

DETAILS OF CONSOLIDATED FUND RECEIPTS AND EXPENDITURE AND OUTPUT EXPENDITURE FOR THE QUARTER ENDED 31 DECEMBER 2000

The Quarterly Statement is prepared in accordance with section 25 of the *Financial Management and Audit Act 1990* which requires the publication, on a quarterly basis, of a Statement of the Consolidated Fund. This Statement is to be published within one month of the end of the quarter.

Included as a supplement are additional details in respect of receipts and payments of the Consolidated Fund at a more disaggregated level. A summary, by Division, of expenditure on an Output Group basis is also provided.

The Output methodology encourages consideration of the full cost of the Government's Outputs, and focuses on the total Government resourcing of Outputs within the Public Account. The methodology shows the total resources available to an agency to produce its Outputs, of which the Consolidated Fund is one of the sources of funding.

CONSOLIDATED FUND

The Consolidated Fund contributes to the operations of all on-Budget agencies, is the source of funding for Reserved by Law payments, and may make some contribution to the operations of off-Budget entities. The Fund receives all State taxation revenue, the majority of Commonwealth payments to Tasmania, territorial revenue and certain other classes of revenue.

There are two types of expenditure from the Consolidated Fund:

- Recurrent Services expenditure that meets the cost of the ordinary annual services provided by the Government; and
- Works and Services expenditure which provides for the construction, purchase and maintenance of major capital assets such as roads, public housing, schools and hospitals.

VARIANCE REPORTING

Reporting on variances between estimates and actual results is subject to guidance contained in Australian Accounting Standard AAS 5 "Materiality".

While AAS 5 provides guidance on quantitative thresholds, situations will arise whereby it is appropriate to report on variances for qualitative, public interest, or other reasons to ensure potential users of the report are fully informed on activities for the reporting period. As a general rule no explanations have been made where the variance is less than 10 per cent or, in those instances where the variance is greater than 10 per cent, the variance in dollar terms is less than \$1 million. Explanations are made where the variance is greater than \$15 million regardless of the percentage variance.

Table 1: Consolidated Fund Net Financing Requirement

	Budget Estimate 2000-01 \$'000	December YTD 2000-01 Actual \$'000	December YTD 2000-01 Actual to Budget %
Receipts			
Recurrent Receipts	2 142 224	1 005 933	47.0
Capital Receipts	54 801	17 828	32.5
Total Receipts	2 197 025	1 023 761	46.6
Expenditure			
Recurrent Expenditure	2 054 412	1 078 730	52.5
Capital Expenditure	140 033	49 361	35.2
Total Expenditure	2 194 445	1 128 091	51.4
<i>Net Financing Requirement</i>	<i>(2 580)</i>	<i>104 330</i>	<i>N/A</i>

2000-01 NET FINANCING REQUIREMENT

The budgeted Net Financing Requirement (NFR) for 2000-01 is a surplus of \$2.6 million. The actual NFR for the quarter ended 31 December 2000 is a deficit of \$104.3 million. This has been funded by a reduction in the Government's cash reserves. The outcome is consistent with previous December quarters and is the result of cyclic variations in revenue collections and expenditure through the Consolidated Fund and does not provide an accurate indication of the NFR for the full financial year. There are no major factors which will preclude achievement of the budgeted outcome.

Table 2: Statement of the Consolidated Fund for the Quarter Ended 31 December 2000

