

PART 4: FEDERAL FINANCIAL RELATIONS

This Part provides information concerning goods and services tax (GST) revenue, general revenue assistance, revenue replacement payments, general purpose assistance to local government and Specific Purpose Payments to the States and Territories (the States) in 2002-03. The information supplements material provided in Budget Paper No. 3, *Federal Financial Relations 2003-04*.

Under The New Tax System, which came into effect on 1 July 2000, Commonwealth-State financial relations have been substantially reformed. All GST revenue collected is received by the States. This provides the States with access to a secure, growing and broad based revenue source. States can spend the GST revenue according to their own budget priorities.

The implementation of The New Tax System has also enabled the abolition of a range of narrow and inefficient State taxes. This includes Financial Institutions Duty and stamp duty on quoted marketable securities which were abolished from 1 July 2001.

The new system of Commonwealth-State financial relations has also provided for the introduction of the First Home Owners Scheme.

In addition, the Australian Government has made a commitment to provide assistance to the States in the transitional years to ensure that each individual State will be no worse off than it would have been had the reforms not been implemented. To meet this guarantee, the Australian Government pays the States Budget Balancing Assistance (BBA) to cover any shortfall of GST revenue below the Guaranteed Minimum Amount (GMA) which is a calculation of the amount of funding each State would have had available to it under the previous system of financial relations.

GST REVENUE PROVISION

The *A New Tax System (Commonwealth-State Financial Arrangements) Act 1999* (the Act) provides that the States receive all GST revenue. The GST revenue pool is distributed to the States on the basis of recommendations of the Commonwealth Grants Commission (CGC), which applies the principles of Horizontal Fiscal Equalisation to help determine State revenue shares. Budget Paper No. 3, *Federal Financial Relations 2003-04* provides more details on Horizontal Fiscal Equalisation.

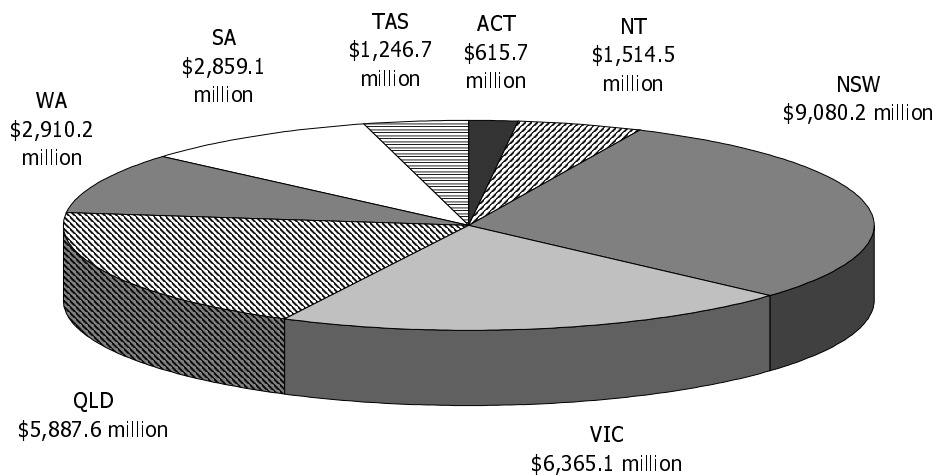
Under the Act, the Commissioner of Taxation is required to make a determination by 15 June each year of the estimated GST revenue collections for the year. In accordance with the Commissioner of Taxation's determination of GST revenue on 11 June 2003, a total of \$30,479.1 million in GST revenue was provided to the States in 2002-03. This reflects a GST revenue estimate for 2002-03 of \$30,690.0 million less a \$210.9 million adjustment for the difference between the Commissioner's 2001-02 determination and

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the 2001-02 GST revenue outcome. The Commissioner's estimate of GST for 2002-03 was broadly consistent with both the estimate at Budget, and the final GST revenue outcome as reported in Appendix A and in Note 15 in Part 3.

The final provision of GST revenue to the States in 2002-03 is illustrated in Chart 1.

Chart 1: GST revenue provision to the States and Territories



The calculation of the distribution of GST revenue to the States is shown in Table 27. The distribution differs marginally from estimates shown in Budget Paper No. 3, *Federal Financial Relations 2003-04*, reflecting final determinations made under the Act.

The 2002-03 GST revenue was distributed, in accordance with the Act, using GST relativities recommended in the *CGC Report on State Revenue Sharing Relativities 2002 Update*.

Table 27 shows the per capita relativities applied to the States' populations (as at 31 December each year) in order to arrive at a weighted population share for each State. A State's share of GST revenue is equal to its weighted population share of the combined GST revenue and unquarantined Health Care Grants (HCGs), less the unquarantined HCGs it receives.

