM), is to be established within the Treasury portfolio. The new agency will significantly enhance the Commonwealth's capacity to manage its net debt portfolio, offering the prospect of savings in debt service costs and an improvement in balance sheet net worth over time. The AOFM will commence operations from 1 July 1999. The Office will assume responsibility for the Commonwealth's existing debt management activities, currently undertaken within Treasury.

The AOFM will be established as a 'prescribed' agency under the *Financial Management and Accountability Act 1997*.

Establishment of the Australian Office of Financial Management — Capital

Budget Measure Purpose

A new specialist agency, the Australian Office of Financial Management (AOFM), is to be established within the Treasury portfolio. The Government will make a capital injection to fund the acquisition of computer equipment for the AOFM. Investment in specialist financial management computer software and hardware is necessary to support the operations of the new agency.

RESOURCES FOR OUTCOME 1 — SOUND MACROECONOMIC ENVIRONMENT

Table 2.2.1 shows how the 1998-99 appropriation and programming structure relates to total resourcing for Outcome 1.

Table 2.2.1: Total Resources for Outcome 1 — Sound Macroeconomic Environment

	Estimated Actual 1998-99 CASH $'000	Estimated Actual 1998-99 ACCRUAL $'000	Budget 1999-00 $'000
Administered Expenses (including Third Party Outputs)			
Appropriation Structure 1998-99			
Loan management expenses (670-2-02)	3,153	3,153	
Overseas bond issues — Payments in respect of lapsed coupons (670-2-03)	10	10	
Australian National Railways Commission — Debt acquisition (670-2-04)	366,600	315,600	
International Finance Corporation — Capital subscription (670-2-06)	8,421	-	
International Bank for Reconstruction and Development — Capital subscription (670-2-07)	5,251	-	
Contributions to the International Monetary Fund — Enhanced Structural Adjustment Facility (670-2-08)	2,500	-	
Special Appropriations			
Asian Development Bank (Additional Subscription) Act 1995	2,750	-	
International Monetary Agreements Act 1947	2,082,558	-18,249	
Multilateral Investment Guarantee Agency Act 1997	3,000	-	
Airports (Transitional) Act 1996 — Former debts of the Federal Airports Corporation — Interest	53,000	53,000	
Commonwealth Inscribed Stock Act 1911, Loans Securities Act 1919, Loans Redemption and Conversion Act 1921	7,816,501	7,524,056	
Commonwealth Inscribed Stock Act 1911, Treasury Bills Act 1914 — Payment of Special Bond premiums on redemption	5	5	
Financial Agreement Act 1994 — Assistance for debt redemption	81,700	81,700	
Financial Agreement Act 1994 — Commonwealth Contribution to Debt Retirement Reserve Trust Account on State and Northern Territory Debt	5,189	5,189	
Financial Agreement Act 1994 — Interest on Debt Retirement Reserve Trust Account Balances	829	829	
Loans Redemption and Conversion Act 1921	5	5	

Table 2.2.1: Total Resources for Outcome 1 — Sound Macroeconomic Environment (continued)

	Estimated Actual 1998-99 CASH $'000	Estimated Actual 1998-99 ACCRUAL $'000	Budget 1999-00 $'000
Loans Securities Amendment Act 1988 (Swaps) — Interest	1,282,925	1,314,412	
Loans Securities Amendment Act 1988 (Swaps) — Principal	4,147,169	-441,821	
Moomba — Sydney Pipeline System Sale Act 1994	19,070	2,070	
Qantas Sale Act 1992 — Qantas debt servicing	356,284	33,284	
Other			
Early debt repayment adjustment	-	180,411	
Loans Redemption and Conversion Act 1921 — Loan Fund	10,236,818	-29,400	
Loan Flotation Expenses	161	161	
Loan Consolidation and Investment Reserved Money Fund	-186,460	-186,460	
Loans Redemption and Conversion Act 1921 — Net repurchase premia	330,000	330,000	
Total Administered Expenses	26,617,439	9,167,955	9,090,183
Price of Departmental Outputs			
Output Group 1.1 — Economic			
Output 1.1.1 — Domestic economic policy advice and forecasting	6,482	5,349	5,827
Output 1.1.2 — International economic policy advice and assessment	9,120	10,005	10,409
Output 1.1.3 — Debt management	3,029	2,984	6,564
Appropriation Structure 1998-99(a)			
Sub-programme 1.1 — Domestic Economy			
Sub-programme 1.2 — International Economy			
Sub-programme 1.6 — Debt Management			
Sub-programme 1.11 — Corporate Direction and Support			
Subtotal Output Group 1.1	18,631	18,338	22,800
Revenue from Government (Appropriation) for Departmental Outputs	18,384	18,157	22,589
Revenue from Other Sources	247	181	211
Total Price of Outputs	18,631	18,338	22,800
Total for Outcome 1	26,636,070	9,186,293	9,112,983

	1998-99	1999-00
Staff Years (Number)	158	144

(a) See Table 2.1.1 for details.

CONTRIBUTION OF OUTPUTS TO OUTCOME 1 — SOUND MACROECONOMIC ENVIRONMENT

Treasury aims to contribute to a sound macroeconomic environment by monitoring and assessing economic conditions and prospects, both in Australia and overseas, and by providing advice on the formulation and implementation of effective macroeconomic policy, including monetary and fiscal policy, and labour market issues.

Effective macroeconomic policies operate in a clear, transparent framework and are set with the objective of achieving strong sustainable economic growth and the improved wellbeing of Australians.

The Government's medium-term fiscal consolidation strategy has made an important contribution to a more stable macroeconomic environment in the face of recent adverse international influences. This strategy aims to ensure that the operations of the government make no net call on private saving on average over time. A legislated Charter of Budget Honesty holds governments to a high level of fiscal transparency and accountability.

The Government has also sought to lock in Australia's low inflation by setting monetary policy in a clear, forward-looking framework which was introduced by agreement between the Government and the Reserve Bank. The framework sets out an inflation objective and enhances the independence of the Bank.

Treasury provides advice on advancing Australia's interests at international fora such as the World Bank, the IMF, the Asian Development Bank and APEC. At present, a significant contribution is being made to international efforts to sustain international economic stability and growth through these fora.

Treasury also aims to ensure that Government debt is managed at the lowest possible cost, consistent with an acceptable degree of risk.

The effectiveness of Treasury's contribution to a sound macroeconomic environment is judged primarily by feedback from Treasury portfolio Ministers on the quality and relevance of Treasury's advice.

PERFORMANCE INFORMATION FOR OUTCOME 1 — SOUND MACROECONOMIC ENVIRONMENT

Table 2.3.1: Performance Information 1999-2000

Performance Information for Administered Items (Including Third Party Outputs)

Subscriptions to international financial institutions	Facilitation of achievement of Government objectives in international fora, including strengthening the international financial system, multilateral debt relief and institutional reform in the multilateral development banks.
Debt issued by the Commonwealth (including CGS allocated to States and Territories) and debt assumed from Commonwealth agencies.	Achievement of the Commonwealth's financing task in a cost-effective manner.

Performance Information for Departmental Outputs

Output Group 1.1 — Economic

Output 1.1.1 — Domestic Economic Policy Advice and Forecasting	Advice on economic policy and the economic outlook meets Treasury portfolio Ministers' needs in administering their responsibilities and implementing Government decisions that contribute to a sound domestic economy.
	Effective presentation of budget documents and other publications to adequately inform public debate.
Output 1.1.2 — International Economic Policy Advice and Assessments	Advice meets Treasury portfolio Ministers' needs in administering their responsibilities and implementing Government decisions relating to international economic and financial issues.
Output 1.1.3 — Debt Management	Achievement of the Commonwealth's financing task in a cost-effective manner.
	Timely production of reports on debt management activities.
	Efficient execution of the Commonwealth's borrowing activities. Partial indicators include the range of accepted bids and the basis point spread between tender and secondary market yields.
	Efficient management of the Commonwealth's cash balances. Indicators include achievement of the Ministerially-endorsed cumulative average cash balance target as at end-year.

