Attachment E

DEBT STATEMENT

The Debt Statement provides information on estimated and projected Government net debt, current and projected debt on issue and details of climate spending and the extent to which this spending has contributed to debt.

Net debt is expected to be $278.8 billion (16.9 per cent of GDP) in 2015-16. Net debt is projected to peak at 18.5 per cent of GDP in 2017-18, before declining over the medium term to 9.6 per cent of GDP ($263 billion) in 2025-26.

The end-of-year face value of Commonwealth Government Securities (CGS) on issue subject to the Treasurer's Direction is expected to be around $426 billion in 2015-16 and is expected to increase to $549 billion in 2018-19. By the end of the medium term (2025-26) the total face value of CGS on issue is projected to rise to around $647 billion.

Commonwealth Government Securities issuance

The Government finances its activities either through receipts or borrowing. When receipts fall short of payments, the Government borrows by issuing CGS to investors.

The Australian Office of Financial Management (AOFM) is responsible for issuing CGS and the management of the Government's financing activities. The AOFM currently issues three types of securities:

Treasury Bonds: medium- to long-term securities with a fixed annual rate of interest payable every six months;

Treasury Indexed Bonds (TIBs): medium- to long-term securities for which the capital value of the security is adjusted for movements in the consumer price index (CPI). Interest on TIBs is paid quarterly, at a fixed rate, on the adjusted capital value; and

Treasury Notes: short-term securities generally maturing within six months of issuance. The volume of Treasury Notes on issue will vary over the course of the year, depending on the size and profile of the within-year funding flows.

All new CGS issuance is undertaken in Australian dollars. There is a very small amount of foreign currency denominated debt securities on issue remaining from issuance undertaken before 1988. Most of these securities mature in March 2017.

Within these three broad categories of CGS, issuance is undertaken into a limited number of maturities (known as lines). Each of these lines has a fixed maturity date (the date on which the Government repays the principal it has borrowed) and, for Treasury Bonds and TIBs, a coupon rate (the annual fixed interest rate paid on the security).

Concentrating CGS issuance into a limited number of lines (rather than issuing securities with a specific time value, such as 10 years) ensures each line is sufficiently large that it can easily be traded in the secondary market. Strong liquidity in the secondary market is attractive to investors, promotes demand for CGS, and assists in lowering borrowing costs.

The AOFM exercises operational independence in the execution of its duties. Its announced issuance program for each year is therefore determined on the basis of maturing CGS, net new issuance required to fund the Budget, and other operational considerations.

Operational considerations often mean that the annual issuance program may not be equivalent to the financing task for a particular year. For example, the AOFM may decide there is merit in partially pre-funding the following year's financing task. Alternatively, the AOFM might choose to smooth issuance across several financial years in order to minimise changes in CGS supply from one financial year to the next.

In recent years, the AOFM has taken the opportunity to lengthen the CGS yield curve. In August 2015, the yield curve for Treasury Indexed Bonds was extended to 25 years, following the issuance of an August 2040 Indexed Bond. Similarly, the yield curve for Treasury Bonds was extended to 24 years, following the issuance of a June 2039 Treasury Bond in October 2015.

This has provided for a lower risk profile of maturing debt and has been achieved during a period when borrowing costs have been low by historical standards. It has also underpinned the development of a 20-year Treasury Bond futures contract by the ASX, which will assist investors with the management of interest rate risk.

At times when CGS issuance is not required to finance the government's activities, successive governments have continued to issue CGS for policy purposes, such as to maintain a liquid CGS market.

The Government remains committed to a well-functioning and liquid CGS market. In particular, the Government will focus on ensuring a market of sufficient size to maintain liquidity across the longer yield curve and that supports the Treasury Bond futures market.

A well-functioning and liquid CGS market supports the development of a corporate bond market by providing a risk-free benchmark; it also provides a low-risk investment vehicle.

Estimates and projections of key debt aggregates

The level of current and projected Government debt on issue is commonly expressed in one of two ways: gross or net debt.

Gross debt measures the face value of CGS on issue at a point in time. While gross debt is measured in face value terms, estimates and projections of CGS on issue are published in both face value and market value terms in this statement.

The **face value** of CGS on issue is the amount that the Government pays back to investors at maturity, independent of fluctuations in market prices.[1] The total face value of CGS on issue changes when new securities are issued, or when securities are repurchased or reach maturity.

