

## **DETAILS OF CONSOLIDATED FUND RECEIPTS AND EXPENDITURE AND OUTPUT EXPENDITURE FOR THE QUARTER ENDED 31 MARCH 2002.**

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 Outcome**

	Budget Estimate 2001-02 \$'000	March YTD 2001-02 Actual \$'000	March YTD 2001-02 Actual to Budget %
<b>Receipts</b>			
Recurrent Receipts	2 273 696	1 706 910	75.1
Capital Receipts	51 700	24 576	47.5
<b>Total Receipts</b>	<b>2 325 396</b>	<b>1 731 486</b>	74.5
<b>Expenditure</b>			
Recurrent Expenditure	2 155 187	1 629 749	75.6
Capital Expenditure	166 059	99 079	59.7
<b>Total Expenditure</b>	<b>2 321 246</b>	<b>1 728 828</b>	74.5
<i>Consolidated Fund Outcome</i>	<i>(4 150)</i>	<i>(2 658)</i>	N/A

**2001-02 CONSOLIDATED FUND OUTCOME**

The Budgeted Consolidated Fund Outcome for 2001-02 is a surplus of \$4.2 million. The actual Consolidated Fund Outcome for the quarter ended 31 March 2002 is a surplus of \$2.7 million. 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 March 2002**

	Budget Estimate 2001-02 \$'000	March YTD 2001-02 Actual \$'000	March YTD 2001-02 Actual to Budget %
<b>RECEIPTS</b>			
<b>Recurrent Receipts</b>			
<i>Commonwealth Sources</i>			
General Purpose	1 177 900	902 000	76.7
Specific Purpose	327 510	255 317	78.0
	<b>1 505 410</b>	<b>1 157 317</b>	<b>76.9</b>
<i>State Sources</i>			
Taxation	484 888	395 967	81.7
Receipts from Government Business Enterprises, State-owned Companies and State Authorities	155 708	67 787	43.5
Departmental Fees and Recoveries	77 408	55 201	71.3
Recoveries of State Debt Charges	7 018	5 281	75.2
Sale and Rent of Government Property	11 650	....	....
Resource Rents and Royalties	15 945	8 308	52.1
Other Recurrent Receipts	15 669	17 048	108.8
	<b>768 286</b>	<b>549 593</b>	<b>71.5</b>
<b>Total Recurrent Receipts</b>	<b>2 273 696</b>	<b>1 706 910</b>	<b>75.1</b>
<b>Capital Receipts</b>			
<i>Commonwealth Sources</i>			
Specific Purpose Payments	50 869	23 383	46.0
<i>State Sources</i>			
Capital Repayments	831	1 193	143.6
<b>Total Capital Receipts</b>	<b>51 700</b>	<b>24 576</b>	<b>47.5</b>
<b>TOTAL RECEIPTS</b>	<b>2 325 396</b>	<b>1 731 486</b>	<b>74.5</b>
<b>EXPENDITURE</b>			
<b>Recurrent Expenditure</b>	2 155 187	1 629 749	75.6
<b>Capital Expenditure</b>	166 059	99 079	59.7
<b>TOTAL EXPENDITURE</b>	<b>2 321 246</b>	<b>1 728 828</b>	<b>74.5</b>
<b>CONSOLIDATED FUND OUTCOME</b>	<b>(4 150)</b>	<b>(2 658)</b>	<b>N/A</b>
<b>Financed By:</b>			
Cash Reserves	....	(1 949)	N/A
Net Loan Repayments	(4 150)	709	N/A
	<b>(4 150)</b>	<b>(2 658)</b>	<b>N/A</b>