Table 27: GST revenue provision to the States and Territories

	Population as at 31 December 2002	Per capita relativities	Weighted population (1) x (2) (%)	Share of Weighted Population (%)	GST revenue/HCGs pool according to (4) (\$m)	Unquarantined HCGs (\$m)	Distribution of GST revenue (5) - (6) (\$m)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
NSW	6,671,426	0.90631	6,046,380	30.6	11,492.2	2,412.0	9,080.2
VIC	4,902,920	0.86824	4,256,911	21.5	8,091.0	1,726.0	6,365.1
QLD	3,750,543	1.01174	3,794,574	19.2	7,212.3	1,324.6	5,887.6
WA	1,940,485	0.97592	1,893,758	9.6	3,599.4	689.2	2,910.2
SA	1,524,136	1.19447	1,820,535	9.2	3,460.3	601.2	2,859.1
TAS	474,388	1.55419	737,289	3.7	1,401.4	154.7	1,246.7
ACT	322,680	1.15216	371,779	1.9	706.6	90.9	615.7
NT	197,374	4.24484	837,821	4.2	1,592.4	77.9	1,514.5
Total	19,783,952	na	19,759,048	100.0	37,555.6	7,076.5	30,479.1

GENERAL REVENUE ASSISTANCE

In 2002-03, general revenue assistance to the States comprised Budget Balancing Assistance (BBA), National Competition Policy Payments (NCPPs) and Special Revenue Assistance (SRA).

Budget Balancing Assistance

As previously noted, the Australian Government has guaranteed that in each of the transitional years following the introduction of tax reform, each State's budgetary position will be no worse off than had the reforms not been implemented. This is given effect to by the payment of transitional assistance in the form of BBA.

In June 2002-03, it was determined that the States were entitled to a total of \$994.0 million of BBA. Queensland and the Northern Territory did not require BBA in 2002-03 as their respective shares of GST revenue exceeded their Guaranteed Minimum Amounts by a combined total of \$86.0 million.

The calculation of BBA entitlements for 2002-03 is shown in Table 28 and is broadly consistent with estimates at Budget.

Consistent with the terms of the *Intergovernmental Agreement on the Reform of Commonwealth-State Financial Relations*, the Australian Government advanced BBA to the States in four quarterly instalments in 2002-03. These advances were based on the estimated BBA entitlements of the States at the time of each advance. The upward revision to GST revenue estimates in the Budget resulted in lower than previously estimated BBA entitlements of the States. On the basis of the determined BBA entitlements, the advances to the States in 2002-03 exceeded the States' final entitlements to BBA in 2002-03 by \$544.9 million. This is shown in Table 29.

Consistent with the provisions of the Act, the Australian Government will deduct the amount of excess BBA paid in 2002-03 from payments to be made to the States under the Act in 2003-04.

Table 28: Guaranteed Minimum Amount components, GST revenue provision and Budget Balancing Assistance to the States and Territories

	NSW \$m	VIC \$m	QLD \$m	WA \$m	SA \$m	TAS \$m	ACT \$m	NT \$m	Total \$m
State revenues forgone									
Financial Assistance Grants	5,386.9	3,830.0	3,975.6	1,759.1	2,071.0	974.5	439.2	1,323.8	19,760.1
Revenue Replacement Payments	2,460.6	1,646.7	1,493.4	1,030.9	640.5	217.6	109.4	139.1	7,738.3
Financial Institutions Duty	671.0	386.7	na	145.8	96.6	23.6	19.5	15.3	1,358.5
Marketable Securities Duty	429.0	223.1	27.0	27.6	14.7	0.7	24.2	1.1	747.4
Marketable Securities Duty Needs	-21.6	11.3	12.9	2.6	2.9	2.4	-11.0	0.5	0.0
Accommodation taxes	77.0	na	na	na	na	na	na	8.5	85.5
plus Reduced revenues									
Gambling taxes	573.8	380.7	224.7	60.2	92.2	24.6	22.5	17.4	1,396.1
plus Interest costs									
Interest costs	3.9	4.2	5.0	1.2	1.4	0.6	0.5	0.9	17.7
plus Additional expenditures									
First Home Owners Scheme	287.4	225.4	209.2	108.7	67.0	27.4	16.0	8.3	949.4
GST administration costs	188.4	138.4	105.9	54.8	43.0	13.4	9.1	5.6	558.6
plus Other items									
WST payments	38.0	5.0	18.0	19.0	12.7	13.0	4.0	3.0	112.7
minus Reduced expenditures									
Off-road diesel subsidies	138.2	57.5	132.3	172.8	37.0	2.2	0.0	3.9	543.9
Savings from tax reform	167.9	115.0	95.3	56.9	41.4	13.9	9.5	14.0	514.0
Low alcohol beer subsidies	24.7	17.1	4.8	7.8	4.6	1.7	1.0	1.2	62.9
minus Growth dividend									
Remaining State taxes	77.4	49.9	26.2	15.6	12.5	3.2	2.4	1.7	189.0
plus Adjustments									
2001-02 BBA adjustment	-7.2	-20.4	-1.7	-2.4	0.3	2.7	-0.7	2.0	-27.3
Total	9,678.9	6,591.7	5,811.6	2,954.3	2,946.8	1,279.4	619.7	1,504.6	31,387.1
GST revenue provision	9,080.2	6,365.1	5,887.6	2,910.2	2,859.1	1,246.7	615.7	1,514.5	30,479.1
Budget Balancing Assistance	598.7	226.6	0.0	44.1	87.7	32.8	4.0	0.0	994.0