Evaluations

Feedback will be sought from key clients on a regular basis on the effectiveness of policy advice.

Performance in producing the Debt Management output is evaluated using benchmark analysis and regular review of the broader risk management framework to ensure that it remains appropriate in the light of Commonwealth operations and market conditions.

Results of evaluations will be presented, as appropriate, in Treasury's Annual Report.

OUTCOME 2 — EFFECTIVE GOVERNMENT SPENDING AND TAXATION ARRANGEMENTS

Effective government spending and taxation arrangements provide an overall fiscal outcome which best contributes to the goal of strong sustainable economic growth and the improved wellbeing of Australians. The Government has established a medium-term fiscal strategy of maintaining fiscal balance on average over the course of the economic cycle to achieve this objective.

At the same time individual spending measures should be effective in meeting their stated objectives, minimise other behavioural distortions and deliver significant benefits in relation to cost. Taxation measures should meet revenue objectives (or other objectives if taken for public policy reasons) and be consistent with the principles of economic efficiency, horizontal and vertical equity, certainty and transparency whilst minimising compliance and administrative costs. By meeting their objectives, these measures contribute to the wellbeing of Australians, either directly or by providing the revenue base to finance government services.

Policy advice to Treasury portfolio Ministers promotes Government decisions which further these objectives and thereby contribute to this outcome.

Table 2.1.2 shows the relationship between the programme structure for 1998-99 and the new outcome structure for the 1999-2000 Budget for Outcome 2.

Table 2.1.2: Relationship between Programme and Outcome Structure for Outcome 2 — Effective Government Spending and Taxation Arrangements

Programme Management Budgeting	Accrual Budgeting
Programme 1 — Treasury To improve living standards of the Australian community through high, sustainable economic and employment growth with low inflation and efficient and sustainable use of resources	**Outcome 2** Effective government spending and taxation arrangements
Sub-programmes **Sub-programme 1.4** — Taxation **Sub-programme 1.5** — Fiscal **Sub-programme 1.8** — Financial and Currency **Sub-programme 1.11** — Corporate Direction and Support	**Output Groups** **Output Group 2.1** — Budget
Appropriations for Programme 1	**Appropriations for Outcome 2**
Sub-programme 1.4 Appropriation Bill 1 Running costs, including Section 31 receipts (670-1) Ex-Gratia payment to approved charitable organisations or trust funds in memory of the Princess of Wales (670-2-09)	**Output Groups** **Output Group 2.1**
Sub-programme 1.5 Special Appropriations *States Grants (General Purposes) Act 1994* Appropriation Bill 1 Running costs, including Section 31 receipts (670-1) Appropriation Bill 2 Australian Capital Territory — Special revenue assistance (977-01)	Special Appropriations *States Grants (General Purposes) Act 1994*
Sub-programme 1.8 Appropriation Bill 1 Running costs, including Section 31 receipts (670-1)	
Sub-programme 1.11 Appropriation Bill 1 Running costs, including Section 31 receipts (670-1) Compensation and legal expenses (670-2-01)	**Outcome 2** Appropriation Bill 1 Departmental outputs Appropriation Bill 2 Administered expenses

MEASURES IN THE 1999-2000 BUDGET

Additional Funding for Taxation Reform — Expense

Budget Measure Purpose

The Government is providing additional funding to the Treasury for the development and implementation of business tax reform, the Goods and Services Tax (GST) and other elements of the Government's tax reform package, including developing a response to the Review of Business Taxation, chaired by John Ralph, AO.

A New Tax System — Grants to Balance State and Territory Budgets — Expense

Budget Measure Purpose

At the 1999 Premiers' Conference, the Commonwealth, States and Territories signed the *Intergovernmental Agreement on the Reform of Commonwealth-State Financial Arrangements*. The Agreement will facilitate the implementation of the reforms proposed in the Commonwealth's *A New Tax System*. The new arrangements will provide the States and Territories with all of the revenue from the GST, which will replace the existing financial assistance grants and allow them to remove a range of inefficient taxes.

As foreshadowed previously by the Commonwealth, the Agreement provides for transitional financial assistance to be paid to the States and Territories, in the form of a loan in the first year of reform and grants thereafter, to meet the Commonwealth's guarantee that the budgetary position of each State and Territory will be no worse off in the initial years following the introduction of the GST.

At the Premiers' Conference on 9 April 1999, the Commonwealth agreed to allocate additional funding for its guarantee to the States and Territories in relation to:

- the impact on State and Territory budgets over the first three years of reform of the abolition of Wholesale Sales Tax (WST) equivalent payments by Government business enterprises; and

- ensuring that the States will not be disadvantaged over the first three years of reform by the Commonwealth's undertaking that local government will benefit from the impact of changes to indirect taxes through lower prices on their purchases.

The Commonwealth also agreed to more generous arrangements for guarantee grants in the third year of reform, so that States and Territories with gains to their budgets in that year may retain all of those gains and the Commonwealth will fund those States and Territories with budget shortfalls.

Further to the additional assistance to be provided by way of the grants to balance State and Territory budgets, the Commonwealth agreed at the Premiers' Conference to separately provide extra funding to the States and Territories to meet higher State and Territory public housing costs resulting from tax reform (subject to the resolution of the new Commonwealth-State Housing Agreement).

A New Tax System — Advances to Balance State and Territory Budgets — Capital

Budget Measure Purpose

The purpose of this measure is to meet the Commonwealth's commitment made at the April 1999 Premiers' Conference to provide additional transitional assistance to the States and Territories as part of the *Intergovernmental Agreement on Commonwealth-State Financial Relations*.

At the April 1999 Premiers' Conference, the Commonwealth, States and Territories signed the *Intergovernmental Agreement on the Reform of Commonwealth-State Financial Arrangements*. As foreshadowed previously by the Commonwealth, the Agreement provides for transitional financial assistance to be paid to the States and Territories to meet the Commonwealth's guarantee that the budgetary position of each State and Territory will be no worse off in the initial years following the introduction of the GST.

The Commonwealth agreed at the Premiers' Conference to allocate additional funding to its guarantee to the States and Territories. The additional amounts relate to:

- the impact on State and Territory budgets over the first three years of reform of the abolition of WST tax equivalent payments by Government business enterprises;
- ensuring that the States will not be disadvantaged over the first three years of reform by the Commonwealth's undertaking that local government will benefit from the impact of changes to indirect taxes through lower prices on their purchases; and
- the provision of more generous arrangements for the States and Territories for guarantee grants in the third year of reform.

As a consequence of these changes, the estimate of Commonwealth advances to balance State and Territory budgets has increased by $182.7 million in 2000-01, with a commensurate increase in the repayments of advances by the States and Territories to the Commonwealth in 2001-02.

RESOURCES FOR OUTCOME 2 — EFFECTIVE GOVERNMENT SPENDING AND TAXATION ARRANGEMENTS

Table 2.2.2 shows how the 1998-99 appropriation and programming structure relates to total resourcing for Outcome 2.

Table 2.2.2: Total Resources for Outcome 2 — Effective Government Spending and Taxation Arrangements

	Estimated Actual 1998-99 CASH $'000	Estimated Actual 1998-99 ACCRUAL $'000	Budget 1999-00 $'000
Administered Expenses (including Third Party Outputs)			
Appropriation Structure 1998-99			
Ex Gratia payment to approved charitable organisations or trust funds in memory of the Princess of Wales (670-2-09)	793	793	
Australian Capital Territory — Special revenue assistance (977-01)	25,000	25,000	
Community education and information programme on the tax system (978-01)	19,443	19,443	
Special Appropriations			
States Grants (General Purposes) Act 1994	23,581,599	16,943,326	
Total Administered Expenses	23,626,835	16,988,562	17,719,557
Price of Departmental Outputs			
Output Group 2.1 — Budget			
Output 2.1.1 — Budget policy advice and coordination	3,851	3,789	3,531
Output 2.1.2 — Commonwealth-State financial policy advice	2,476	2,436	2,360
Output 2.1.3 — Industry policy advice	1,100	1,083	912
Output 2.1.4 — Taxation and income support policy advice	11,278	11,114	12,143
Appropriation Structure 1998-99(a)			
Sub-programme 1.4 — Taxation			
Sub-programme 1.5 — Fiscal			
Sub-programme 1.8 — Financial and Currency			
Sub-programme 1.11 — Corporate Direction and Support			
Subtotal Output Group 2.1	18,705	18,422	18,946
Revenue from Government (Appropriation) for Departmental Outputs	18,434	18,187	18,673
Revenue from Other Sources	271	235	273
Total Price of Outputs	18,705	18,422	18,946
Total for Outcome 2	23,645,540	17,006,984	17,738,503

	1998-99	1999-00
Staff Years (Number)	174	187

(a) See Table 2.1.2 for details.

