

## **DETAILS OF CONSOLIDATED FUND RECEIPTS AND EXPENDITURE AND OUTPUT EXPENDITURE FOR THE QUARTER ENDED 31 DECEMBER 2001**

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	December YTD 2001-02 Actual \$'000	December YTD 2001-02 Actual to Budget %
<b>Receipts</b>			
Recurrent Receipts	2 273 696	1 112 959	48.9
Capital Receipts	51 700	11 553	22.3
<b>Total Receipts</b>	<b>2 325 396</b>	<b>1 124 512</b>	<b>48.4</b>
<b>Expenditure</b>			
Recurrent Expenditure	2 155 187	1 137 198	52.8
Capital Expenditure	166 059	71 258	42.9
<b>Total Expenditure</b>	<b>2 321 246</b>	<b>1 208 456</b>	<b>52.1</b>
<i>Consolidated Fund Outcome</i>	<i>(4 150)</i>	<i>83 944</i>	<i>N/A</i>

**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 December 2001 is a deficit of \$83.9 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 Consolidated Fund Outcome 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 2001**

	Budget Estimate 2001-02 \$'000	December YTD 2001-02 Actual \$'000	December YTD 2001-02 Actual to Budget %
<b>RECEIPTS</b>			
<b>Recurrent Receipts</b>			
<i>Commonwealth Sources</i>			
General Purpose	1 177 900	594 676	50.5
Specific Purpose	327 510	165 625	50.6
	<b>1 505 410</b>	<b>760 301</b>	<b>50.5</b>
<i>State Sources</i>			
Taxation	484 888	260 532	53.7
Receipts from Government Business Enterprises, State-owned Companies and State Authorities	155 708	40 882	26.3
Departmental Fees and Recoveries	77 408	30 417	39.3
Recoveries of State Debt Charges	7 018	3 115	44.4
Sale and Rent of Government Property	11 650	118	1.0
Resource Rents and Royalties	15 945	6 283	39.4
Other Recurrent Receipts	15 669	11 311	72.2
	<b>768 286</b>	<b>352 658</b>	<b>45.9</b>
<b>Total Recurrent Receipts</b>	<b>2 273 696</b>	<b>1 112 959</b>	<b>48.9</b>
<b>Capital Receipts</b>			
<i>Commonwealth Sources</i>			
Specific Purpose Payments	50 869	10 702	21.0
<i>State Sources</i>			
Capital Repayments	831	851	102.4
<b>Total Capital Receipts</b>	<b>51 700</b>	<b>11 553</b>	<b>22.3</b>
<b>TOTAL RECEIPTS</b>	<b>2 325 396</b>	<b>1 124 512</b>	<b>48.4</b>
<b>EXPENDITURE</b>			
<b>Recurrent Expenditure</b>	2 155 187	1 137 198	52.8
<b>Capital Expenditure</b>	166 059	71 258	42.9
<b>TOTAL EXPENDITURE</b>	<b>2 321 246</b>	<b>1 208 456</b>	<b>52.1</b>
<b>CONSOLIDATED FUND OUTCOME</b>	<b>(4 150)</b>	<b>83 944</b>	<b>N/A</b>
<b>Financed By:</b>			
Reduction in Cash Reserves	....	84 653	N/A
Net Loan Repayments	(4 150)	(709)	N/A
	<b>(4 150)</b>	<b>83 944</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	December YTD 2001-02 Actual  \$'000	December 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	8 567	48.3
Health Care Grant	145 600	69 900	48.0
Blood Transfusion Service	1 600	761	47.6
Home and Community Care Program	14 630	6 228	42.6
Supported Accommodation Assistance Program	6 574	3 402	51.7
Public Health Outcomes Funding Agreement	3 931	1 966	50.0
National Child Care Strategy	203	122	60.2
Disability Services Grant	15 478	8 800	56.9
High Cost Drugs	4 850	3 126	64.5
<i><b>Education</b></i>			
Primary and Secondary Education	41 091	22 657	55.1
Technical and Further Education	19 650	11 703	59.6
<i><b>Primary Industries, Water and Environment</b></i>			
World Heritage Area	5 300	2 650	50.0
<i><b>Police and Public Safety</b></i>			
Natural Disasters Organisations	202	61	30.1
<i><b>Finance General</b></i>			
Assistance for Concessions	5 360	2 714	50.6
Grant to the State for Local Government	45 300	22 971	50.7
<b>TOTAL COMMONWEALTH SPECIFIC PURPOSE RECURRENT RECEIPTS</b>	<b>327 510</b>	<b>165 625</b>	<b>50.6</b>

**Table 4: State Taxation Receipts**

	Budget Estimate 2001-02  \$'000	December YTD 2001-02 Actual  \$'000	December YTD 2001-02 Actual to Budget  %
Land Tax	29 396	13 143	44.7
Motor Taxation	40 239	20 292	50.4
Payroll Tax	213 622	109 639	51.3
Financial Transaction Taxes:			
Financial Institutions Duty	2 126	2 690	126.5
Stamp Duties	133 019	82 493	62.0
Franchise Fees and Levies:			
Electricity Entities Levy	1 942	1 749	90.0
Gambling Taxes:			
Casino Tax and Licence Fees	44 159	20 419	46.2
Lottery Tax	19 992	9 965	49.8
Racing and Gaming Taxes	363	142	39.2
Other:			
Sundry Licences	30	....	....
<b>TOTAL STATE TAXATION RECEIPTS</b>	<b>484 888</b>	<b>260 532</b>	<b>53.7</b>

**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 year. Total receipts for the six months to 31 December 2001 were \$1 124.5 million, 48.4 per cent of Budget.

**Taxation**

Stamp Duty receipts are above pro rata Budget as a result of two large corporate transactions and an increase in the level of activity in the property market.