Table 29: Overpayment of Budget Balancing Assistance

	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Payments in 2002-03	810.6	361.5	37.9	93.9	144.5	56.7	16.2	17.5	1,538.8
BBA entitlement	598.7	226.6	0.0	44.1	87.7	32.8	4.0	0.0	994.0
BBA overpayment	211.9	134.9	37.9	49.7	56.8	24.0	12.2	17.5	544.9

National Competition Policy Payments

National Competition Policy Payments are distributed between the States on an equal per capita basis. Payment is subject to States achieving satisfactory progress in implementing specified reforms under the *Agreement to Implement the National Competition Policy and Related Reforms*. The amount of NCPPs paid is shown in Table 30.

Table 30: National Competition Policy Payments

	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
2002-03	251.8	182.4	138.9	72.0	57.1	17.7	12.4	7.5	739.9

Special Revenue Assistance

In 2002-03, in accordance with the recommendations of the Commonwealth Grants Commission, SRA of \$14.7 million was paid to the Australian Capital Territory.

FINANCIAL ASSISTANCE GRANTS TO LOCAL GOVERNMENT

Table 31 provides details of the Australian Government payments to local government authorities in 2002-03 for each of the six States and the Northern Territory, and an analogous payment made to the Australian Capital Territory.

In 2002-03, local government financial assistance grants were increased on the basis of an annual escalation factor determined by the Treasurer. The payments made to the States in 2002-03 and shown in Budget Paper No. 3, *Federal Financial Relations 2003-04* were based on an estimated escalation factor of 1.0392, estimated in June 2002, and take into account an underpayment of \$19.5 million in 2001-02.

On 26 June 2003, the Treasurer determined the final 2002-03 escalation factor to be 1.0435 on the basis of the Australian Statistician's determination of population and Treasury's estimate of the ongoing CPI. The difference between the estimate and the final escalation factor for 2002-03 has resulted in an underpayment of \$6.0 million in 2002-03 for which there will be an adjustment in 2003-04, as provided for under the *Local Government (Financial Assistance) Act 1995*.

Table 31: Financial Assistance Grants to local government

	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
General Purpose Assistance	346.6	250.6	190.0	99.0	79.0	24.6	17.0	10.4	1,017.2
Untied local road funding	131.0	93.1	84.6	69.0	24.8	23.9	14.5	10.6	451.4
Total Financial Assistance Grants(a)	477.6	343.6	274.6	168.0	103.8	48.5	31.5	21.0	1,468.6

(a) Total General Purpose Assistance is the actual cash payment that the State receives on behalf of local government. It is equal to the estimated entitlement for a given year adjusted for an over or under payment from the previous year.

SPECIFIC PURPOSE PAYMENTS

Tables 32 and 33 provide information on Australian Government Specific Purpose Payments (SPPs) to the States and local government together with details of repayments and interest on advances (loans) to the States. The majority of these advances were funded from borrowings made on behalf of the States.

Details are classified as follows:

- SPPs;
 - current;
 - capital;
- repayments of advances;
- details of new advances made; and
- interest on Australian Government advances.

SPP information is presented on a functional basis, which aggregates payments directed toward like objectives and purposes. SPPs are further divided into those paid 'to' the States (by far the larger group by number) and those judged to be paid 'through' the States to other groups. Payments in the latter group are indicated within the table by (*) and separate totals for 'to' and 'through' are provided in the summary at the end of the table.