CONTRIBUTION OF OUTPUTS TO OUTCOME 2 — EFFECTIVE GOVERNMENT SPENDING AND TAXATION ARRANGEMENTS

Effective government spending and taxation arrangements are crucial to achieving the Government's objectives for the economy and the wellbeing of Australians. Ongoing advice to the portfolio Ministers from the Treasury assists in formulating, implementing and explaining government spending and taxation decisions which meet this objective.

More specifically, in the coming year Treasury will provide advice on:

- budget policies, including arrangements for the distribution of resources between the Commonwealth and other levels of government, which are consistent with sustainable public finances and macroeconomic objectives;

- government expenditure programmes, with a focus on those programmes with significant economic or budgetary implications;

- advice on policies to promote the efficient and sustainable use of resources and to improve the competitiveness and productivity of Australian industries, thereby promoting higher levels of sustainable economic growth;

- the development and implementation of policies relating to retirement incomes, including superannuation and the age pension, and other income support arrangements intended to promote the wellbeing of Australians; and

- taxation policies which contribute to the reform of the Australian taxation system in terms of efficiency, equity and administrative simplicity.

At present, Treasury is devoting significant resources to the development and implementation of the Government's taxation reform agenda, which encompasses significant reforms to income tax, indirect tax, family payments and Commonwealth/State financial relations. The Review of Business Taxation is also being supported by a Secretariat which includes officers from Treasury.

The outcome of the taxation reform process will be a taxation system which provides a stable and equitable revenue source to fund government services essential to the wellbeing of Australians. Taxation reform is an important element of an integrated economic policy framework necessary to ensure stronger economic and employment growth and thereby improve living standards.

The effectiveness of the contribution of these outputs to the outcome will be gauged primarily in terms of feedback from Treasury portfolio Ministers as to whether Treasury advice meets their needs in formulating, implementing and explaining government spending and taxation decisions.

Table 2.3.2: Performance Information 1999-2000

Performance Information for Administered Items (Including Third Party Outputs)

Payments to State and Territory Governments	Accurate calculation of amounts payable according to agreed formulae. Payments made according to agreed schedules.

Performance Information for Departmental Outputs

Output Group 2.1 — Budget

Output 2.1.1 — Budget Policy Advice and Coordination	Advice meets Treasury portfolio Ministers' needs in administering their responsibilities and implementing Government decisions as they relate to assessments of the budget position and outlook, and budget strategy. Effective presentation of budget documents and other publications to adequately inform public debate.
Output 2.1.2 — Commonwealth-State Financial Policy Advice	Advice meets Treasury portfolio Ministers' needs in administering their responsibilities and implementing Government decisions as they relate to Commonwealth-State financial relations. Effective presentation of relevant information, including in the budget documentation and other publications to adequately inform public debate.
Output 2.1.3 — Industry Policy Advice	Advice meets Treasury portfolio Ministers' needs in administering their responsibilities and implementing Government decisions as they relate to industry policy. Effective presentation of relevant information to adequately inform public debate.
Output 2.1.4 — Taxation and Income Support Policy Advice	Advice meets Treasury portfolio Ministers' needs in administering their responsibilities and implementing Government decisions relating to taxation and income support policy. Effective presentation of relevant information, including in the budget documentation and other publications to adequately inform public debate.

Evaluations

Feedback will be sought from key clients on a regular basis on the effectiveness of policy advice. In relation to payments to State and Territory Governments, there will be an evaluation of the accuracy of calculation and the timeliness of payments. Results of evaluations will be presented, as appropriate, in Treasury's Annual Report.

OUTCOME 3 — WELL FUNCTIONING MARKETS

Well functioning markets contribute to the achievement of high sustainable economic and employment growth and the wellbeing of Australians, by enabling resources to flow to those parts of the economy where they can be used most productively. Well functioning markets operate when investors and consumers have confidence and certainty about the regulatory framework and are able to make decisions that are well informed and free of market distortions and impediments.

Treasury provides advice on policy processes and reforms that promote a secure financial system and sound corporate practices, remove impediments to competition in product and services markets and safeguard the public interest in matters such as consumer protection and foreign investment.

Table 2.1.3 shows the relationship between the programme structure for 1998-99 and the new outcome structure for the 1999-2000 Budget for Outcome 3.

Table 2.1.3: Relationship between Programme and Outcome Structure for Outcome 3 — Well Functioning Markets

Programme Management Budgeting	Accrual Budgeting
Programme 1 — Treasury To improve living standards of the Australian community through high, sustainable economic and employment growth with low inflation and efficient and sustainable use of resources	**Outcome 3** Well functioning markets
Sub-programmes **Sub-programme 1.3** — Structural **Sub-programme 1.7** — Investment **Sub-programme 1.8** — Financial and Currency **Sub-programme 1.9** — Business Law **Sub-programme 1.10** — Consumer Affairs **Sub-programme 1.11** — Corporate Direction and Support	**Output Groups** Output Group 3.1 — Markets
Programme 2 — Royal Australian Mint **Sub-programmes** No sub-programmes	

Table 2.1.3: Relationship between Programme and Outcome Structure for Outcome 3 — Well Functioning Markets (continued)

Programme Management Budgeting	Accrual Budgeting
Appropriations for Programme 1	**Appropriations for Outcome 3**
Sub-programme 1.3	**Output Group 3.1**
Appropriation Bill 1	
Running costs, including Section 31 receipts (670-1)	
Sub-programme 1.7	
Appropriation Bill 1	
Running costs, including Section 31 receipts (670-1)	
Sub-programme 1.8	
Special Appropriations	Special Appropriations
Banking Act 1959	*Banking Act 1959*
Appropriation Bill 1	
Running costs, including Section 31 receipts (670-1)	
Compensation and legal expenses (670-2-01)	
Housing Loans Insurance Company Limited — Payments in respect of insurance claims (670-2-05)	
Sub-programme 1.9	
Appropriation Bill 1	
Running costs, including Section 31 receipts (670-1)	
Sub-programme 1.10	
Appropriation Bill 1	
Running costs, including Section 31 receipts (670-1)	
Grants under the Commonwealth Financial Counselling Program (380-6-03)	
Sub-programme 1.11	
Appropriation Bill 1	
Running costs, including Section 31 receipts (670-1)	**Outcome 3**
Compensation and legal expenses (670-2-01)	Appropriation Bill 1
	Departmental outputs
	Administered expenses
	Appropriation Bill 2
	Administered expenses

MEASURES IN THE 1999-2000 BUDGET

Australia as a Centre for Global Financial Services (CGFS) — Expense

Budget Measure Purpose

Australia has the capacity to develop as a Centre for Global Financial Services (CGFS) and gain a greater share of world financial services business.

The Government's role in promoting Australia as a CGFS will require best international practice in the overall economic and regulatory policy framework, taxation reform and sound economic management. Complementing this focus will be a more effective and coordinated promotion of Australia as a CGFS.

This measure provides $3.5 million in each of 1999-2000 and 2000-01 for initiatives developed jointly with the financial services industry that will promote Australia as a CGFS.