The **market value** of CGS represents the value of securities as traded on the secondary market, which changes continuously with movements in market prices. Consistent with external reporting standards the market value of CGS on issue is reported on the Australian Government general government sector balance sheet.

Net debt is equal to the sum of deposits held, government securities (at market value), loans and other borrowing, minus the sum of cash and deposits, advances paid and investments, loans and placements. As net debt incorporates both selected financial assets and liabilities at their fair value, it provides a broader measure of the financial obligations of the Commonwealth than gross debt.

Not all government assets or liabilities are included in the measurement of net debt. For example, neither the Government's unfunded superannuation liability nor the equity holdings of the Future Fund are accounted for in net debt.

Estimates and projections of net debt

Table 3.39 contains estimates and projections of net debt to the end of the forward estimates period.

In 2015-16, net debt is expected to be $278.8 billion, compared to $285.8 billion at the 2015-16 Budget. Over the forward estimates, net debt is projected to peak at 18.5 per cent of GDP in 2017-18. This peak is both higher and one year later than expected at the 2015-16 Budget, when net debt was expected to peak at 18.0 per cent of GDP in 2016-17. Over the medium term, net debt is projected to decline to 9.6 per cent of GDP ($263 billion) in 2025-26.

1 For TIBs, the final repayment amount paid to investors includes an additional amount owing to inflation growth over the life of the security. This amount is not included in the calculation of face value.

Table 3.39: Liabilities and assets included in net debt from 2015-16 to 2018-19

	Estimates		Projections	
	2015-16	2016-17	2017-18	2018-19
	$m	$m	$m	$m
Liabilities included in net debt				
Deposits held	218	218	218	218
Government securities	472,416	533,845	570,473	596,257
Loans	16,191	15,605	15,526	15,440
Other borrowing	1,562	1,456	1,350	1,302
Total liabilities included in net debt	**490,387**	**551,124**	**587,567**	**613,216**
Assets included in net debt				
Cash and deposits	3,872	3,503	3,393	3,466
Advances paid	53,218	63,370	73,127	83,729
Investments, loans and placements	154,537	167,731	174,643	179,465
Total assets included in net debt	**211,626**	**234,603**	**251,163**	**266,659**
Net debt	**278,761**	**316,520**	**336,404**	**346,557**

Changes in net debt since the 2015-16 Budget

Table 3.40 shows the drivers of the change in net debt between the 2015-16 Budget and the 2015-16 MYEFO.

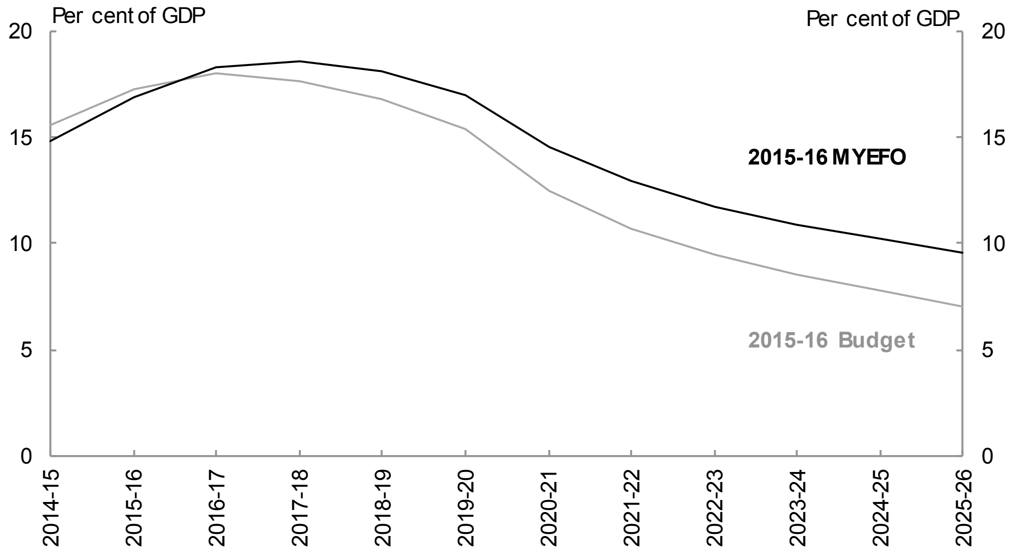
Net debt in 2015-16 is estimated to have fallen by $7.0 billion since the 2015-16 Budget to $278.8 billion due to valuation effects associated with an increase in yields. From 2016-17 to 2018-19, net debt is estimated to have increased compared to the 2015-16 Budget. This increase is primarily driven by higher levels of CGS on issue owing to changes in the financing requirement. The increase in CGS on issue is partially offset by changes to the market value of debt owing to increases in average yields; and the higher value of investments held by the Government, including the Future Fund.