Table 32: Specific Purpose Payments to the States, repayments of advances and interest payments, 2002-03 (\$'000)

<i>Function</i>									
Payment title	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
SPECIFIC PURPOSE PAYMENTS - CURRENT PURPOSES									
<i>Public Order and Safety</i>									
Legal aid	38,956	0	0	10,919	10,476	4,161	3,221	2,139	69,872
Film and literature classifications	80	80	80	79	80	78	79	77	633
Gun Buyback Scheme	0	0	0	0	0	0	0	0	0
<i>Public Order and Safety - total</i>	39,036	80	80	10,998	10,556	4,239	3,300	2,216	70,505
<i>Education</i>									
Government schools	476,158	340,049	286,088	144,005	105,411	39,555	26,115	17,352	1,434,733
*Non-government schools	1,165,674	941,808	646,780	339,502	268,760	70,356	75,062	29,878	3,537,820
Vocational Education and Training Funding Act(a)	359,269	262,213	183,516	99,261	86,399	31,362	20,503	15,948	1,058,471
Targeted programmes - government schools and joint	117,811	72,895	52,151	27,490	26,671	9,072	3,069	5,949	315,108
*Targeted programmes - non-government schools	61,752	51,204	23,812	14,016	13,824	2,650	2,501	2,440	172,199
Indigenous Education Strategic Initiatives									
Programme - government	25,616	5,965	24,812	18,423	8,509	2,799	1,128	26,009	113,261
*Indigenous Education Strategic Initiatives									
Programme - non-government	14,538	3,058	9,427	13,302	2,837	1,021	705	13,653	58,541
<i>Education - total</i>	2,220,818	1,677,192	1,226,586	655,999	512,411	156,815	129,083	111,229	6,690,133
<i>Health</i>									
Blood transfusion services(b)	25,595	19,215	15,101	9,212	7,290	1,860	1,386	891	80,550
Health Programme Grants	0	2,103	0	0	1,077	0	0	334	3,514
Health Care Grants	2,411,665	1,725,070	1,348,407	694,929	605,634	156,076	92,077	79,096	7,112,954
National Health Development Fund	20,500	38,574	3,540	22,960	6,571	3,392	1,118	0	96,655
Highly specialised drugs	125,558	92,284	60,826	27,078	27,355	6,518	5,227	4,142	348,988
Youth health services	776	650	403	208	190	59	53	53	2,392
National public health	63,063	46,887	35,039	18,002	17,263	7,061	4,747	4,632	196,694
Essential vaccines	63,674	45,113	35,367	18,642	13,916	4,730	2,300	2,629	186,371
Repatriation general hospitals	2,032	2,451	0	0	304	0	0	0	4,787
Fringe Benefits Tax transitional grants for public and not-for-profit hospitals	1,235	40,477	2,273	10,351	9,405	1	1,287	234	65,263
<i>Health - total</i>	2,714,098	2,012,824	1,500,956	801,382	689,005	179,697	108,195	92,011	8,098,168

Table 32: Specific Purpose Payments to the States, repayments of advances and interest payments, 2002-03 (\$'000)
(continued)

<i>Function</i>									
Payment title	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
<i>Social Security and Welfare</i>									
Aged care assessment	14,171	10,732	6,899	3,885	3,778	1,171	430	721	41,787
Home and community care	209,522	177,000	131,222	66,289	58,556	17,245	7,779	4,559	672,172
Disabilities services(c)	167,672	120,302	102,256	42,558	59,587	18,680	7,396	5,534	523,985
Children's services	1,306	1,052	1,053	1,118	6,457	215	54	760	12,015
Supported accommodation assistance	53,927	35,843	27,744	16,523	15,873	7,108	5,662	4,728	167,408
Unaccompanied humanitarian minors	74	100	81	19	834	0	0	0	1,108
Exceptional circumstances	17,131	10,732	5,921	8,601	182	60	0	0	42,627
Extension of fringe benefits	61,994	44,320	30,946	15,583	17,631	5,662	1,259	863	178,258
National Illicit Drugs Strategy	0	0	0	0	0	0	0	4,875	4,875
Native Title	0	0	0	0	0	0	0	0	0
Concessions for CwIth Seniors Health Card Holders(d)	0	0	0	0	0	0	0	0	0
State Senior's Card Reciprocal Transport									
Concessions(d)	0	0	0	0	0	0	0	0	0
<i>Social Security and Welfare - total</i>	525,797	400,081	306,122	154,576	162,898	50,141	22,580	22,040	1,644,235
<i>Housing and Community Amenities</i>									
Assistance for housing	0	0	0	0	0	0	0	0	0
Assistance for water and sewerage	0	0	0	0	0	0	8,675	0	8,675
Natural Heritage Trust of Australia - Bushcare(e)	362	505	580	10	126	2,710	0	85	4,378
Natural Heritage Trust of Australia - Coastcare(e)	2,776	1,909	2,935	1,363	2,214	7,676	44	151	19,068
Natural Heritage Trust of Australia - Landcare(e)	1	10	0	0	22	0	26	0	59
Natural Heritage Trust of Australia - Rivercare(e)	166	513	0	474	417	243	51	131	1,995
Natural Heritage Trust of Australia - Air Pollution in Major Cities(e)	25	25	25	550	25	22	25	0	697
<i>Housing and Community Amenities - total</i>	3,330	2,962	3,540	2,397	2,804	10,651	8,821	367	34,872
<i>Recreation and Culture</i>									
Natural Heritage Trust of Australia - Bushcare(e)	2,672	3,655	7,641	1,372	912	10,806	95	482	27,635
Natural Heritage Trust of Australia - Coastcare(e)	0	0	0	0	0	0	0	0	0
Natural Heritage Trust of Australia - Landcare(e)	146	0	117	0	0	0	0	142	405
Natural Heritage Trust of Australia - Rivercare(e)	124	67	85	81	174	15	0	61	607
<i>Recreation and Culture - total</i>	2,942	3,722	7,843	1,453	1,086	10,821	95	685	28,647