Enhancement of the Corporations and Securities Panel — Expense

Budget Measure Purpose

The Government has decided to allocate additional resources to the Corporations and Securities Panel to fund its enhanced role and to provide a full-time independent secretariat to service the Panel.

The Corporations and Securities Panel provides a mechanism for peer review of takeover activity, with the aim of being more efficient and less formal than a court. Under proposals currently before the Parliament, the Panel's role is to be greatly expanded, so that it will take the place of the courts as the principal forum for the resolution of takeover disputes under the Corporations Law, during the bid period. Reduced litigation will allow takeovers to be based on commercial rather than legal considerations.

The operation of the Panel will be effectively cost neutral within the context of the national corporations scheme. The ongoing costs of the Panel are to be recovered in the same manner as the costs of the regulator (the Australian Securities and Investments Commission), that is through the imposition on parties bringing matters before the Panel of fees and charges based on expenditure in the previous financial year. The fees and charges will be set as part of a review of companies' fees to be completed in December 1999.

Savings to Offset National Competition Council Measure 'Additional Legal Funding for Matters Relating to Part IIIA of the *Trade Practices Act 1974*' — Expense

Budget Measure Purpose

This measure will provide for the offsetting savings to enable the National Competition Council to meet the costs of additional legal obligations associated with Part IIIA of the *Trade Practices Act 1974*.

See also the related expense measure under the National Competition Council Agency Statement.

RESOURCES FOR OUTCOME 3 — WELL FUNCTIONING MARKETS

Table 2.2.3 shows how the 1998-99 appropriation and programming structure relates to total resourcing for Outcome 3.

Table 2.2.3: Total Resources for Outcome 3 — Well Functioning Markets

	Estimated Actual 1998-99 CASH $'000	Estimated Actual 1998-99 ACCRUAL $'000	Budget 1999-00 $'000
Administered Expenses (including Third Party Outputs)			
Appropriation Structure 1998-99			
Grants under the Commonwealth Financial Counselling Program (380-6-03)	2,004	2,004	
Housing Loans Insurance Company Limited — Payments in respect of insurance claims (670-2-05)	26,000	27,483	
Companies and securities regulation — Compensation for loss of revenue (977-02)	133,479	133,479	
Special Appropriations			
Banking Act 1959	13,000	11,387	
Total Administered Expenses	174,483	174,353	175,712
Price of Departmental Outputs			
Output Group 3.1 — Markets			
Output 3.1.1 — Foreign investment policy advice and administration	3,796	3,740	4,259
Output 3.1.2 — Financial system and markets policy advice	7,336	7,241	13,245
Output 3.1.3 — Business and consumer policy advice	6,198	6,115	6,634
Output 3.1.4 — Circulating coin and like products (a)	126	27,572	34,386
Appropriation Structure 1998-99(b)			
Sub-programme 1.3 — Structural			
Sub-programme 1.7 — Investment			
Sub-programme 1.8 — Financial and Currency			
Sub-programme 1.9 — Business Law			
Sub-programme 110— Consumer Affairs			
Sub-programme 1.11 — Corporate Direction and Support			
Subtotal Output Group 3.1	17,456	44,668	58,524
Revenue from Government (Appropriation) for Departmental Outputs	17,177	17,008	24,038
Revenue from Other Sources	279	27,660	34,486
Total Price of Outputs	17,456	44,668	58,524
Total for Outcome 3	191,939	219,021	234,236

	1998-99	1999-00
Staff Years (Number)	177	184

(a) Accrual data for 1998-1999 and 1999-2000 include the Royal Australian Mint (RAM). The cash figure for 1998-99 relates only to those activities relating to central Treasury, as cash figures for the RAM are not available.

(b) See Table 2.1.3 for details.

CONTRIBUTION OF OUTPUTS TO OUTCOME 3 — WELL FUNCTIONING MARKETS

Treasury provides advice to portfolio Ministers to assist them in carrying out their responsibilities in formulating, implementing and explaining the policies needed to achieve well functioning markets — markets that are competitive, efficient, informed, fair and transparent.

Foreign investment policy advice is provided to the Government on foreign investment proposals and on general foreign investment policy matters, including Australia's participation in multilateral and bilateral agreements on investment. In addition, awareness and understanding of the Government's foreign investment policy is fostered in the community and in the business sector, both in Australia and overseas, and compliance with policy is monitored.

In relation to the financial system, significant steps have recently been taken to enhance the framework for financial supervision following the Financial System Inquiry (FSI), including the establishment of the Australian Prudential Regulation Authority (APRA) and the Australian Securities and Investments Commission (ASIC). In the coming year Treasury will provide advice on the implementation of other Government decisions in relation to the FSI. In addition a review of the effectiveness of the legislation administered by APRA to prudentially regulate deposit-taking, insurance and superannuation entities will be continued. Advice will be provided on enhancing Australia as a Centre for Global Financial Services.

Treasury participates with other government departments and agencies in formulating policy for the progress of structural reform in key sectors of the economy, including energy, transport and communications. National competition policy initiatives are coordinated and implemented and the effectiveness of competition and pricing provisions in the *Trade Practices Act 1974* and the *Prices Surveillance Act 1983* is monitored and legislation amended as required.

In the coming year, legislation will be developed to reform the regulation of financial products, markets and services; amend the Corporations Law to reform the system of registration and regulation of auditors; and amend the *Commonwealth Inscribed Stock Act 1911* to enable Commonwealth securities to be settled electronically.

Assistance is also being given to the Government in relation to the passage of the Corporate Law Economic Reform Program Bill 1998, which involves reform to accounting standards, fundraising, takeovers, and directors' duties and corporate governance.

The Corporations and Securities Panel will be reconstituted and expanded to promote a more efficient market for corporate control.

A Financial Reporting Council will be established to provide broad oversight of the process for accounting standard-setting and to give the relevant portfolio Minister reports and advice on that process. Treasury will provide secretariat services to the Council.

The portfolio will also develop and implement proposals to reduce the paper compliance burden of Australian companies and enable ASIC to make greater use of communications technology. Fees set under the Corporations Law will also be reviewed with the objective of reducing fees to be paid by small business.

Consumer affairs policy advice will provide for the implementation of Government commitments on consumer affairs, the coordination of national policy on consumer protection and electronic commerce, industry self-regulation (particularly codes of conduct) and alternative dispute resolution schemes. A review of product safety regulation will be undertaken. Consumer information advice and materials targeting older Australians, rural/regional consumers and low income earners, and an Internet *One Stop Shop* will be provided.

The Royal Australian Mint is a semi-autonomous body responsible for the production of coinage. Treasury will continue to chair the Royal Australian Mint Advisory Board and also provide advice relating to the currency system.

PERFORMANCE INFORMATION FOR PLANNED OUTCOME 3 — WELL FUNCTIONING MARKETS

Table 2.3.3: Performance Information 1999-2000

Performance Information for Administered Items (Including Third Party Outputs)

Compensation — Companies Regulation payments to the six States and the Northern Territory	Amounts payable, according to agreed formulae, are accurately calculated. Payments are made according to agreed schedules.

Performance Information for Departmental Outputs

Output Group 3.1 — Markets

Output 3.1.1 — Foreign Investment Policy Advice and Administration	Proposals are processed efficiently to meet the needs of Ministers, the Foreign Investment Review Board (FIRB), foreign investors and their agents. The number of foreign investment proposals requiring Interim Orders gazetted due to lack of information is reduced. Advice meets Treasury portfolio Ministers' needs in administering their responsibilities and implementing government decisions as they relate to foreign investment policy.