	Budget Estimate 2000-01 \$'000	December YTD 2000-01 Actual \$'000	December YTD 2000-01 Actual to Budget %
RECEIPTS			
Recurrent Receipts			
<i>Commonwealth Sources</i>			
General Purpose Payments	1 074 500	505 987	47.1
Specific Purpose Payments	307 486	150 784	49.0
	1 381 986	656 771	47.5
<i>State Sources</i>			
Taxation	520 631	267 046	51.3
Receipts from Government Business Enterprises, State-owned Companies and State Authorities	112 053	24 237	21.6
Departmental Fees and Recoveries	72 766	32 837	45.1
Recoveries of State Debt Charges	13 224	5 361	40.5
Sale and Rent of Government Property	12 060	261	2.2
Resource Rents and Royalties	15 961	7 304	45.8
Other Recurrent Receipts	13 543	12 115	89.5
	760 238	349 161	45.9
Total Recurrent Receipts	2 142 224	1 005 933	47.0
Capital Receipts			
<i>Commonwealth Sources</i>			
Specific Purpose Payments	53 985	16 415	30.4
<i>State Sources</i>			
Capital Repayments	816	1 413	173.2
Total Capital Receipts	54 801	17 828	32.5
TOTAL RECEIPTS	2 197 025	1 023 761	46.6
EXPENDITURE			
Recurrent Expenditure	2 054 412	1 078 730	52.5
Capital Expenditure	140 033	49 361	35.2
TOTAL EXPENDITURE	2 194 445	1 128 091	51.4
NET FINANCING REQUIREMENTS	(2 580)	104 330	N/A
Financed By:			
Reduction in Cash Reserves	....	105 986	N/A
Gross Financing Requirement	(920)	....	N/A
Less Loan Repayments	1 660	1 656	N/A
	(2 580)	104 330	N/A

Note: For details of major categories of revenue and expenditure refer to supplementary tables.

RECEIPTS

Table 3: Commonwealth Specific Purpose Recurrent Receipts

	Budget Estimate 2000-01	December YTD 2000-01 Actual	December YTD 2000-01 Actual to Budget
	\$'000	\$'000	%
COMMONWEALTH PAYMENT TOWARDS-			
<i>Health and Human Services</i>			
Commonwealth-State Housing Agreement	15 601	7 635	48.9
Health Care Grant	135 700	68 220	50.3
Blood Transfusion Service	1 495	736	49.2
Home and Community Care Program	13 913	5 877	42.2
Supported Accommodation Assistance Program	5 566	2 775	49.9
Public Health Outcomes Funding Agreement	3 931	1 966	50.0
National Child Care Strategy	195	152	78.2
Disability Services Grant	13 047	6 445	49.4
High Cost Drugs	4 850	2 861	59.0
<i>Education</i>			
Primary and Secondary Education	38 591	16 647	43.1
Technical and Further Education	18 950	10 153	53.6
<i>Primary Industries, Water and Environment</i>			
World Heritage Area	5 200	2 600	50.0
<i>Police and Public Safety</i>			
Natural Disasters Organisations	197	58	29.6
<i>Finance General</i>			
Assistance for Concessions	5 150	2 600	50.5
Grant to the State for Local Government	45 100	22 058	48.9
TOTAL COMMONWEALTH SPECIFIC PURPOSE RECURRENT RECEIPTS	307 486	150 784	49.0

Table 4: State Taxation Receipts

	Budget Estimate 2000-01 \$'000	December YTD 2000-01 Actual \$'000	December YTD 2000-01 Actual to Budget %
Land Tax	27 271	12 922	47.4
Motor Taxation	42 834	20 814	48.6
Payroll Tax	217 753	114 761	52.7
Financial Transaction Taxes:			
Financial Institutions Duty	25 527	13 195	51.7
Stamp Duties	127 904	73 858	57.7
Franchise Fees and Levies:			
Electricity Entities Levy	15 711	3 786	24.1
Safety Net Revenue	2 109	2 109	100.0
Gambling Taxes:			
Casino Tax and Licence Fees	36 754	16 454	44.8
Lottery Tax	20 182	8 380	41.5
Racing and Gaming Taxes	4 556	756	16.6
Other:			
Sundry Licences	30	13	44.6
TOTAL STATE TAXATION RECEIPTS	520 631	267 046	51.3

MAJOR VARIATIONS - RECEIPTS

The timing of receipts paid into the Consolidated Fund is such that a comparatively greater proportion of receipts is collected in the later part of the financial year. Total receipts for the six months to 31 December 2000 were \$1 023.8 million, 46.6 per cent of Budget.