Table 3.40: Net debt — reconciliation from the 2015-16 Budget to the 2015-16 MYEFO

	2015-16	2016-17	2017-18	2018-19
	$b	$b	$b	$b
Net debt as at 2015-16 Budget ($b)	285.8	313.4	323.7	325.4
Changes in financing requirement	13.9	12.5	26.1	32.2
Impact of yields on CGS	-5.8	-6.1	-5.7	-5.5
Asset and other liability movements	-15.2	-3.2	-7.7	-5.6
Cash and deposits	-0.4	0.7	1.6	2.2
Advances paid	-0.3	0.0	0.6	1.2
Investments, loans and placements	-16.6	-6.0	-12.0	-11.2
Other movements	2.2	2.1	2.1	2.1
Total movements in net debt from 2015-16 Budget to 2015-16 MYEFO	*-7.0*	*3.2*	*12.7*	*21.1*
Net debt as at 2015-16 MYEFO ($b)	278.8	316.5	336.4	346.6

Chart 3.15 shows that net debt is projected to be 9.6 per cent of GDP ($263 billion) in 2025-26. This is higher than the 7.1 per cent of GDP ($201 billion) projected at the 2015-16 Budget.

Chart 3.15: Net debt projected to 2025-26



Note: A tax-to-GDP cap of 23.9 per cent is applied to MYEFO projections from 2021-22. This tax cap is applied to 2015-16 Budget projections from 2020-21.
Source: Treasury projections

Estimates and projections of CGS on issue

Table 3.41 contains projections of the face value (end-of-year and within-year peak)[2] and the market value (end-of-year) of CGS on issue.

The *Commonwealth Inscribed Stock Act 1911* (CIS Act) requires the Treasurer to issue a direction to the AOFM stipulating the maximum face value of relevant CGS that may be on issue[3]. As required by the *Charter of Budget Honesty Act 1998*, Table 3.41 reports projections of CGS on issue subject to the Treasurer's Direction.

When considering these projections, it is important to note that the AOFM publishes an issuance strategy for the budget year only. Projections beyond the budget year are based on a set of technical assumptions and will vary with changes to these assumptions and budget estimates and projections.

2 End-of-year values are estimates or projections of CGS on issue at 30 June for the particular year. The precise timing of within-year peaks of CGS on issue is not known. The timing of the within-year peak is therefore reported to the given month in the particular year.

3 On 11 December 2013, the Treasurer directed that the maximum face value of CGS that can be on issue is $500 billion.

Table 3.41: Estimates and projections of CGS on issue subject to the Treasurer's Direction(a)

	2015-16	2016-17	2017-18	2018-19
	$b	$b	$b	$b
Face value - end of year	426	486	523	549
Per cent of GDP	25.8	28.1	28.8	28.8
Face value - within-year peak(b)	445	488	524	551
Per cent of GDP(b)	26.9	29.5	31.7	33.3
Month of peak(b)	*Jun-16*	*Jun-17*	*Jan-18*	*Mar-19*
Market value - end of year(c)	468	529	566	592
Per cent of GDP	28.3	32.0	34.3	35.8

(a) The same stock and securities that were excluded from the previous legislative limit are excluded from the current limit set by the Treasurer's Direction. These exclusions are outlined in subsection 51JA(2A) of the CIS Act.
(b) The precise within-year timing of cash receipts and payments is not known. Projected peaks of CGS on issue are therefore subject to considerable uncertainty.
(c) The Treasurer's Direction applies only to the face value of CGS on issue. This table shows the equivalent market value of CGS that are subject to the Treasurer's Direction. These figures will differ from the estimates and projections published in *Appendix B: Australian Government Budget Financial Statements* Table B2: Australian Government general government sector balance sheet that refer to total CGS on issue.
Source: Australian Office of Financial Management.