Table 2.3.3: Performance Information 1999-2000 (continued)

Performance Information for Departmental Outputs (continued)

Output 3.1.1 — Foreign Investment Policy Advice and Administration (continued)	Effective presentation of relevant information to adequately inform public debate. Government policy is appropriately represented and an agreed negotiating position is pursued effectively in international fora. Decisions are taken with respect to around 4,700 proposals: with 80 per cent decided within 20 days and 90 per cent within 30 days of receipt of completed application and all statutory deadlines met. Responses are provided within an average of 5 days to around 30,000 general telephone inquiries and 500 written requests for information on policy. Compliance checks are undertaken on around 1,000 previous proposals subject to conditions, possibly leading to prosecutions, but aimed at an overall reduction in non-compliance with policy or conditions.
Output 3.1.2 — Financial System and Markets Policy Advice	Advice meets Treasury portfolio Ministers' needs in administering their responsibilities and implementing Government decisions as they relate to financial system and markets issues. Effective presentation of relevant information to adequately inform public debate. Statutory and other procedural requirements are met. Secretariat services provided to advisory bodies are effective. Representation and/or liaison by Treasury officers with other agencies, private sector organisations and international bodies, is assessed by participants as effective.
Output 3.1.3 — Business and Consumer Policy Advice	Advice meets Treasury portfolio Ministers' needs in administering their responsibilities and implementing Government decisions as they relate to business and consumer affairs policy. Effective presentation of relevant information to adequately inform public debate. Statutory and other procedural requirements are met. Secretariat services provided to advisory bodies are effective.

Table 2.3.3: Performance Information 1999-2000 (continued)

Performance Information for Departmental Outputs (continued)

Output 3.1.3 — Business and Consumer Policy Advice (continued)	Representation and/or liaison by Treasury officers with other agencies, private sector organisations and international bodies, is assessed by participants as effective. The extent of progress towards improving self-regulatory mechanisms in the marketplace and introducing enhancements of the consumer protection and unconscionable conduct provisions of the Trade Practices Act.
Output 3.1.4 — Circulating Coin and Like Products	Advice meets Treasury portfolio Ministers' needs in administering their responsibilities and implementing Government decisions as they relate to coinage and Royal Australian Mint operations. Effective presentation of relevant information to adequately inform public debate. Statutory and other procedural requirements are met. The Royal Australian Mint meets targets for operational efficiency and rate of return.

Evaluations

Feedback will be sought from key clients on a regular basis on the effectiveness of policy advice.

In relation to companies regulation compensation payments to the six States and Northern Territory, there will be an evaluation of the accuracy of calculation and the timeliness of payments.

There is ongoing evaluation of foreign investment policy administration in the context of statutory deadlines and target response rates.

Results of evaluations will be presented, as appropriate, in Treasury's Annual Report.

Section 3: Budget Financial Statements

The budget financial statements will form the basis of the financial statements that will appear in the Department's 1999-2000 Annual Report, and form the basis for the input into the Whole of Government Accounts.

Budget Statement of Revenue and Expenses (Budget Operating Statement)

This statement provides a picture of the expected financial results for the Department of the Treasury by identifying full accrual expenses and revenues, which highlights whether the Department is operating at a sustainable level.

Budget Statement of Assets and Liabilities (Budget Balance Sheet)

This statement shows the financial position of the Department. It enables decision makers to track the management of the Department's assets and liabilities.

Budget Cash Flow Statement

This statement identifies expected cash flows from operating activities, investing activities and financing activities.

Capital Budget

This statement shows all proposed capital expenditure funded through the Budget as appropriations or from internal resources.

Non-financial Assets — Summary of Movement

This statement shows the movement in the Department's non-financial assets over the Budget year 1999-2000.

Table 3.1: Budget Statement of Revenue and Expenses

	Estimated Actual		Estimated		
	1998-99 $'000	1999-00 $'000	2000-01 $'000	2001-02 $'000	2002-03 $'000
Departmental Revenue and Expenses					
Revenue					
Revenue from government					
Ordinary annual appropriations (net appropriations)	53,352	65,300	67,143	64,107	64,256
Revenue from other sources					
Sales of goods and services	27,671	34,492	25,419	25,427	25,435
Other revenue from other sources	405	478	4,453	635	646
Total Revenue	81,428	100,270	97,015	90,169	90,337
Expenses					
Employees	39,518	46,820	45,997	43,779	42,999
Depreciation and amortisation	2,377	2,760	4,308	5,619	5,634
Other costs of providing goods and services	36,807	49,001	37,528	35,618	36,311
Other	82	150	914	546	546
Total Expenses	78,784	98,731	88,747	85,562	85,490
Operating Result before Capital User Charge	2,644	1,539	8,268	4,607	4,847
Capital User Charge	-	1,539	2,367	2,607	2,847
Transfers and Dividends					
Accumulated Results at Year End	2,644	-	5,901	2,000	2,000
Administered Revenue and Expenses					
Revenue					
Taxation Revenue	-6,638,273	-6,750,888	-347,761	-	-
Interest and dividends	4,649,944	5,672,087	3,823,590	4,037,970	5,474,823
Other sources of non-taxation revenue	447,616	775,778	237,373	220,481	210,598
Appropriations	33,109,304	33,703,047	9,202,499	9,524,606	8,469,182
Total Revenue	31,568,591	33,400,024	12,915,701	13,783,057	14,154,603
Expenses					
Other costs of providing goods and services	84,972	573,982	90,219	88,810	89,967
Grants	17,186,302	17,915,593	654,437	2,096,317	1,409,436
Interest and other financing costs	9,059,596	8,495,877	7,609,012	6,693,289	6,107,608
Total Expenses	26,330,870	26,985,452	8,353,668	8,878,416	7,607,011
Net contribution to government	5,237,721	6,414,572	4,562,033	4,904,641	6,547,592
Cash transfers to/from DoFA	-10,014,860	-8,046,910	-7,014,795	-7,104,266	-7,941,194
Accumulated Results After Transfers	-4,777,139	-1,632,338	-2,452,762	-2,199,625	-1,393,602

Table 3.2: Budget Statement of Assets and Liabilities

	Estimated Actual		Estimated		
	1998-99 $'000	1999-00 $'000	2000-01 $'000	2001-02 $'000	2002-03 $'000
Departmental Assets and Liabilities					
Debt	1,634	13,476	13,374	11,687	10,000
Total Debt	1,634	13,476	13,374	11,687	10,000
Provisions and Payables					
Employees	12,497	12,863	12,963	13,016	13,150
Suppliers	882	886	909	930	952
Other	1,147	1,146	1,175	1,202	1,229
Total Provisions and Payables	14,526	14,895	15,047	15,148	15,331
Total Liabilities	16,160	28,371	28,421	26,835	25,331
Equity					
Accumulated results	9,421	9,421	15,322	17,322	19,322
Reserves	4,463	4,463	4,463	4,463	4,463
Total Equity	13,884	13,884	19,785	21,785	23,785
Total Liabilities and Equity	30,044	42,255	48,206	48,620	49,116
Financial Assets					
Cash	786	2,663	9,815	18,307	24,089
Receivables	4,575	1,375	1,408	1,441	1,475
Investments	1,500	3,000	2,000	-	-
Total Financial Assets	6,861	7,038	13,223	19,748	25,564
Non-financial Assets					
Infrastructure, plant and equipment	6,899	6,958	20,835	15,631	11,233
Intangibles	1,681	1,777	1,447	1,067	856
Other	14,603	26,482	12,701	12,174	11,463
Total Non-financial Assets	23,183	35,217	34,983	28,872	23,552
Total Assets	30,044	42,255	48,206	48,620	49,116
Administered Assets and Liabilities					
Debt					
Government securities	87,321,732	64,143,148	62,540,772	38,429,303	9,257,119
Loans	4,168,999	4,156,748	4,149,422	4,143,077	4,138,368
Other debt	2,777,095	3,025,575	2,888,903	2,453,192	2,243,396
Total Debt	94,267,826	71,325,471	69,579,097	45,025,572	15,638,883
Provisions and Payables					
Grants	25,000	22,500	20,000	17,500	15,000
Other	3,000,999	2,735,852	2,270,773	2,329,838	2,456,514
Total Provisions and Payables	3,025,999	2,758,352	2,290,773	2,347,338	2,471,514
Total Liabilities	97,293,825	74,083,823	71,869,870	47,372,910	18,110,397
Equity					
Accumulated results	-82,760,836	-59,610,078	-56,659,809	-32,381,518	-2,077,725
Reserves	8,039,640	8,039,640	8,039,640	8,039,640	8,039,640
Total Equity	-74,721,196	-51,570,438	-48,620,169	-24,341,878	5,961,915
Total Liabilities and Equity	22,572,629	22,513,385	23,249,701	23,031,032	24,072,312