General Purpose Payments

General Purpose Payments are below pro rata Budget due to the timing of payments from the Commonwealth associated with the introduction of GST. No significant variations are expected in the end of year result, as there will be a full reconciliation by the State and the Commonwealth of GST transitional assistance in June 2001.

Receipts from Government Business Enterprises, State-owned Companies and State Authorities

Receipts from Government Business Enterprises, State-owned Companies and State Authorities as at 31 December 2000 were \$24.2 million, 21.6 per cent of Budget. An estimated 60 per cent of these receipts, principally dividend payments, are collected in the June quarter.

State Recurrent Receipts - Sale and Rent of Government Properties

Sale and Rent of Government Properties is below pro rata Budget as funds from the Crown Lands Administration Fund (CLAF) are not transferred to the Consolidated Fund until the end of the financial year.

Commonwealth Specific Purpose Capital Receipts

Commonwealth Specific Purpose Capital Receipts are below pro rata Budget due to the timing of payments from the Commonwealth for the National Roads program. It is not anticipated that there will be a significant variance for 2000-01.

Safety Net Revenue

Safety Net Revenue arrangements between the State and Commonwealth Governments expired on 30 June 2000. The receipts represent the balance of payments due from the Commonwealth relating to the 1999-00 financial year.

EXPENDITURE

Table 5: Consolidated Fund Expenditure

	Budget Estimate 2000-01 \$'000	December YTD 2000-01 Actual \$'000	December YTD 2000-01 Actual to Budget %
Education			
Recurrent Expenditure	566 364	304 912	53.8
Capital Expenditure	19 137	9 431	49.3
Total	585 501	314 342	53.7
Finance-General			
Recurrent Expenditure	375 619	172 374	45.9
Capital Expenditure	....	....	....
Total	375 619	172 374	45.9
Health and Human Services			
Recurrent Expenditure	623 770	363 721	58.3
Capital Expenditure	27 821	11 651	41.9
Total	651 591	375 372	57.6
House of Assembly			
Recurrent Expenditure	4 295	2 173	50.6
Capital Expenditure	....	....	....
Total	4 295	2 173	50.6
Infrastructure, Energy and Resources			
Recurrent Expenditure	87 285	48 409	55.5
Capital Expenditure	81 030	25 218	31.1
Total	168 315	73 627	43.7
Justice and Industrial Relations			
Recurrent Expenditure	53 092	30 599	57.6
Capital Expenditure	394	235	59.6
Total	53 486	30 834	57.6
Legislative Council			
Recurrent Expenditure	2 982	1 579	53.0
Capital Expenditure	....	....	....
Total	2 982	1 579	53.0
Legislature-General			
Recurrent Expenditure	3 508	1 807	51.5
Capital Expenditure	225	1	....
Total	3 733	1 808	48.4

	Budget Estimate 2000-01 \$'000	December YTD 2000-01 Actual \$'000	December YTD 2000-01 Actual to Budget %
Ministerial and Parliamentary Support			
Recurrent Expenditure	10 498	5 501	52.4
Capital Expenditure	....	....	....
Total	10 498	5 501	52.4
Office of the Governor			
Recurrent Expenditure	1 851	816	44.1
Capital Expenditure	8	8	100.0
Total	1 859	824	44.3
Police and Public Safety			
Recurrent Expenditure	105 999	54 946	51.8
Capital Expenditure	526	185	35.2
Total	106 525	55 131	51.8
Premier and Cabinet			
Recurrent Expenditure	18 048	10 371	57.5
Capital Expenditure	....	....	....
Total	18 048	10 371	57.5
Primary Industries, Water and Environment			
Recurrent Expenditure	88 565	39 190	44.3
Capital Expenditure	1 179	168	14.2
Total	89 744	39 358	43.9
State Development			
Recurrent Expenditure	81 456	28 977	35.6
Capital Expenditure	2 732	1 653	60.5
Total	84 188	30 630	36.4
Tasmanian Audit Office			
Recurrent Expenditure	257	116	45.3
Capital Expenditure	....	....	....
Total	257	116	45.3
Treasury and Finance			
Recurrent Expenditure	30 823	13 240	43.0
Capital Expenditure	6 981	811	11.6
Total	37 804	14 052	37.2
TOTAL	2 194 445	1 128 091	51.4

MAJOR VARIATIONS - EXPENDITURE

Total expenditure for the six months to 31 December 2000 was \$1 128 million, 51.4 per cent of Budget.