The total amount of CGS on issue and the amount of CGS on issue subject to the Treasurer's Direction is reported weekly on the AOFM website.

In 2015-16, the end-of-year face value of CGS on issue subject to the Treasurer's Direction is expected to be $426 billion, compared to around $412 billion at the 2015-16 Budget. Over the forward estimates, the end-of year face value of CGS on issue subject to the Treasurer's Direction is expected to peak at $549 billion in 2018-19, around $31 billion higher than the $518 billion estimated at the 2015-16 Budget.

In 2015-16, the face value of CGS on issue is expected to reach a within-year peak of around $445 billion. Over the forward estimates, the face value of CGS on issue is projected to rise to a within-year peak of around $551 billion in 2018-19.

Changes in CGS on issue since the 2015-16 Budget

Table 3.42 shows the change in the projected end-of-year face value of CGS on issue, between the 2015-16 Budget and the 2015-16 MYEFO.

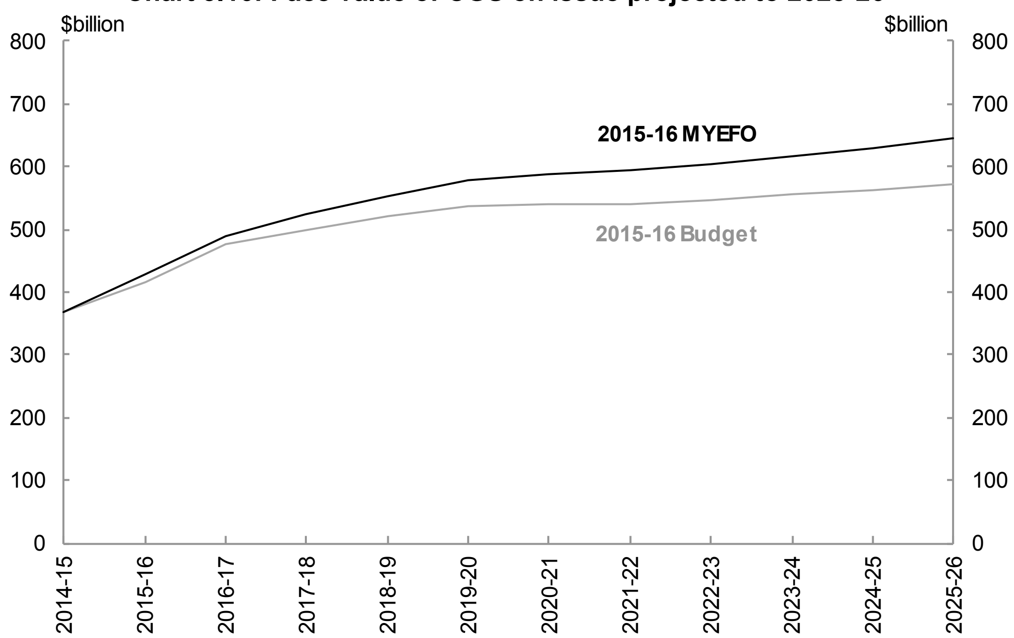
Table 3.42: Projected CGS on issue subject to the Treasurer's Direction — reconciliation from the 2015-16 Budget to the 2015-16 MYEFO

	2015-16	2016-17	2017-18	2018-19
	$b	$b	$b	$b
Total face value of CGS on issue subject to the Treasurer's Direction as at 2015-16 Budget	412	474	497	518
Factors affecting the change in face value of CGS on issue from 2015-16 Budget to 2015-16 MYEFO(a)				
Cumulative receipts decisions	1.3	2.3	3.2	3.8
Cumulative receipts variations	1.7	8.0	19.8	33.8
Cumulative payment decisions	1.2	2.7	1.5	-0.1
Cumulative payment variations	-2.7	-3.8	-7.0	-13.2
Cumulative change in net investments in financial assets(b)	11.8	2.6	8.2	7.3
Other contributors	0.6	0.3	0.2	-0.3
Total face value of CGS on issue subject to the Treasurer's Direction as at 2015-16 MYEFO	426	486	523	549

(a) Cumulative impact of decisions and variations from 2015-16 to 2018-19. Increases to payments are shown as positive, and increases to receipts are shown as negative.
(b) Change in net cash flows from investments in policy and liquidity purposes.
Note: End of year data.