Table 3.2: Budget Statement of Assets and Liabilities (continued)

	Estimated Actual		Estimated		
	1998-99 $'000	1999-00 $'000	2000-01 $'000	2001-02 $'000	2002-03 $'000
Financial Assets					
Cash	198,132	803,979	1,550,770	2,600,472	3,630,497
Receivables	6,394,117	5,689,973	5,701,317	4,396,605	4,344,691
Investments	15,896,674	15,904,849	15,904,849	15,904,849	15,904,849
Accrued revenues	71,520	105,520	86,520	124,520	188,520
Total Financial Assets	22,560,443	22,504,321	23,243,456	23,026,446	24,068,557
Other non-financial assets	12,186	9,064	6,245	4,586	3,755
Total Non-financial Assets	12,186	9,064	6,245	4,586	3,755
Total Assets	22,572,629	22,513,385	23,249,701	23,031,032	24,072,312

Table 3.3: Budget Cash Flow Statement

	Estimated Actual		Estimated		
	1998-99 $'000	1999-00 $'000	2000-01 $'000	2001-02 $'000	2002-03 $'000
Departmental Cash Flows					
Operating Activities					
Cash Received					
Appropriations	53,995	65,300	67,143	64,107	64,256
Sales of goods and services	27,699	34,491	25,418	25,426	25,434
Other	405	450	553	591	600
Total Cash Received	82,099	100,241	93,114	90,124	90,290
Cash Used					
Employees	41,937	49,503	45,954	43,779	42,917
Suppliers	36,797	48,706	34,924	32,932	35,532
Other	-	150	896	546	546
Total Cash Used	78,734	98,359	81,774	77,257	78,995
Net Cash from Operating Activities	3,365	1,882	11,340	12,867	11,295
Investing Activities					
Cash Received					
Proceeds from sale of property, plant and equipment	30	40	42	44	46
Total Cash Received	30	40	42	44	46
Cash Used					
Purchase of property, plant and equipment	4,229	13,547	5,660	125	1,025
Total Cash Used	4,229	13,547	5,660	125	1,025
Net Cash from Investing Activities	-4,199	-13,507	-5,618	-81	-979
Financing Activities					
Cash Received					
Proceeds from borrowings	-	1,524	-	-	-
Other	1,634	13,821	5,485	-	-
Total Cash Received	1,634	15,345	5,485		
Cash Used					
Capital user charge paid	-	1,539	2,367	2,607	2,847
Repayment of borrowings	24	303	303	303	303
Other	-	-	1,384	1,384	1,384
Total Cash Used	24	1,842	4,054	4,294	4,534
Net Cash from Financing Activities	1,610	13,503	1,431	-4,294	-4,534
Net increase/decrease in cash held	776	1,878	7,153	8,492	5,782
Add cash as at 1 July	10	786	2,664	9,816	18,308
Cash as at 30 June	786	2,664	9,817	18,308	24,090

Table 3.3: Budget Cash Flow Statement (continued)

	Estimated Actual		Estimate		
	1998-99 $'000	1999-00 $'000	2000-01 $'000	2001-02 $'000	2002-03 $'000
Administered Cash Flows					
Operating Activities					
Cash Received					
Taxes fees and fines	-6,638,273	-6,750,888	-347,761	-	-
Interest and dividends	4,583,902	5,633,266	3,908,772	3,962,039	5,353,129
Appropriation receipts	26,284,571	26,346,609	8,101,188	8,476,906	7,442,162
Other	397,145	736,342	220,397	206,192	200,753
Total Cash Received	24,627,345	25,965,329	11,882,596	12,645,137	12,996,044
Cash Used					
Grants	17,188,802	17,918,093	656,937	2,098,817	1,411,936
Interest and other financing costs	8,990,554	8,334,056	7,353,194	6,288,358	5,940,913
Cash to CRF	-1,837,800	-986,830	3,027,858	3,120,531	4,526,862
Other	105,215	94,460	91,057	89,731	89,313
Total Cash Used	24,446,771	25,359,779	11,129,046	11,597,437	11,969,024
Net Cash from Operating Activities	180,574	605,550	753,550	1,047,700	1,027,020
Investing Activities					
Cash Received					
Equity instruments	12,880	-	-	-	-
Repayment of advances	161,621	-	476,190	1,118,642	-
Consolidated Revenue Fund	5,315,912	1,831,395	3,580,818	2,178,429	2,519,796
Other	4,866,306	1,663,351	2,396,771	1,817,393	2,387,312
Total Cash Received	10,356,719	3,494,746	6,453,779	5,114,464	4,907,108
Cash Used					
Advances made	651,498	-	1,118,642	-	-
Purchase of equity instruments	517,245	8,175	-	-	-
Consolidated Revenue Fund	5,027,927	1,663,351	2,872,961	2,936,035	2,387,312
Other	4,147,169	1,823,220	2,462,176	2,178,429	2,519,796
Total Cash Used	10,343,839	3,494,746	6,453,779	5,114,464	4,907,108
Net Cash from Investing Activities	12,880	-	-	-	-
Financing Activities					
Cash Received					
Proceeds from borrowings	60,969	640,382	486,395	151,329	35,300
Consolidated Revenue Fund	11,879,701	22,951,701	1,822,213	24,299,487	29,177,599
Total Cash Received	11,940,670	23,592,083	2,308,608	24,450,816	29,212,899

Table 3.3: Budget Cash Flow Statement (continued)

	Estimated Actual		Estimated		
	1998-99 $'000	1999-00 $'000	2000-01 $'000	2001-02 $'000	2002-03 $'000
Cash Used					
Consolidated Revenue Fund	-	13,951	12,665	-	-
Repayment of borrowings	11,054,942	23,565,584	2,295,376	24,442,469	29,205,184
Other	892,483	12,251	7,326	6,345	4,710
Total Cash Used	11,947,425	23,591,786	2,315,367	24,448,814	29,209,894
Net Cash from Financing Activities	-6,755	297	-6,759	2,002	3,005
Net increase/decrease in cash held	186,699	605,847	746,791	1,049,702	1,030,025
Add cash as at 1 July	11,433	198,132	803,979	1,550,770	2,600,472
Cash as at 30 June	198,132	803,979	1,550,770	2,600,472	3,630,497

CAPITAL BUDGET

Table 3.4: Capital Budget

		Estimated		
Capital Appropriation	1999-00 $'000	2000-01 $'000	2001-02 $'000	2002-03 $'000
Departmental				
Total Loans	1,524	-	-	-
Previous year's carryover	3,200	-	-	-
Total Capital Appropriations	4,724	-	-	-
Represented by				
Purchase of non-current assets	1,524	-	-	-
Other	3,200	-	-	-
Total Departmental	4,724	-	-	-
Administered				
Total Equity Injections	93,295	1,200,546	104,000	-
Total Loans	-	-	-	-
Total Capital Appropriations	93,295	1,200,546	104,000	-
Represented by				
Purchase of non-current assets	2,895	504	-	-
Other	90,400	1,200,042	104,000	-
Total Items	93,295	1,200,546	104,000	-
Administered Financial Assets Funded by Special Appropriations				
Administered Capital	24,689,801	4,202,485	26,373,916	31,697,395
Represented by				
Purchase of non-current assets	-	-	-	-
Other	24,689,801	4,202,485	26,373,916	31,697,395
Total Items	24,689,801	4,202,485	26,373,916	31,697,395

The Department of the Treasury will receive the previous year's carryover of $3.2 million and a departmental loan of $1.5 million in 1999-2000. The loan relates to costs associated with the establishment of the Australian Office of Financial Management and costs associated with the Corporations and Securities Panel.