Recurrent Expenditure

Education

Recurrent expenditure is above pro rata Budget due to the timing of grant payments, the majority of which occur in the first half of the financial year. The result for the quarter is consistent with estimated cash flows, which reflect the "school year" basis of most of the agency's expenditure. Final results are not expected to vary from Budget estimates.

Finance-General

Recurrent expenditure is below pro rata Budget due to payments from the Consolidated Fund to the Employment Rationalisation Account and Payroll Provision Account within the Special Deposits and Trust Fund being made in the last quarter of the financial year.

Health and Human Services

Recurrent expenditure is above pro rata Budget mainly due to the timing of grant payments to Community Sector Organisations (CSOs) in relation to Supported Accommodation, Disability Services and Home and Community Care. A significant number of CSOs are paid quarterly in advance.

State Development

Recurrent expenditure is below pro rata Budget due to the timing of advertising and promotion costs associated with tourism marketing and development and the payment of industry development assistance grants.

Capital Expenditure

Infrastructure, Energy and Resources

Capital expenditure is below pro rata Budget due to the majority of projects undertaken in accordance with the Roads Program occurring during the second half of the financial year.

Treasury and Finance

Capital expenditure is below pro rata Budget due to the majority of expenditure provided under the Capital Improvement Program – Essential Maintenance occurring towards the end of the financial year.

Table 6: Output Group Expenditure

	Budget Estimate 2000-01 \$'000	December YTD 2000-01 Actual \$'000	December YTD 2000-01 Actual to Budget %
Education			
Delivery of Education Services	450 085	237 269	52.7
Delivery of Vocational Education and Training	65 364	35 840	54.8
Delivery of Information Services	20 508	10 456	51.0
Strategic Development and Evaluation Services	15 483	10 535	68.0
Administered Payments	116 799	74 416	63.7
Capital Investment Program	21 698	10 341	47.7
Total	689 937	378 857	54.9
Finance-General			
Debt Servicing and Management	200 210	75 124	37.5
Employee Related Costs	140 407	55 973	39.9
Government Business Enterprises	5 379	1 547	28.8
Miscellaneous	84 769	32 289	38.1
Administered Payments	104 924	61 541	58.7
Total	535 689	226 473	42.3
Health and Human Services			
Health Advancement	36 736	18 288	49.8
Community and Rural Health	152 676	74 439	48.8
Child, Youth and Family Support	27 120	13 461	49.6
Hospitals and Ambulance Service	356 215	186 832	52.4
Housing Services	73 068	35 086	48.0
Administered Payments	129 204	74 909	58.0
Capital Investment Program	48 369	20 405	42.2
Total	823 388	423 420	51.4
House of Assembly			
House of Assembly Support Services	1 698	847	49.9
Payments Administered by the House of Assembly	2 597	1 325	51.0
Administered Payments	72	4	5.9
Total	4 367	2 177	49.9