Table 32: Specific Purpose Payments to the States, repayments of advances and interest payments, 2002-03 (\$'000)
(continued)

<i>Function</i>									
Payment title	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
<i>Fuel and Energy</i>									
Snowy Hydro Ltd - company tax compensation	2,229	1,114	0	0	0	0	0	0	3,343
<i>Fuel and Energy - total</i>	2,229	1,114	0	0	0	0	0	0	3,343
<i>Agriculture, Forestry and Fishing</i>									
Natural Heritage Trust of Australia - Bushcare(e)	0	318	0	28	0	96	354	0	796
Natural Heritage Trust of Australia - Coastcare(e)	0	34	0	0	0	84	21	0	139
Natural Heritage Trust of Australia - Landcare(e)	2,061	25,093	6,141	20,809	9,667	1,514	267	4,196	69,748
Natural Heritage Trust of Australia - Rivercare(e)	361	670	1,512	0	127	1,478	389	0	4,537
Tasmanian Wheat Freight - shipping	0	0	0	0	0	1,200	0	0	1,200
Exotic Disease Preparedness	750	490	2,999	98	922	13	9	663	5,944
National Landcare Programme (NLP)	7,189	3,323	5,346	0	2,054	664	44	1,053	19,673
Regional Assistance	891	1	100	1,299	733	0	0	0	3,024
Natural Heritage Trust of Australia - Waste Management Awareness(e)	3	167	0	0	0	0	0	82	252
Great Artesian Basin Sustainability Initiative	0	0	0	0	480	0	0	0	480
Forest Industry Structural Adjustment Package	8,612	2,015	0	0	0	0	0	0	10,627
Skilling Farmers for the Future	3,708	3,120	1,049	1,506	2,559	398	0	223	12,563
War Service Land Settlement Scheme	0	0	0	0	1,438	0	0	0	1,438
Eradication of Red Imported Fire Ant	0	0	18,734	0	0	0	0	0	18,734
National Action Plan for Salinity and Water Quality	0	0	0	0	0	0	0	0	0
Agricultural Development Partnerships	0	0	0	0	0	0	0	0	0
Plant Disease and Eradication	0	0	-5	86	1,146	0	0	500	1,727
<i>Agriculture, Forestry and Fishing - total</i>	23,575	35,231	35,876	23,826	19,126	5,447	1,084	6,717	150,882
<i>Transport and Communication</i>									
Interstate road transport	17,040	9,915	3,511	1,467	4,488	185	185	185	36,976
Petroleum Products Freight Subsidy Scheme	252	0	1,571	33	201	0	0	1,128	3,185
Roads to Recovery - Unincorporated areas	950	50	0	0	1,000	0	0	0	2,000
Gold Coast light rail	0	0	273	0	0	0	0	0	273
<i>Transport and Communication - total</i>	18,242	9,965	5,355	1,500	5,689	185	185	1,313	42,434

Table 32: Specific Purpose Payments to the States, repayments of advances and interest payments, 2002-03 (\$'000)
(continued)