The Department of the Treasury will receive administered capital appropriations of $93.3 million in 1999-2000, $1,200.5 million in 2000-01 and $104.0 million in 2001-02. This includes equity injections of $2.9 million in 1999-2000 and $0.5 million in 2000-01 for the purchase of capital items relating to administered expenses for the Australian Office of Financial Management. Treasury's administered capital special appropriations relate to financial assets.

Purchase of Departmental Non-current Assets	1999-00 $'000	Estimated 2000-01 $'000	Estimated 2001-02 $'000	Estimated 2002-03 $'000
Funded by capital appropriations	1,524	-	-	-
Funded internally by Departmental resources	12,023	5,660	125	1,025
Total	13,547	5,660	125	1,025

Note: Refer to non-financial assets movement summary under additions for detail of breakdown.

Purchase of Administered Non-current Assets	1999-00 $'000	Estimated 2000-01 $'000	Estimated 2001-02 $'000	Estimated 2002-03 $'000
Funded by capital appropriations	2,895	504	-	-
Funded internally by Departmental resources	-	-	-	-
Total	2,895	504	-	-

Table 3.5: Non-financial Assets — Summary of Movement

Budget Year 1999-2000

	Land $'000	Buildings $'000	Total Land and Buildings $'000	Other Infrastructure, Plant and Equipment $'000	Total Infrastructure, Plant and Equipment $'000	Intangibles $'000	Total $'000
Gross Value							
As at 1 July 1999 (opening)	-	-	-	13,954	13,954	2,485	16,439
Additions	-	-	-	2,426	2,426	500	2,926
Disposals	-	-	-	-108	-108	-57	-165
Other movements	-	-	-	-	-	-	-
As at 30 June 2000	-	-	-	16,272	16,272	2,928	19,200
Accumulated Depreciation	-	-	-	-	-	-	-
As at 1 July 1999 (opening)	-	-	-	7,055	7,055	804	7,859
Disposals	-	-	-	-96	-96	-57	-153
Charge for the reporting period	-	-	-	2,356	2,356	404	2,760
Other movements	-	-	-	-	-	-	-
As at 30 June 2000	-	-	-	9,315	9,315	1,151	10,466
Net Book Value as at 30 June 2000 (Closing Book Value)	-	-	-	6,957	6,957	1,778	8,735
Net Book Value as at 1 July 1999 (Opening Book Value)	-	-	-	6,899	6,899	1,681	8,580

Total Additions

	Land	Buildings	Total Land and Buildings	Other Infrastructure, Plant and Equipment	Total Infrastructure, Plant and Equipment	Intangibles	Total
Self funded	-	-	-	11,523	11,523	500	12,023
Appropriations	-	-	-	1,524	1,524	-	1,524
Total	-	-	-	13,047	13,047	500	13,547

NOTES TO THE FINANCIAL STATEMENTS

Budget Statement of Revenues and Expenses

Departmental

Appropriations

The introduction of several budget measures in 1999-2000 is reflected in the higher level of appropriations for the budget and outyears.

Revenues from Other Sources — Sales of Goods and Services

This revenue stream is directly related to the operations of the Royal Australian Mint. The increase in 1999-2000 reflects activities associated with the Sydney Olympics.

Revenues from Other Sources — Other Revenue from Other Sources

The increase recorded in 2000-01 is attributable to a one-off receipt of $3.9 million in the form of a discount to the Department from the Treasury Building owners, associated with the take-up of tenancy in the refurbished building. These funds will be attributed to the cost of the fitout in the refurbished building.

Expenses

The increase in expenses in 1999-2000 is mainly due to the budget measures (see Table 1.2), coupled with increased production by the Royal Australian Mint.

Accumulated Results at Year End

The Department plans to achieve a zero result for the year ended 1999-2000. The $5.9 million operating surplus anticipated for 2000-2001 is due to the accounting treatment of the $3.9 million received (in the form of an incentive) from the Department of Finance and Administration — Property Group associated with the take-up of tenancy in the refurbished building. The balances in that year and subsequent outyears are due to planned activities in the Royal Australian Mint.

Administered

Taxation Revenue

This item reflects revenue collected by the Commonwealth on behalf of the States and Territories as a result of a legal ruling which cast doubt on the constitutional validity of State business franchise fees.

At the request of the States and Territories, the Commonwealth put in place 'safety net' arrangements to protect State and Territory finances, whereby the Commonwealth raises additional customs and excise duty on tobacco and petroleum products and sales tax on alcohol and returns the additional revenue to the States and Territories. These arrangements replace revenue from previous business franchise fees. The amounts involved are recorded as negative revenue in the accounts and detailed in the following table. These arrangements will be superseded by arrangements agreed at the 1999 Premiers' Conference.

	Estimated Actual		Estimated		
	1998-99 $'000	1999-00 $'000	2000-01 $'000	2001-02 $'000	2002-03 $'000
Sales tax	-997,400	-1,051,500	-87,635	-	-
Excise duty — petroleum products	-2,516,317	-2,604,525	-200,348	-	-
Excise duty — tobacco	-2,947,161	-2,918,969	-56,134	-	-
Customs duty	-177,395	-175,894	-3,644	-	-
Total Taxation Revenue	-6,638,273	-6,750,888	-347,761	-	-

A range of other items are disaggregated as follows:

Interest and Dividends

	Estimated Actual		Estimated		
	1998-99 $'000	1999-00 $'000	2000-01 $'000	2001-02 $'000	2002-03 $'000
Interest on housing agreements	223,542	175,153	172,262	169,249	166,110
Interest on state and territory debt	183,551	153,045	74,944	38,226	31,800
Interest and dividends from other sources	4,242,851	5,343,889	3,576,384	3,830,495	5,276,913
Total Interest and Dividends	4,649,944	5,672,087	3,823,590	4,037,970	5,474,823

Interest and dividends from other sources include interest from swaps, investments and dividend revenues from related parties.

Other Sources of Non-taxation Revenue

	Estimated Actual		Estimated		
	1998-99 $'000	1999-00 $'000	2000-01 $'000	2001-02 $'000	2002-03 $'000
Royal Australian Mint and Coinage Trust Account — Moneys in excess of requirements	62,500	98,200	61,700	52,000	52,000
Banking Act 1959 — Unclaimed moneys	18,000	18,000	18,000	18,000	18,000
Fiscal contributions by State Governments	199,559	-	-	-	-
Housing Loans Insurance Corporation — Premiums and recoveries	56,466	42,138	26,736	12,286	6,841
International Monetary Fund — Remuneration	57,417	69,345	69,345	69,345	69,345
Receipt of SDR allocation under the *International Monetary Agreements Act 1947*	-	474,335	-	-	-
Financial sector supervisory levies	59,985	72,702	67,522	66,022	60,583
Other revenue	-6,311	1,058	-5,930	2,828	3,829
Total Other Sources of Revenue	447,616	775,778	237,373	220,481	210,598

Other Costs of Providing Goods and Services

	Estimated Actual		Estimated		
	1998-99 $'000	1999-00 $'000	2000-01 $'000	2001-02 $'000	2002-03 $'000
Housing Loans Insurance Corporation — Payments in respect of insurance claims	27,483	24,286	15,162	15,079	16,653
Foreign exchange loss	-499,950	-	-	-	-
Banking Act 1959	11,387	15,000	15,000	15,000	15,000
Community education and information programme on the tax system	19,443	-	-	-	-
International Monetary Agreements Act 1947	39,579	528,869	55,984	55,984	55,984
Early debt repayment adjustment	180,411				
Australian National Railways Commission — debt assumption	300,300	-	-	-	-
Other	6,319	5,827	4,073	2,747	2,330
Total Other Goods and Services	84,972	573,892	90,219	88,810	89,967