The face value of CGS on issue is projected to rise to around $647 billion by 2025-26, reflecting a weaker underlying cash balance, and its associated higher public debt interest expense, accumulating over the medium term. This is around $73 billion higher than the $573 billion projected at the 2015-16 Budget.

Chart 3.16: Face value of CGS on issue projected to 2025-26



Note: A tax-to-GDP cap of 23.9 per cent is applied to MYEFO projections from 2021-22. This tax cap is applied to 2015-16 Budget projections from 2020-21.
Source: Australian Office of Financial Management and Treasury projections.

Further details on the changes to the underlying cash balance since the 2015-16 Budget can be found in *Part 3: Fiscal Strategy and Outlook*.

Breakdown of CGS currently on issue

Table 3.43 provides a breakdown of the CGS on issue by type of security as at 7 December 2015.

Table 3.43: Breakdown of current Commonwealth Government Securities on issue

	On issue as at 7 December 2015	
	Face value	Market value
	$m	$m
Treasury Bonds (a)	365,787	396,105
Treasury Indexed Bonds (a)	26,316	34,141
Treasury Notes (a)	9,000	8,978
Total CGS subject to Treasurer's Direction(a)(b)	401,103	439,223
Other stock and securities	2,484	4,712
Total CGS on issue	**403,588**	**443,935**

(a) The Treasurer's Direction applies only to the face value of CGS on issue. This table shows the equivalent market value of CGS that are subject to the Treasurer's Direction.
(b) The same stock and securities that were excluded from the previous legislative limit are excluded from the current limit set by the Treasurer's Direction. These exclusions are outlined in subsection 51JA(2A) of the CIS Act.
Source: Australian Office of Financial Management.

Treasury Bonds

Table 3.44 lists Treasury Bonds currently on issue, as well as the annual interest rate (the coupon) and the timing of coupon payments. As at 7 December 2015, there were 21 Treasury Bond lines on issue, with a weighted average term to maturity of around 6.7 years and the longest maturity extending to June 2039.

Since late 2010-11, the AOFM has taken advantage of favourable market conditions to lengthen the CGS yield curve and bias issuance into longer maturities, while still lowering the cost of borrowing significantly. This increases the average maturity and duration profile of the AOFM's debt portfolio — thereby lowering variability in future debt servicing costs and reducing refinancing risk.

Table 3.44: Treasury Bonds on issue

Coupon Per cent	Maturity	On issue as at 7 December 2015 $m	Timing of interest payments(a)		
4.75	15-Jun-16	21,900	Twice yearly	15 Jun	15 Dec
6.00	15-Feb-17	21,096	Twice yearly	15 Feb	15 Aug
4.25	21-Jul-17	18,900	Twice yearly	21 Jul	21 Jan
5.50	21-Jan-18	20,500	Twice yearly	21 Jan	21 Jul
3.25	21-Oct-18	17,300	Twice yearly	21 Oct	21 Apr
5.25	15-Mar-19	22,347	Twice yearly	15 Mar	15 Sep
2.75	21-Oct-19	17,800	Twice yearly	21 Oct	21 Apr
4.50	15-Apr-20	21,797	Twice yearly	15 Apr	15 Oct
1.75	21-Nov-20	9,600	Twice yearly	21 Nov	21 May
5.75	15-May-21	22,299	Twice yearly	15 May	15 Nov
5.75	15-Jul-22	19,800	Twice yearly	15 Jul	15 Jan
5.50	21-Apr-23	21,300	Twice yearly	21 Apr	21 Oct
2.75	21-Apr-24	24,700	Twice yearly	21 Apr	21 Oct
3.25	21-Apr-25	25,200	Twice yearly	21 Apr	21 Oct
4.25	21-Apr-26	22,600	Twice yearly	21 Apr	21 Oct
4.75	21-Apr-27	20,200	Twice yearly	21 Apr	21 Oct
3.25	21-Apr-29	10,500	Twice yearly	21 Apr	21 Oct
4.50	21-Apr-33	10,400	Twice yearly	21 Apr	21 Oct
2.75	21-Jun-35	5,050	Twice yearly	21 Jun	21 Dec
3.75	21-Apr-37	8,500	Twice yearly	21 Apr	21 Oct
3.25	21-Jun-39	4,000	Twice yearly	21 Jun	21 Dec

(a) Where the timing of an interest payment falls on a non-business day, the payment will occur on the following business day.
Source: Australian Office of Financial Management.