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

**Table 3: Commonwealth Specific Purpose Recurrent Receipts**

	Budget Estimate 2001-02 \$'000	March YTD 2001-02 Actual \$'000	March YTD 2001-02 Actual to Budget %
<b>COMMONWEALTH PAYMENT TOWARDS-</b>			
<i><b>Health and Human Services</b></i>			
Commonwealth-State Housing Agreement	17 741	12 521	70.6
Health Care Grant	145 600	109 039	74.9
Blood Transfusion Service	1 600	1 235	77.2
Home and Community Care Program	14 630	11 653	79.7
Supported Accommodation Assistance Program	6 574	5 100	77.6
Public Health Outcomes Funding Agreement	3 931	2 948	75.0
National Child Care Strategy	203	271	133.5
Disability Services Grant	15 478	14 666	94.8
High Cost Drugs	4 850	4 550	93.8
<i><b>Education</b></i>			
Primary and Secondary Education	41 091	33 442	81.4
Technical and Further Education	19 650	17 197	87.5
<i><b>Primary Industries, Water and Environment</b></i>			
World Heritage Area	5 300	3 975	75.0
<i><b>Police and Public Safety</b></i>			
Natural Disasters Organisations	202	191	94.6
<i><b>Finance General</b></i>			
Assistance for Concessions	5 360	4 070	75.9
Grant to the State for Local Government	45 300	34 456	76.1
<b>TOTAL COMMONWEALTH SPECIFIC PURPOSE RECURRENT RECEIPTS</b>	<b>327 510</b>	<b>255 317</b>	<b>78.0</b>

**Table 4: State Taxation Receipts**

	Budget Estimate 2001-02  \$'000	March YTD 2001-02 Actual  \$'000	March YTD 2001-02 Actual to Budget  %
Land Tax	29 396	23 009	78.3
Motor Taxation	40 239	30 839	76.6
Payroll Tax	213 622	165 050	77.3
Financial Transaction Taxes:			
Financial Institutions Duty	2 126	2 690	126.5
Stamp Duties	133 019	124 313	93.5
Franchise Fees and Levies:			
Electricity Entities Levy	1 942	1 686	86.8
Gambling Taxes:			
Casino Tax and Licence Fees	44 159	32 758	74.2
Lottery Tax	19 992	15 407	77.1
Racing and Gaming Taxes	363	215	59.2
Other:			
Sundry Licences	30	....	....
<b>TOTAL STATE TAXATION RECEIPTS</b>	<b>484 888</b>	<b>395 967</b>	<b>81.7</b>

**MAJOR VARIATIONS - RECEIPTS**

Total receipts for the nine months to 31 March 2002 were \$1 731.5 million, 74.5 per cent of Budget.

***Commonwealth Sources*****General Purpose Receipts**

General purpose receipts from the Commonwealth have been made in accordance with an agreed cash flow. The major component of these receipts is the GST revenue. Due to different payment requirements this revenue collection is not distributed evenly through the year.

**Specific Purpose Receipts - Technical and Further Education**

Technical and Further Education Commonwealth Specific Purpose Recurrent Receipts are above pro rata Budget due to the receipt of additional Commonwealth funding.

## **Specific Purpose Capital Receipts**

Commonwealth Specific Purpose Capital Receipts are below pro rata Budget primarily due to the timing of payments made by the Commonwealth for the National Roads Program.

## ***State Sources***

### **Taxation**

Taxation receipts are above pro rata Budget mainly due to higher than anticipated activity in the property market, along with a large one-off transaction, resulting in an increase in stamp duty receipts.

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

Receipts from Government Business Enterprises, State-owned Companies and State Authorities are below pro rata Budget due mainly to the timing of dividend payments. The majority of dividends are received in the last quarter of the financial year.

**EXPENDITURE**

**Table 5: Consolidated Fund Expenditure**

	Budget Estimate 2001-02  \$'000	March YTD 2001-02 Actual  \$'000	March YTD 2001-02 Actual to Budget  %
<b>Education</b>			
Recurrent Expenditure	590 691	457 559	77.5
Capital Expenditure	24 546	12 837	52.3
Total	615 237	470 396	76.5
<b>Finance-General</b>			
Recurrent Expenditure	394 502	270 516	68.6
Capital Expenditure	20 000	20 000	100.0
Total	414 502	290 516	70.1
<b>Health and Human Services</b>			
Recurrent Expenditure	658 677	520 755	79.1
Capital Expenditure	22 230	6 415	28.9
Total	680 907	527 169	77.4
<b>House of Assembly</b>			
Recurrent Expenditure	4 537	3 351	73.9
Capital Expenditure	....	....	....
Total	4 537	3 351	73.9
<b>Infrastructure, Energy and Resources</b>			
Recurrent Expenditure	91 226	69 662	76.4
Capital Expenditure	80 350	50 663	63.1
Total	171 576	120 325	70.1
<b>Justice and Industrial Relations</b>			
Recurrent Expenditure	54 383	42 282	77.7
Capital Expenditure	1 322	830	62.8
Total	55 705	43 112	77.4
<b>Legislative Council</b>			
Recurrent Expenditure	3 324	2 516	75.7
Capital Expenditure	....	....	....
Total	3 324	2 516	75.7
<b>Legislature-General</b>			
Recurrent Expenditure	3 514	2 616	74.4
Capital Expenditure	....	....	....
Total	3 514	2 616	74.4