Grants

	Estimated Actual		Estimated		
	1998-99 $'000	1999-00 $'000	2000-01 $'000	2001-02 $'000	2002-03 $'000
Grants to State and Territory Governments	17,183,505	17,913,579	652,410	2,094,256	1,407,361
Grants to other sectors	2,797	2,014	2,027	2,061	2,075
Total Grants	17,186,302	17,915,593	654,437	2,096,317	1,409,436

Interest and Other Financing Costs

	Estimated Actual		Estimated		
	1998-99 $'000	1999-00 $'000	2000-01 $'000	2001-02 $'000	2002-03 $'000
Interest on government securities	7,361,216	6,655,089	5,702,528	5,104,014	4,601,691
Interest on Swaps	1,314,412	1,435,162	1,201,953	1,237,481	1,468,223
Interest on other debt	50,460	13,900	6,600	16,000	-
Net repurchase premia	330,000	387,000	693,000	331,000	33,000
Other financing costs	3,508	4,726	4,931	4,794	4,694
Total Interest and Other Costs	9,059,596	8,495,877	7,609,012	6,693,289	6,107,608

Budget Statement of Assets and Liabilities

Departmental

The $12.2 million increase in Total Liabilities and Equity, estimated to take effect in 1999-2000, is due to recording a work in progress liability for the Department's fitout in the refurbished Treasury Building.

The planned increase in annual cash holdings (from $0.8 million in 1998-99 up to $24.1 million in 2002-03) is mainly due to the Royal Australian Mint decreasing their holdings of inventories and non-financial investment levels.

Administered

Government Securities

The debt liabilities relating to Government securities are net of investments.

Other Administered items are detailed as follows:

Other Debt

	Estimated Actual		Estimated		
	1998-99 $'000	1999-00 $'000	2000-01 $'000	2001-02 $'000	2002-03 $'000
International Monetary Fund — SDR allocation	1,045,656	1,519,991	1,519,991	1,519,991	1,519,991
Swaps principal	1,731,439	1,505,584	1,368,912	933,201	723,405
Total Other Debt	2,777,095	3,025,575	2,888,903	2,453,192	2,243,396

Other Provisions and Payables

	Estimated Actual		Estimated		
	1998-99 $'000	1999-00 $'000	2000-01 $'000	2001-02 $'000	2002-03 $'000
Interest payable	2,845,522	2,620,343	2,183,161	2,257,092	2,390,787
Provision for unclaimed moneys	39,779	41,779	43,779	45,779	47,779
Provision for insurance claims	21,386	15,655	9,494	4,914	2,736
Provision for unearned premiums	87,918	48,780	25,044	12,758	5,917
Other	6,394	9,295	9,295	9,295	9,295
Total Other Provisions and Payables	3,000,999	2,735,852	2,270,773	2,329,838	2,456,514

Receivables

	Estimated Actual		Estimated		
	1998-99 $'000	1999-00 $'000	2000-01 $'000	2001-02 $'000	2002-03 $'000
Loans to State and Territory Governments	5,777,458	5,068,493	5,622,209	4,279,566	4,169,958
Other advances and loans	476,190	476,190	-	-	-
Other receivables	140,469	145,290	79,108	117,039	174,733
Total Receivables	6,394,117	5,689,973	5,701,317	4,396,605	4,344,691

Investments

	Estimated Actual		Estimated		
	1998-99 $'000	1999-00 $'000	2000-01 $'000	2001-02 $'000	2002-03 $'000
International Financial Institutions	665,034	673,209	673,209	673,209	673,209
International Monetary Fund	7,192,000	7,192,000	7,192,000	7,192,000	7,192,000
Commonwealth Authorities	8,039,640	8,039,640	8,039,640	8,039,640	8,039,640
Total Investments	15,896,674	15,904,849	15,904,849	15,904,849	15,904,849

Appendix 1

Non-Appropriation Departmental and Administered Revenue [(a)]

	Estimated Revenue 1998-99 $'000	Estimated Revenue 1999-00 $'000
Departmental Revenue		
Departmental Section 31 receipts	648	753
Royal Australian Mint revenue	27,428	34,217
Total Non-appropriation Departmental Revenue	28,076	34,970
Appropriations	53,352	65,300
Total Departmental Revenue	81,428	100,270
Administered Revenue		
Advances to the Australian Capital Territory — Interest	3,321	2,484
Advances to the States under the Housing Agreements — Interest	133,121	101,814
Advances to the Northern Territory for Housing — Interest	1,591	1,574
Advances to the States under the *Housing Assistance Act 1973* — Interest	188	151
Advances to the States under the *States (Works and Housing Assistance) Acts* — Interest	88,184	71,185
Advances to the States under the *War Service Lands Settlements Acts* — Interest	458	429
Banking Act 1959 — Unclaimed moneys	18,000	18,000
Bank dividends	2,726,000	3,200,000
Fiscal contributions by State Governments	199,559	-
Housing Loans Insurance Corporation — Recoveries from old book stock and premiums	56,466	42,138
Interest paid by States and the Northern Territory on other loans	180,230	150,561
Interest on financial assets	-	416,000
Loan management expenses — Recoveries from the States and the Northern Territory	44	38
Loans Securities Amendment Act 1998 — Swaps	1,515,088	1,690,151

Non-Appropriation Departmental and Administered Revenue (continued) [(a)]

	Estimated Revenue 1998-99 $'000	Estimated Revenue 1999-00 $'000
Receipts under the *International Monetary Agreements Act 1947* (previously International Monetary Fund — Remuneration)	59,180	581,419
Royal Australian Mint and Coinage Trust Account — Moneys in excess of requirements	62,500	98,200
Seignorage payments — Gold Corporation	295	617
States Grants (General Purposes) Act 1994 — Revenue Replacement Payments	-6,638,273	-6,750,888
Financial sector supervisory levies	59,985	72,702
Miscellaneous — Treasury Department	105	105
Other	-6,755	297
Total Non-appropriation Administered Revenue	-1,540,713	-303,023
Appropriations	33,109,304	33,703,047
Total Administered Revenue	31,568,591	33,400,024

(a) Includes Appropriations to allow easier reconciliation to Total Departmental and Administered Revenue.

Appendix 2

Estimates of Expenses from Special Appropriations

	Estimated Expense 1998-99 $'000	Estimated Expense 1999-00 $'000
Airports (Transitional) Act 1996 — Former debts of the Federal Airports Corporation — Interest	53,000	45,000
Commonwealth Inscribed Stock Act 1911, Loans Securities Act 1919, Loans Redemption and Conversion Act 1921	7,524,056	7,261,994
Loans Securities Amendment Act 1988 (Swaps) — Interest	1,314,412	1,435,162
Financial Agreement Act 1994 — Assistance for debt redemption	81,700	59,610
Loans Redemption and Conversion Act 1921	5	5
Loans Securities Amendment Act 1988 (Swaps) — Principal	-441,821	-
Moomba — Sydney Pipeline System Sale Act 1994	2,070	-
Financial Agreement Act 1994 — Commonwealth Contribution to Debt Retirement Reserve Trust Account on State and Northern Territory Debt	5,189	4,998
Financial Agreement Act 1994 — Interest on Debt Retirement Reserve Trust Account Balances	829	829
States Grants (General Purposes) Act 1994	16,943,326	17,706,357
Asian Development Bank (Additional Subscription) Act 1995	-	-
Banking Act 1959	11,387	15,000
Commonwealth Inscribed Stock Act 1911, Treasury Bills Act 1914 — Payment of Special Bond premiums on redemption	5	5
International Monetary Agreements Act 1947	-18,550	528,869
Multilateral Investment Guarantee Agency Act 1997	-	-
Qantas Sale Act 1992 — Qantas debt servicing	33,284	1,820
Early debt repayment adjustment	180,411	-
Loans Redemption and Conversion Act 1921	-29,400	-128,600
Loan Flotation Expenses	161	563
Loan Consolidation and Investment	-186,460	-605,550
Loans Redemption and Conversion Act 1921 — Net repurchase premia	330,000	387,000
Total Estimated Expenses	25,803,604	26,713,062