Treasury Indexed Bonds

Table 3.45 lists Treasury Indexed Bonds currently on issue, as well as the annual interest rate (the coupon) and the timing of coupon payments. As at 7 December 2015, there were seven TIB lines on issue, with a weighted average term to maturity of around 9.7 years and the longest maturity extending to August 2040.

Table 3.45: Treasury Indexed Bonds on issue

Coupon Per cent	Maturity	On issue as at 7 December 2015 $m	Timing of interest payments(a)				
1.00	21-Nov-18	4,889	Quarterly	21 Nov	21 Feb	21 May	21 Aug
4.00	20-Aug-20	5,114	Quarterly	20 Aug	20 Nov	20 Feb	20 May
1.25	21-Feb-22	4,690	Quarterly	21 Feb	21 May	21 Aug	21 Nov
3.00	20-Sep-25	6,193	Quarterly	20 Sep	20 Dec	20 Mar	20 Jun
2.50	20-Sep-30	3,443	Quarterly	20 Sep	20 Dec	20 Mar	20 Jun
2.00	21-Aug-35	3,050	Quarterly	21 Aug	21 Nov	21 Feb	21 May
1.25	21-Aug-40	1,400	Quarterly	21 Aug	21 Nov	21 Feb	21 May

(a) Where the timing of an interest payment falls on a non-business day, the payment will occur on the following business day.
Source: Australian Office of Financial Management.

Treasury Notes

The face value of Treasury Notes on issue as at 7 December 2015 was $9 billion. Table 3.46 lists the Treasury Notes currently on issue. Treasury Notes do not pay a coupon, but they are issued at a discount — the face value received at maturity is higher than the price paid at issuance.

Table 3.46: Treasury Notes on issue

Maturity	On issue as at 7 December 2015 $m	Timing of interest payment	
11-Dec-15	4,500	At maturity	11 Dec
26-Feb-16	4,000	At maturity	26 Feb
22-Apr-16	500	At maturity	22 Apr

Source: Australian Office of Financial Management.

Non-resident holdings of CGS on issue

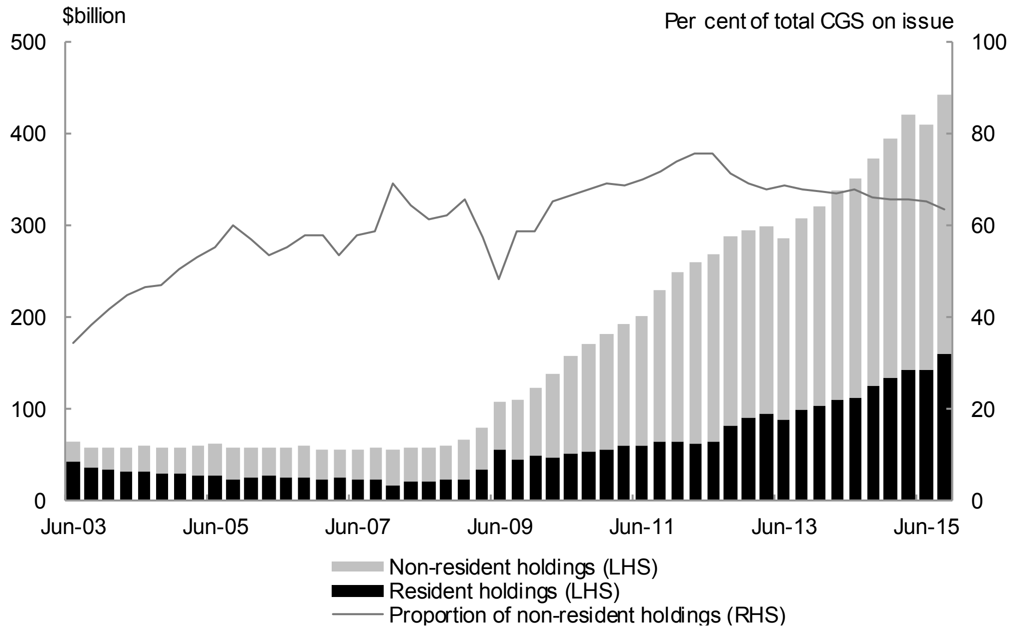
The sale of CGS is not restricted to Australian residents. As at the September 2015 quarter, 63.6 per cent of total CGS on issue was held by non-residents of Australia (Chart 3.17).