	Budget Estimate 2000-01 \$'000	December YTD 2000-01 Actual \$'000	December YTD 2000-01 Actual to Budget %
Infrastructure, Energy and Resources			
Development of Transport Policy Advice and Planning	1 769	893	50.5
Land Transport Safety Programs	20 954	9 335	44.5
Provision of Transport Services and Infrastructure	4 822	3 111	64.5
Provision of Energy Advisory and Regulatory Services	839	229	27.3
Workplace Standards	12 267	5 926	48.3
Mineral Resources Management and Administration	4 863	2 744	56.4
Support for the Minister in Infrastructure Development and Business Management	294	97	33.0
Support for Racing Industry	1 387	827	59.6
Administered Payments	211 451	117 064	55.4
Capital Investment Program	81 380	27 867	34.2
Total	340 026	168 093	49.4
Justice and Industrial Relations			
Administration of Justice	18 876	10 710	56.7
Legal Services	6 663	4 977	74.7
Registration Services	662	407	61.5
Review Services	2 018	1 249	61.9
Electoral Services	2 759	1 337	48.5
Corrective Services	23 204	13 281	57.2
Other Services	554	259	46.8
Consumer Services	2 492	1 379	55.4
Industrial Relations Services	3 684	1 833	49.8
Administered Payments	8 080	4 280	53.0
Capital Investment Program	394	235	59.6
Total	69 386	39 948	57.6
Legislative Council			
Legislative Council Support Services	1 336	774	57.9
Payments Administered by the Legislative Council	1 646	810	49.2
Administered Payments	27	3	11.5
Total	3 009	1 587	52.7
Legislature-General			
Parliamentary Reporting Service	737	330	44.7
Parliamentary Library Service	540	246	45.6
Parliamentary Printing and Systems	549	235	42.7
Joint Services	1 735	982	56.6
Administered Payments	318	133	41.8
Capital Investment Program	225	1	....
Total	4 104	1 926	46.9

	Budget Estimate 2000-01 \$'000	December YTD 2000-01 Actual \$'000	December YTD 2000-01 Actual to Budget %
Ministerial and Parliamentary Support			
Support for Members of Parliament	10 498	5 527	52.7
Administered Payments	330	13	3.9
Total	10 828	5 540	51.2
Office of the Governor			
The Office of the Governor	1 851	888	48.0
Administered Payments	32	26	80.8
Capital Investment Program	8	8	100.0
Total	1 891	921	48.7
Police and Public Safety			
Policing Support to the Community	59 492	30 581	51.4
Crime Detection and Investigation	24 539	13 593	55.4
Traffic Law Enforcement and Road Safety	12 350	5 091	41.2
Protection of Primary Industry and Fisheries Resources	4 984	2 509	50.3
Emergency Management	1 364	658	48.2
Support to Judicial Services	6 330	2 604	41.1
Ministerial Support and Information Services	3 231	1 063	32.9
Administered Payments	8 400	1 160	13.8
Capital Investment Program	526	180	34.2
Total	121 216	57 438	47.4
Premier and Cabinet			
Support for Executive Decision Making	3 872	1 472	38.0
Support for Administration of Executive Government	3 554	2 958	83.2
Support for Government Agencies	26 991	12 885	47.7
Support for the Public Sector Employer	1 808	850	47.0
Aboriginal Affairs	481	271	56.4
Multicultural Tasmania	220	175	79.6
Support for Local Government	905	542	59.9
Women Tasmania	967	616	63.7
Administered Payments	11 807	2 238	19.0
Total	50 605	22 007	43.5
Primary Industries, Water and Environment			
Information and Land Services	24 769	13 833	55.8
Food, Agriculture and Fisheries	27 723	13 806	49.8
Resource Management and Conservation	44 910	24 047	53.5
Environment Protection, Planning and Analytical Services	16 699	7 206	43.2
Administered Payments	219 635	114 733	52.2
Capital Investment Program	2 052	953	46.4
Total	335 788	174 578	52.0