<i>Function</i>									
Payment title	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
<i>Other Purposes</i>									
Debt Redemption Assistance	9,770	5,119	3,856	3,134	3,751	2,786	0	1,384	29,800
*Financial Assistance Grants for local government									
<i>Financial Assistance Grants</i>	341,070	249,588	189,108	98,771	78,226	24,365	16,529	10,235	1,007,892
<i>Untied Local Roads Grants</i>	129,751	92,200	83,792	68,380	24,577	23,699	14,340	10,476	447,215
Compensation - companies regulation	46,226	40,411	22,758	14,008	10,419	3,227	12,645	2,059	151,753
Natural Disaster Relief	69,577	3	5,695	21	0	0	3,353	1,738	80,387
National Aerial Firefighting Strategy	0	6,633	0	273	227	0	0	0	7,133
*Natural Disaster Risk Management Studies	1,021	513	883	83	12	46	0	0	2,558
Bushfire recovery appeals	1,000	1,000	0	0	0	0	500	0	2,500
Royalties	0	0	0	424,491	0	0	0	2,435	426,926
ACT National Capital influences	0	0	0	0	0	0	21,571	0	21,571
Special Revenue Assistance to the ACT	0	0	0	0	0	0	14,700	0	14,700
Assistance to ACT Softwood Sawmill	0	0	0	0	0	0	0	0	0
<i>Other Purposes - total</i>	598,415	395,467	306,092	609,161	117,212	54,123	83,638	28,327	2,192,435
TOTAL CURRENT	6,148,482	4,538,638	3,392,450	2,261,292	1,520,787	472,119	356,981	264,905	18,955,654
SPECIFIC PURPOSE PAYMENTS - CAPITAL PURPOSES									
<i>Education</i>									
Government schools	81,850	56,309	62,618	23,735	24,007	6,560	4,018	6,013	265,110
*Non-government schools	30,949	25,290	16,332	9,000	6,998	2,067	2,089	793	93,518
<i>Education - total</i>	112,799	81,599	78,950	32,735	31,005	8,627	6,107	6,806	358,628
<i>Health</i>									
Blood transfusion services(b)	3,527	2,207	468	1,071	1,226	189	131	118	8,937
<i>Health - total</i>	3,527	2,207	468	1,071	1,226	189	131	118	8,937
<i>Social Security and Welfare</i>									
Home and community care	0	1,703	153	0	0	58	0	0	1,914
Crisis accommodation assistance	13,439	9,821	7,426	3,882	3,073	957	653	404	39,655
<i>Social Security and Welfare - total</i>	13,439	11,524	7,579	3,882	3,073	1,015	653	404	41,569

Table 32: Specific Purpose Payments to the States, repayments of advances and interest payments, 2002-03 (\$'000)
(continued)

<i>Function</i>									
Payment title	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
<i>Housing and Community Amenities</i>									
Housing assistance for indigenous people	17,777	3,638	27,764	17,621	8,712	696	0	23,792	100,000
Community housing	21,687	15,847	11,983	6,264	4,959	1,545	1,053	652	63,990
Commonwealth-State Housing Agreement (CSHA)									
Block Assistance/Base Funding	266,763	193,125	154,539	78,944	65,253	24,127	22,887	18,551	824,189
Social Housing Subsidy Programme	1,926	0	0	0	0	0	121	0	2,047
*Federal flood mitigation	4,511	610	1,821	1,268	300	195	0	49	8,754
*Disaster Mitigation Package	0	0	0	0	0	0	0	0	0
*Additional First Home Owners Scheme	15,514	25,201	3,314	5,506	4,472	929	1,206	388	56,530
<i>Housing and Community Amenities - total</i>	328,178	238,421	199,421	109,603	83,696	27,492	25,267	43,432	1,055,510
<i>Fuel and Energy</i>									
*Photovoltaic Rebate Programme (PVRP)	1,917	1,640	309	95	3,051	191	58	-10	7,251
Renewable Remote Power Generation	0	0	5,156	8,702	1,729	600	0	2,118	18,305
<i>Fuel and Energy - total</i>	1,917	1,640	5,465	8,797	4,780	791	58	2,108	25,556
<i>Agriculture, Forestry and Fishing</i>									
Natural Heritage Trust of Australia - Landcare(e)	0	0	0	0	2,658	2,339	0	0	4,997
Natural Heritage Trust of Australia - Rivercare(e)	0	334	0	0	0	0	0	0	334
Warner Creek Dam and Northern Midlands Water Project	0	0	0	0	0	0	0	0	0
Great Artesian Basin Sustainability Initiative	3,000	0	5,050	0	0	0	0	0	8,050
<i>Agriculture, Forestry and Fishing - total</i>	3,000	334	5,050	0	2,658	2,339	0	0	13,381
<i>Transport and Communication</i>									
Alice Springs Darwin Railway	0	0	0	0	0	0	0	13,900	13,900
Road programmes	357,563	202,278	234,922	81,083	48,323	23,509	1,796	27,709	977,183
Road safety blackspots	14,287	10,428	9,304	4,982	3,200	1,116	602	581	44,500
Federation Fund Projects - Tasmania	0	0	0	0	0	50	0	0	50
Federation Fund Projects - Queensland	0	0	5,334	0	0	0	0	0	5,334
Federation Fund Projects - New South Wales/Victoria	0	0	0	0	0	0	0	0	0
<i>Transport and Communication - total</i>	371,850	212,706	249,560	86,065	51,523	24,675	2,398	42,190	1,040,967

Table 32: Specific Purpose Payments to the States, repayments of advances and interest payments, 2002-03 (\$'000)
(continued)