The proportion of CGS held by non-residents has risen since 2009 and remains around historically high levels. This is likely to have been driven by the build-up of foreign currency reserves in some countries, and an increasing tendency for these reserves to be invested outside of the major currencies (such as the yen, the US dollar and the euro).

The historically high proportion of non-resident holdings of CGS is also likely to have been driven by strong investor confidence in the Australian sovereign debt market, owing to the relative strength of Australia's public finances and the Australian economy more broadly.

CGS yields remain relatively attractive against a backdrop of low government bond yields globally. Along with strong investor confidence in the Australian sovereign debt market, this has contributed to longer-term CGS yields falling to historically low levels in recent years.

Chart 3.17: Non-resident holdings of Commonwealth Government Securities



Note: Data refers to the market value of holdings.
Source: ABS Catalogue Number 5302.0 and Australian Office of Financial Management.

Interest on CGS

The interest costs related to CGS are presented in these statements in both cash and accrual accounting terms. The difference between the cash interest payments and accrual interest expense generally relates to the timing of when the interest cost is recognised.

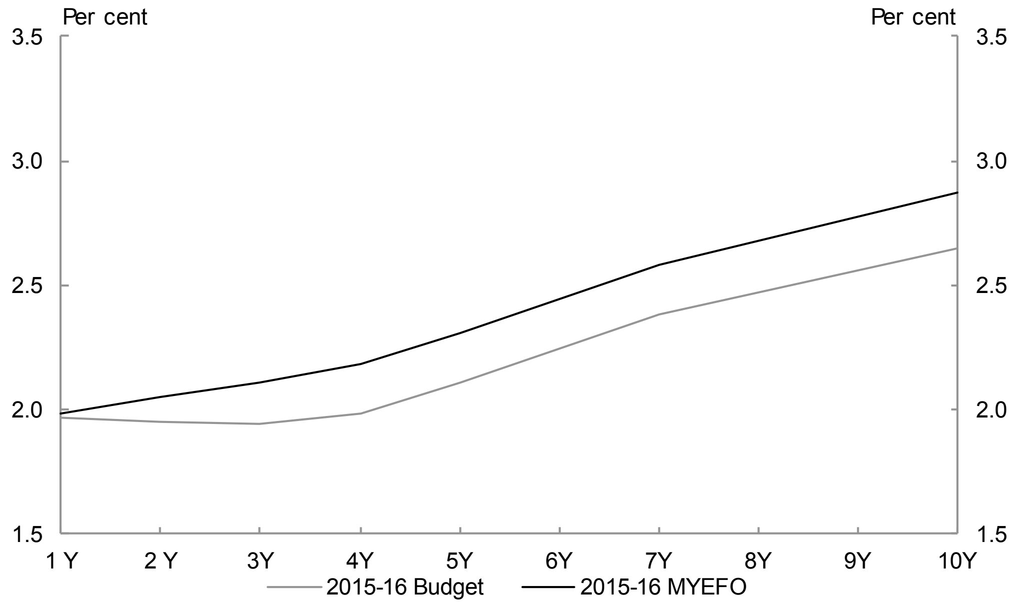
- **Interest payments** are recognised in the period when they are paid during the life of the security.
- **Interest expense** is recognised in the period in which an expense is incurred during the life of the security, rather when they are actually paid.

Estimates of the interest payments and interest expense of CGS on issue include the cost of CGS already on issue and future CGS issuance. The cost of:

- CGS already on issue uses the actual interest rates incurred at the time of issuance; and
- the expected future issuance of CGS is based on the prevailing market rates across the yield curve at the time of a budget estimates update.

The assumed market yields at the 2015-16 MYEFO result in a weighted average cost of borrowing of around 2.7 per cent for future issuance of Treasury Bonds in the forward estimates period, compared with around 2.5 per cent at the 2015-16 Budget. Chart 3.18 shows the yield curve assumptions underpinning the 2015-16 Budget and 2015-16 MYEFO.

Chart 3.18: Yield curve assumptions from 2014-15 to 2018-19



Source: Australian Office of Financial Management.