	Budget Estimate 2000-01 \$'000	December YTD 2000-01 Actual \$'000	December YTD 2000-01 Actual to Budget %
State Development			
Investment Trade and Development	8 345	4 050	48.5
State Industries	5 578	3 030	54.3
Centre for Research Industry and Strategic Planning	1 808	1 040	57.5
Tourism Marketing and Development	28 231	11 629	41.2
Cultural, Heritage and Recreation Industry Development	7 382	3 767	51.0
Administered Payments	134 561	41 899	31.1
Capital Investment Program	2 732	1 653	60.5
Total	188 637	67 068	35.6
Tasmanian Audit Office			
Public Sector Management and Accountability Administered Payments	3 232 270	1 740	53.8
Total	3 502	1 740	49.7
Treasury and Finance			
Financial and Resource Management Services	45 399	24 591	54.2
Economic and Fiscal Policy Advice	7 745	2 620	33.8
Revenue and Regulatory Management Services	12 439	5 863	47.1
Administered Payments	33 495	9 956	29.7
Capital Investment Program	6 981	811	11.6
Total	106 059	43 841	41.3

MAJOR VARIATIONS - OUTPUT GROUP EXPENDITURE

Expenditure in some Output Groups within agencies is significantly below or above pro rata Budget. These variations largely reflect the timing of payments made by agencies in relation to these Output Groups. For example, expenditure on the Capital Investment Program and Administered Payments generally accord with the timing of major projects and specific grant programs.

GST payments to the Australian Taxation Office (ATO) associated with agency expenditure are recorded by agencies as part of Administered Payments Output Group. It now appears that in a number of agencies, the initial estimates of the cost of GST are greater than actual costs.

Education

Expenditure for the Administered Payments Output Group is above pro rata Budget due to the timing of grant payments, the majority of which are made in the first half of the financial year. This is consistent with estimated cash flows. Final results are not expected to vary from Budget estimates.

Finance-General

Expenditure for the Debt Servicing and Management Output Group is below pro rata Budget due to the timing of payments associated with debt management activities, the majority of which are made in the last quarter of the financial year.

Expenditure for the Employee Related Costs Output Group is below pro rata Budget due to the timing of payments associated with superannuation and workers' compensation. In addition, there is no expenditure for Provision for Wage Increases. Expenditure is incurred directly by other agencies and offset by savings within this Output.

Expenditure for the Miscellaneous Output Group is below pro rata Budget due to no expenditure from the Treasurer's Reserve Output. Expenditure is incurred directly by other agencies and offset by savings within this Output.

Infrastructure, Energy and Resources

Expenditure for the Capital Investment Program Output Group is below the pro rata Budget as the majority of the projects, consisting primarily of the Roads Program, are conducted during the second half of the financial year.

Justice and Industrial Relations

Expenditure for the Legal Services Output Group is above pro rata Budget largely due to costs associated with the Commission of Inquiry into the Death of Joseph Gilewicz.

Police and Public Safety

Expenditure for the Administered Payments Output Group is below pro rata Budget mainly due to GST payments associated with agency expenditure being significantly less than estimated.

Premier and Cabinet

Expenditure for the Support for Executive Decision Making Output Group is below pro rata Budget due to the timing of payments in relation to the Commonwealth funded Illicit Drugs Strategy project occurring in the second half of the financial year.

Expenditure for the Support for Administration of Executive Government Output Group is above pro rata Budget due to the timing of expenditure associated with Centenary of Federation celebrations.

Expenditure for the Administered Payments Output Group is below pro rata Budget mainly due to the timing of payments under various grants programs and the distribution of compensation payments under the Regional Forest Agreement occurring in the second half of the financial year.

State Development

Expenditure for the Administered Payments Output Group is below pro rata Budget due to the timing of grants and subsidies, including the Intelligent Island Program, and the timing of cash flows associated with the Retail and Wholesale Direct Cost of Sales Output.

Treasury and Finance

Expenditure for the Economic and Fiscal Policy Advice Output Group is below pro rata Budget due to the majority of consultancy claims associated with Electricity Reform occurring towards the end of the financial year.

Expenditure for the Administered Payments Output Group is below pro rata Budget. This was due to GST payments associated with agency expenditure being significantly less than estimated and the timing of cash flows associated with the Government Accommodation Lease Management Output.

Expenditure for the Capital Investment Program Output Group is below pro rata Budget due to the majority of expenditure occurring towards the end of the financial year.