	Budget Estimate 2001-02  \$'000	March YTD 2001-02 Actual  \$'000	March YTD 2001-02 Actual to Budget  %
<b>Ministerial and Parliamentary Support</b>			
Recurrent Expenditure	10 795	8 004	74.1
Capital Expenditure	....	....	....
Total	10 795	8 004	74.1
<b>Office of the Governor</b>			
Recurrent Expenditure	1 918	1 445	75.3
Capital Expenditure	8	5	62.5
Total	1 926	1 450	75.3
<b>Police and Public Safety</b>			
Recurrent Expenditure	111 497	89 864	80.6
Capital Expenditure	1 026	699	68.1
Total	112 523	90 564	80.5
<b>Premier and Cabinet</b>			
Recurrent Expenditure	20 125	16 474	81.9
Capital Expenditure	200	200	100.0
Total	20 325	16 674	82.0
<b>Primary Industries, Water and Environment</b>			
Recurrent Expenditure	91 014	65 844	72.3
Capital Expenditure	2 890	671	23.2
Total	93 904	66 515	70.8
<b>State Development</b>			
Recurrent Expenditure	86 097	55 871	64.9
Capital Expenditure	6 011	6 004	99.9
Total	92 108	61 875	67.2
<b>Tasmanian Audit Office</b>			
Recurrent Expenditure	292	191	65.4
Capital Expenditure	....	....	....
Total	292	191	65.4
<b>Treasury and Finance</b>			
Recurrent Expenditure	32 595	22 798	69.9
Capital Expenditure	7 476	755	10.1
Total	40 071	23 553	58.8
<b>TOTAL</b>	<b>2 321 246</b>	<b>1 728 828</b>	<b>74.5</b>

## **MAJOR VARIATIONS - EXPENDITURE**

Total expenditure for the nine months to 31 March 2002 was \$1 728.8 million, 74.5 per cent of Budget.

### **Recurrent Expenditure**

#### *Finance-General*

Recurrent expenditure is below pro rata Budget due mainly to the timing of transfer payments from the Consolidated Fund and the application of the Treasurer's Reserve.

#### *Health and Human Services*

Recurrent expenditure is above pro rata Budget mainly due to higher than estimated expenditure in the hospitals and community services.

#### *State Development*

Recurrent expenditure is below pro rata Budget due to the timing of payments of industry development assistance grants and the application of interest revenue to meet interest expenses.

### **Capital Expenditure**

#### *Infrastructure, Energy and Resources*

Capital expenditure is below pro rata Budget primarily as a result of a reduction in funding from the Commonwealth for the National Highway System.

#### *State Development*

Capital expenditure is above pro rata Budget due to the timing of capital project payments requiring disbursement in the third quarter of the financial year.

#### *Treasury and Finance*

Capital expenditure is below pro rata Budget due to the majority of expenditure on major projects occurring towards the end of the financial year.

**Table 6: Output Group Expenditure**

	Budget Estimate 2001-02  \$'000	March YTD 2001-02 Actual  \$'000	March YTD 2001-02 Actual to Budget  %
<b>Education</b>			
Delivery of Education Services	470 811	364 542	77.4
Delivery of Vocational Education and Training	68 104	52 629	77.3
Delivery of Information Services	22 629	17 117	75.6
Strategic Development and Evaluation Services	15 374	14 679	95.5
Administered Payments	129 205	122 846	95.1
Capital Investment Program	27 988	14 491	51.8
Total	734 111	586 304	80.7
<b>Finance-General</b>			
Debt Servicing and Management	200 682	73 319	36.5
Employee Related Costs	147 153	96 837	65.8
Government Business Enterprises	5 905	2 712	45.9
Miscellaneous	77 835	23 642	30.4
Administered Payments	109 950	106 195	96.6
Infrastructure Fund	60 000	31 010	51.7
Total	601 525	333 715	55.0
<b>Health and Human Services</b>			
Health Advancement	39 535	30 894	78.1
Community and Rural Health	152 098	120 715	79.4
Child, Youth and Family Support	26 819	20 634	76.9
Hospitals and Ambulance Service	377 554	296 384	78.5
Housing Services	75 734	52 889	69.8
Administered Payments	146 683	91 832	62.6
Capital Investment Program	49 491	15 463	31.2
Total	867 914	628 811	72.5
<b>House of Assembly</b>			
House of Assembly Support Services	1 732	1 272	73.4
Payments Administered by the House of Assembly	2 805	2 079	74.1
Administered Payments	67	48	71.6
Total	4 604	3 399	73.8