<i>Function</i>									
Payment title	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
<i>Other Purposes</i>									
Sinking Fund on State Debt	440	129	593	23	178	146	0	0	1,509
Natural Disaster Relief	0	0	0	0	0	0	0	0	0
<i>Other Purposes - total</i>	440	129	593	23	178	146	0	0	1,509
TOTAL CAPITAL	835,150	548,560	547,086	242,176	178,139	65,274	34,614	95,058	2,546,057
	REPAYMENTS								
Supplementary Contributions	0	0	28,439	0	0	383	0	0	28,822
Payments to Debt Sinking Funds	1,774	521	2,393	92	720	589	0	0	6,089
Total	1,774	521	30,832	92	720	972	0	0	34,911
<i>Repayments of Australian Government Loans</i>									
ACT Debt Repayments	0	0	0	0	0	0	4,647	0	4,647
Loan Council - Housing Nominations	5,060	0	1,861	3,227	3,030	1,357	0	1,684	16,219
<i>Repayments of Australian Government Loans - total</i>	5,060	0	1,861	3,227	3,030	1,357	4,647	1,684	20,866
<i>Defence</i>									
Housing for servicemen	694	0	426	139	30	0	0	0	1,289
<i>Defence - total</i>	694	0	426	139	30	0	0	0	1,289
<i>Housing and Community Amenities</i>									
CSHA loans	30,658	0	8,393	8,011	9,182	3,498	0	467	60,209
Other housing	0	0	0	0	0	0	5,847	2,400	8,247
Urban water supply and treatment	0	0	0	0	352	0	0	0	352
NT - water and sewerage assistance	0	0	0	0	0	0	0	136	136
Growth centres	276	0	0	0	0	0	0	0	276
Urban rehabilitation	0	205	0	0	0	0	0	0	205
Community facilities - Townsville	0	0	36	0	0	0	0	0	36
Captains Flat (Abatement of Pollution) Agreement	6	0	0	0	0	0	0	0	6
Sewerage	2,465	0	616	4	0	0	0	0	3,085
<i>Housing and Community Amenities - total</i>	33,405	205	9,045	8,015	9,534	3,498	5,847	3,003	72,552

Table 32: Specific Purpose Payments to the States, repayments of advances and interest payments, 2002-03 (\$'000)
(continued)

<i>Function</i>	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Payment title									
<i>Agriculture, Forestry and Fishing</i>									
Bovine Brucellosis and Tuberculosis	0	0	0	0	0	0	0	5	5
Rural Adjustment Scheme	1,603	0	0	0	0	0	0	170	1,773
War Service Land Settlement Scheme	428	854	0	0	58	0	0	0	1,340
<i>Agriculture, Forestry and Fishing - total</i>	2,031	854	0	0	58	0	0	175	3,118
<i>Transport and Communication</i>									
Railway projects	96	96	0	378	0	0	0	0	570
<i>Transport and Communication - total</i>	96	96	0	378	0	0	0	0	570
<i>Other Purposes</i>									
Natural Disaster Relief	334	0	1,724	0	0	0	0	0	2,058
<i>Other Purposes - total</i>	334	0	1,724	0	0	0	0	0	2,058
TOTAL REPAYMENTS	43,394	1,676	43,888	11,851	13,372	5,827	10,494	4,862	135,364
ADVANCES									
<i>Other Purposes</i>									
Natural Disaster Relief	7,027	0	48	0	0	0	0	0	7,075
<i>Other Purposes - total</i>	7,027	0	48	0	0	0	0	0	7,075
TOTAL ADVANCES	7,027	0	48	0	0	0	0	0	7,075
INTEREST									
Interest on Loan Council and NT Government Borrowings	9,072	2,445	6,079	428	3,532	5,136	0	0	26,692
Total	9,072	2,445	6,079	428	3,532	5,136	0	0	26,692
<i>Interest on Australian Government Loans</i>									
ACT Government Debt	0	0	0	0	0	0	5,209	0	5,209
Housing nominations	21,652	0	7,805	13,362	13,090	5,750	0	7,518	69,177
<i>Interest on Australian Government Loans - Total</i>	21,652	0	7,805	13,362	13,090	5,750	5,209	7,518	74,386
<i>Defence</i>									
Housing for servicemen	2,487	0	1,416	299	104	0	0	0	4,306
<i>Defence - total</i>	2,487	0	1,416	299	104	0	0	0	4,306

Table 32: Specific Purpose Payments to the States, repayments of advances and interest payments, 2002-03 (\$'000)
(continued)