The Government's interest payments and expense over the forward estimates mostly relate to the cost of servicing the stock of CGS on issue, and are expected to increase over the forward estimates as a result of the projected rise in CGS on issue.

The Government's total interest payments in 2015-16 are estimated to be $15.0 billion, of which $14.6 billion relates to CGS on issue (Table 3.47).

Table 3.47: Interest payments, interest receipts and net interest payments(a)

	2015-16	2016-17	2017-18	2018-19
	$m	$m	$m	$m
Interest payments on CGS	14,623	15,508	16,365	17,749
Per cent of GDP	0.9	0.9	0.9	0.9
Interest payments	15,040	15,922	16,784	18,188
Per cent of GDP	0.9	0.9	0.9	1.0
Interest receipts	3,874	4,007	4,050	4,642
Per cent of GDP	0.2	0.2	0.2	0.2
Net interest payments (b)	11,166	11,916	12,734	13,546
Per cent of GDP	0.7	0.7	0.7	0.7

(a) Interest payments and interest receipts are a cash measure, with the relevant amount recognised in the period in which the interest payment is made or the interest receipt is received.
(b) Net interest payments are equal to the difference between interest payments and interest receipts.

The Government's total interest expense in 2015-16 is estimated to be $17.3 billion, of which $15.7 billion relates to CGS on issue. Table 3.48 shows the Government's estimated interest expense, interest expense on CGS, interest income and net interest expense over the forward estimates.

Table 3.48: Interest expense, interest income and net interest expense(a)

	2015-16	2016-17	2017-18	2018-19
	$m	$m	$m	$m
Interest expense on CGS	15,664	17,073	17,719	18,718
Per cent of GDP	0.9	1.0	1.0	1.0
Interest expense	17,260	19,416	20,373	21,568
Per cent of GDP	1.0	1.1	1.1	1.1
Interest income	4,519	4,938	5,361	6,566
Per cent of GDP	0.3	0.3	0.3	0.3
Net interest expense	12,741	14,478	15,011	15,002
Per cent of GDP	0.8	0.8	0.8	0.8

(a) Interest expense is an accrual measure, with the relevant amount recognised in the period in which the expense is incurred, but not necessarily paid.

Climate spending

The Government's climate spending is shown on an aggregated basis in Table 3.49.

Table 3.49: Climate spending from 2015-16 to 2018-19

	2015-16	2016-17	2017-18	2018-19
	$b	$b	$b	$b
Climate spending(a)	1.05	0.90	0.70	0.75

(a) Spending in this table is on a headline cash balance basis; that is, payments and net cash flows from investments in financial assets for policy purposes, as well as estimated interest receipts associated with Clean Energy Finance Corporation investments.

The key components of climate spending are:

- the Emissions Reduction Fund, which will provide incentives to support abatement activities across the economy; and
- Australia's 2015 United Nations Climate Change Conference commitment of $1 billion to help vulnerable countries reduce emissions and build resilience to the impacts of climate change.

Estimates of climate spending have been updated to reflect the delay in the passage of legislation to abolish the Clean Energy Finance Corporation.

Impact of climate spending on debt

Climate spending may be financed through either receipts or debt. This statement takes the approach of assuming that the proportion of climate spending being financed through new debt (as opposed to receipts) is equivalent to climate spending as a proportion of total spending. This is shown in Table 3.50.

Table 3.50: Impact on debt — climate spending as a proportion of total spending

	2015-16	2016-17	2017-18	2018-19
Climate spending ($b) (a)	1.05	0.90	0.70	0.75
Total spending ($b) (b)	443	464	473	497
Climate spending (per cent of total spending)	0.2	0.2	0.1	0.2
Change in face value of CGS from previous year ($b) (c)	60.0	59.9	36.9	26.3
Contribution to change in face value of CGS from climate spending ($b)	0.14	0.12	0.05	0.04

(a) The calculation of climate spending in this table is on a headline cash balance basis; that is, payments and net cash flows from investments in financial assets for policy purposes, as well as estimated interest receipts associated with the Clean Energy Finance Corporation investments.
(b) The calculation of total spending in this table is on a headline cash balance basis; that is, total payments and net cash flows from investments in financial assets for policy purposes.
(c) Calculations of the change in the face value of CGS are calculated using total CGS on issue.