	Budget Estimate 2001-02  \$'000	March YTD 2001-02 Actual  \$'000	March YTD 2001-02 Actual to Budget  %
<b>Infrastructure, Energy and Resources</b>			
Development of Transport Policy Advice and Planning	1 661	1 165	70.1
Land Transport Safety Programs	20 698	12 934	62.5
Provision of Transport Services and Infrastructure	4 814	4 326	89.9
Provision of Energy Advisory and Regulatory Services	409	250	61.1
Workplace Standards	13 032	9 557	73.3
Mineral Resources Management and Administration	6 795	5 389	79.3
Support for the Minister in Infrastructure Development and Business Management	299	395	132.1
Support for Racing Industry	1 423	1 325	93.1
Administered Payments	216 395	173 456	80.2
Capital Investment Program	84 076	51 079	60.8
Total	349 602	259 876	77.4
<b>Justice and Industrial Relations</b>			
Administration of Justice	20 107	16 877	83.9
Legal Services	5 986	4 627	77.3
Registration Services	677	783	115.7
Review Services	2 064	1 717	83.2
Electoral Services	1 379	1 080	78.3
Corrective Services	24 126	19 163	79.4
Other Services	569	426	74.9
Consumer Services	2 674	2 122	79.4
Industrial Relations Services	3 424	2 455	71.7
Administered Payments	7 982	8 095	101.4
Capital Investment Program	1 322	829	62.7
Total	70 310	58 174	82.8
<b>Legislative Council</b>			
Legislative Council Support Services	1 582	1 256	79.4
Payments Administered by the Legislative Council	1 742	1 292	74.2
Administered Payments	27	30	111.1
Total	3 351	2 578	76.9
<b>Legislature-General</b>			
Parliamentary Reporting Service	762	470	61.7
Parliamentary Library Service	559	408	73.0
Parliamentary Printing and Systems	550	397	72.2
Joint Services	1 756	1 421	80.9
Administered Payments	258	28	10.9
Capital Investment Program	39	29	74.4
Total	3 924	2 753	70.2

	Budget Estimate 2001-02  \$'000	March YTD 2001-02 Actual  \$'000	March YTD 2001-02 Actual to Budget  %
<b>Ministerial and Parliamentary Support</b>			
Support for Members of Parliament	10 820	8 172	75.5
Administered Payments	330	13	3.9
Total	11 150	8 185	73.4
<b>Office of the Governor</b>			
The Office of the Governor	1 918	1 522	79.4
Administered Payments	60	35	58.3
Capital Investment Program	8	5	62.5
Total	1 986	1 562	78.7
<b>Police and Public Safety</b>			
Policing Support to the Community	62 426	49 491	79.3
Crime Detection and Investigation	27 102	22 830	84.2
Traffic Law Enforcement and Road Safety	13 154	8 302	63.1
Protection of Primary Industry and Fisheries Resources	4 931	3 787	76.8
Emergency Management	1 580	1 212	76.7
Support to Judicial Services	6 543	4 116	62.9
Ministerial Support and Information Services	2 241	1 151	51.4
Administered Payments	2 786	2 372	85.1
Capital Investment Program	1 176	688	58.5
Total	121 939	93 949	78.7
<b>Premier and Cabinet</b>			
Support for Executive Decision Making	3 438	2 418	70.3
Government Processes and Services	5 560	6 253	112.5
Electronic Services for Government Agencies and the Community	33 016	21 413	64.9
Public Employment and Management	2 362	1 666	70.5
Aboriginal Affairs - Policy Advice and Community Services	648	349	53.9
Multicultural Tasmania - Policy Advice and Community Services	290	222	76.6
Development of Local Government	1 631	1 165	71.4
Women Tasmania - Policy Advice and Community Services	1 136	756	66.5
Administered Payments	12 708	3 535	27.8
Capital Investment Program	200	200	100
Total	60 989	37 977	62.3