<i>Function</i>									
Payment title	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
<i>Housing and Community Amenities</i>									
CSHA loans	45,433	0	12,610	12,071	18,844	6,122	0	1,516	96,596
Other housing	0	0	0	0	0	0	10,674	4,148	14,822
Urban water supply and treatment	0	0	0	0	1,137	0	0	0	1,137
NT - water and sewerage assistance	0	0	0	0	0	0	0	637	637
Growth centres	82	0	0	0	0	0	0	0	82
Urban rehabilitation	0	21	0	0	0	0	0	0	21
Sewerage	5,862	0	1,540	10	0	0	0	0	7,412
Community facilities - Townsville	0	0	10	0	0	0	0	0	10
Captains Flat (Abatement of Pollution) Agreement	6	0	0	0	0	0	0	0	6
<i>Housing and Community Amenities - total</i>	51,383	21	14,160	12,081	19,981	6,122	10,674	6,301	120,723
<i>Agriculture, Forestry and Fishing</i>									
Bovine Brucellosis and Tuberculosis	0	0	0	0	0	0	0	0	0
Rural Adjustment Scheme	226	0	0	0	0	0	0	21	247
War Service Land Settlement Scheme	164	173	0	0	9	0	0	0	346
<i>Agriculture, Forestry and Fishing - total</i>	390	173	0	0	9	0	0	21	593
<i>Transport and Communication</i>									
Railway projects	44	43	0	335	0	0	0	0	422
<i>Transport and Communication - total</i>	44	43	0	335	0	0	0	0	422
<i>Other Purposes</i>									
Natural Disaster Relief	85	0	402	0	0	0	0	53	540
<i>Other Purposes - total</i>	85	0	402	0	0	0	0	53	540
TOTAL INTEREST	85,113	2,682	29,862	26,505	36,716	17,008	15,883	13,893	227,662
SUMMARY OF SPECIFIC PURPOSE PAYMENTS									
Total Specific Purpose Payments	6,983,632	5,087,198	3,939,536	2,503,468	1,698,926	537,393	391,595	359,963	21,501,711
Total 'To'	5,216,935	3,696,086	2,963,958	1,953,545	1,295,869	411,874	279,105	292,061	16,109,433
Total 'Through'	1,766,697	1,391,112	975,578	549,923	403,057	125,519	112,490	67,902	5,392,278

Table 32: Specific Purpose Payments to the States, repayments of advances and interest payments, 2002-03 (\$'000)
(continued)

* Items so marked are classified as payments 'through' the States.

- (a) The allocation of funds to the States and Territories for each year, as per the Authority's Directions and Resource Allocations, is subject to agreement by the Australian National Training Authority Ministerial Council. The total level of funding is subject to the amendment of the *Vocational Education and Training Funding Act 1992*.
- (b) New arrangements for the provision of blood and blood-related products come into effect from 1st July 2003. As a result, the Australian Government's contribution to the costs of Australian Red Cross Blood Service will no longer be made directly to states and territories. Instead, payments will be made by the the Australian Government and the States and Territories to the new National Blood Authority. From 2003-04 onwards these payments will no longer be reported as specific purpose payments.
- (c) The amount paid to NSW excludes 2002-03 indexation and growth funding of \$10.2 million, which has been withheld pending agreement by the NSW State Government to the terms of the new Commonwealth State Territory Disability Agreement (CSTDA).
- (d) The Australian Government made no contribution to the States and Territories in 2002-03 as they have not agreed to the terms of the Australian Government's offer.
- (e) These programmes are funded under NHT Phase 2 which commenced in 2002-03.

Table 33: Specific Purpose Payments direct to local government authorities, 2002-03 (\$'000)

Payment title	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
DIRECT PAYMENTS - CURRENT									
Aged care services	9,114	9,394	1,338	3,199	2,698	2,487	0	1,171	29,401
Disability services	401	86	351	0	0	0	0	0	838
Children's services	15,780	17,944	5,492	3,154	1,113	2,211	0	1,053	46,747
Roads to Recovery Programme	57,969	40,242	40,985	29,043	18,108	6,640	3,333	3,680	200,000
Weipa Structural Adjustment Package	0	0	0	0	0	0	0	0	0
TOTAL CURRENT	83,264	67,666	48,166	35,396	21,919	11,338	3,333	5,904	276,986
DIRECT PAYMENTS - CAPITAL									
Aged care services	0	0	0	0	0	0	0	0	0
Children's services	218	249	76	44	15	31	0	15	648
Natural Heritage and Water Park, Goondiwindi	0	0	320	0	0	0	0	0	320
Bert Hinkler Hall of Aviation	0	0	50	0	0	0	0	0	50
Development of Sewerage Schemes for Boat Harbour Beach and Sisters Beach	0	0	0	0	0	1,000	0	0	1,000
TOTAL CAPITAL	218	249	446	44	15	1,031	0	15	2,018
TOTAL DIRECT PAYMENTS	83,482	67,915	48,612	35,440	21,934	12,369	3,333	5,919	279,004