	Budget Estimate 2001-02  \$'000	March YTD 2001-02 Actual  \$'000	March YTD 2001-02 Actual to Budget  %
<b>Primary Industries, Water and Environment</b>			
Information and Land Services	27 647	20 279	73.3
Food, Agriculture and Fisheries	27 755	21 339	76.9
Resource Management and Conservation	22 573	15 401	68.2
Environment Protection, Planning and Analytical Services	16 636	11 244	67.6
Parks and Wildlife Services	23 540	19 568	83.1
Administered Payments	268 886	176 088	65.5
Capital Investment Program	2 890	1 511	52.3
Total	389 927	265 430	68.4
<b>State Development</b>			
Investment Trade and Development	9 583	7 023	73.3
State Industries	5 846	4 670	79.9
Centre for Research Industry and Strategic Planning	1 914	1 386	72.4
Tourism Marketing and Development	27 985	20 418	73.0
Cultural, Heritage and Recreation Industry Development	7 924	5 654	71.4
Administered Payments	145 008	113 604	78.3
Capital Investment Program	6 011	6 004	99.9
Total	204 271	158 759	77.7
<b>Tasmanian Audit Office</b>			
Public Sector Management and Accountability	3 446	2 640	76.6
Administered Payments	277	228	82.3
Total	3 723	2 868	77.0
<b>Treasury and Finance</b>			
Financial and Resource Management Services	46 233	36 848	79.7
Economic and Fiscal Policy Advice	6 650	4 748	71.4
Revenue and Regulatory Management Services	12 798	9 184	71.8
Administered Payments	32 407	23 059	71.2
Capital Investment Program	7 476	760	10.2
Total	105 564	74 599	70.7

## **MAJOR VARIATIONS - OUTPUT GROUP EXPENDITURE**

Expenditure in some Output Groups within Departments 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.

### ***Education***

Expenditure for Administered Payments is above pro rata Budget due to timing differences in payment of grants and allowances. The majority of payments are made in the first three quarters of the financial year.

### ***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 Miscellaneous Output Group is below pro rata Budget due to the method of application of the Treasurer's Reserve.

Expenditure for Administered Payments is above pro rata Budget due to timing differences in the payment of grants and allowances. In addition, the demand for grants under the First Home Owners Scheme is higher than expected.

Expenditure for the Infrastructure Fund Output group is below pro rata Budget due to the timing of expenditure on various infrastructure projects undertaken by agencies.

### ***Health and Human Services***

Expenditure for Administered Payments is below pro rata Budget due to timing differences in payment of grants and allowances.

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

### ***Infrastructure, Energy and Resources***

Expenditure for the Land Transport and Safety Programs Output Group is below pro rata Budget primarily due to timing differences in initiating payments in respect of the various programs managed under the Output Group.

Expenditure for the Capital Investment Program is below pro rata Budget primarily as a result of a reduction in funding from the Commonwealth for the National Highway System.

### ***Justice and Industrial Relations***

Expenditure for the Capital Investment Program is below pro rata Budget due to the timing of payments in the Prison Infrastructure Redevelopment Program.

### ***Police and Public Safety***

Expenditure for the Traffic Law Enforcement and Road Safety Output Group and the Judicial Services Output Group is below pro rata Budget due to the timing of payments, the majority of which are made in the last quarter of the financial year.

### ***Premier and Cabinet***

Expenditure for the Government Processes and Services Output Group is above pro rata Budget due to the timing and higher than anticipated level of expenditure associated with coordination of the Centenary of Federation celebrations. A majority of expenditure occurred in the first half of the financial year.

Expenditure for the Electronic Services for Government Agencies and the Community Output Group is below pro rata Budget due to lower than anticipated expenditure associated with TASINET communication costs.

Expenditure for Administered Payments is below pro rata Budget primarily due to the timing of payments under various grant programs and the distribution of compensation payments under the Regional Forest Agreement occurring in the last quarter of the financial year.

### ***Primary Industries, Water and Environment***

Expenditure for Administered Payments is below pro rata Budget due to the timing of payments of Commonwealth Grants, a majority of which occur in the second half of the financial year, and the *Service* Tasmania Disbursement Account being below the pro rata Budget estimate.

### ***Treasury and Finance***

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