**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 second half of the financial year.

### **Departmental Fees and Recoveries**

Departmental Fees and Recoveries are below pro rata Budget due to the timing of revenue for departmental fees and recoveries including the Municipal Library Levy and the renewal of gun licenses. The majority of these receipts will be collected in the second half 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 made by the Commonwealth for the National Roads program.

**EXPENDITURE**

**Table 5: Consolidated Fund Expenditure**

	Budget Estimate 2001-02 \$'000	December YTD 2001-02 Actual \$'000	December YTD 2001-02 Actual to Budget %
<b>Education</b>			
Recurrent Expenditure	590 691	323 392	54.7
Capital Expenditure	24 546	4 664	19.0
Total	615 237	328 056	53.3
<b>Finance-General</b>			
Recurrent Expenditure	394 502	171 863	43.6
Capital Expenditure	20 000	20 000	100.0
Total	414 502	191 863	46.3
<b>Health and Human Services</b>			
Recurrent Expenditure	658 677	380 612	57.8
Capital Expenditure	22 230	6 135	27.6
Total	680 907	386 747	56.8
<b>House of Assembly</b>			
Recurrent Expenditure	4 537	2 220	48.9
Capital Expenditure	....	....	....
Total	4 537	2 220	48.9
<b>Infrastructure, Energy and Resources</b>			
Recurrent Expenditure	91 226	49 898	54.7
Capital Expenditure	80 350	33 078	41.2
Total	171 576	82 976	48.4
<b>Justice and Industrial Relations</b>			
Recurrent Expenditure	54 383	30 434	56.0
Capital Expenditure	1 322	405	30.7
Total	55 705	30 839	55.4
<b>Legislative Council</b>			
Recurrent Expenditure	3 324	1 756	52.8
Capital Expenditure	....	....	....
Total	3 324	1 756	52.8
<b>Legislature-General</b>			
Recurrent Expenditure	3 514	1 950	55.5
Capital Expenditure	....	....	....
Total	3 514	1 950	55.5
<b>Ministerial and Parliamentary Support</b>			
Recurrent Expenditure	10 795	5 867	54.3
Capital Expenditure	....	....	....
Total	10 795	5 867	54.3

	Budget Estimate 2001-02  \$'000	December YTD 2001-02 Actual  \$'000	December YTD 2001-02 Actual to Budget  %
<b>Office of the Governor</b>			
Recurrent Expenditure	1 918	949	49.5
Capital Expenditure	8	3	40.6
Total	1 926	952	49.4
<b>Police and Public Safety</b>			
Recurrent Expenditure	111 497	62 768	56.3
Capital Expenditure	1 026	186	18.1
Total	112 523	62 954	55.9
<b>Premier and Cabinet</b>			
Recurrent Expenditure	20 125	11 723	58.3
Capital Expenditure	200	4	2.0
Total	20 325	11 727	57.7
<b>Primary Industries, Water &amp; Environment</b>			
Recurrent Expenditure	91 014	43 602	47.9
Capital Expenditure	2 890	354	12.2
Total	93 904	43 956	46.8
<b>State Development</b>			
Recurrent Expenditure	86 097	34 248	39.8
Capital Expenditure	6 011	6 004	99.9
Total	92 108	40 252	43.7
<b>Tasmanian Audit Office</b>			
Recurrent Expenditure	292	136	46.6
Capital Expenditure	....	....	....
Total	292	136	46.6
<b>Treasury and Finance</b>			
Recurrent Expenditure	32 595	15 781	48.4
Capital Expenditure	7 476	424	5.7
Total	40 071	16 205	40.4
<b>TOTAL</b>	<b>2 321 246</b>	<b>1 208 456</b>	<b>52.1</b>



## **MAJOR VARIATIONS - EXPENDITURE**

Total expenditure for the six months to 31 December 2001 was \$1 208.5 million, 52.1 per cent of Budget.

### **Recurrent Expenditure**

#### *Education*

Recurrent expenditure is above pro rata Budget due to timing differences in payment of grants and allowances. The majority of payments are made in the first half of the financial year.

#### *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 due to the timing of grant payments to Community Sector Organisations, a significant number of which are paid quarterly in advance.

#### *State Development*

Recurrent expenditure is below pro rata Budget due to the timing of payments of industry development assistance grants.

### **Capital Expenditure**

#### *State Development*

Capital expenditure is above pro rata Budget due to the timing of capital project payments requiring disbursement in the first half 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	December YTD 2001-02 Actual  \$'000	December YTD 2001-02 Actual to Budget  %
<b>Education</b>			
Delivery of Education Services	470 811	247 966	52.7
Delivery of Vocational Education and Training	68 104	39 022	57.3
Delivery of Information Services	22 629	11 034	48.8
Strategic Development and Evaluation Services	15 374	9 521	61.9
Administered Payments	129 205	81 970	63.4
Capital Investment Program	27 988	5 673	20.3
Total	734 111	395 187	53.8
<b>Finance-General</b>			
Debt Servicing and Management	200 682	49 352	24.6
Employee Related Costs	147 153	63 386	43.1
Government Business Enterprises	5 905	1 809	30.6
Miscellaneous	77 835	24 434	31.4
Administered Payments	109 950	74 787	68.0
Infrastructure Fund	60 000	20 959	34.9
Total	601 525	234 726	39.0
<b>Health and Human Services</b>			
Health Advancement	39 535	20 528	51.9
Community and Rural Health	152 098	82 209	54.1
Child, Youth and Family Support	26 819	13 585	50.7
Hospitals and Ambulance Service	377 554	196 640	52.1
Housing Services	75 734	42 646	56.3
Administered Payments	146 683	81 389	55.5
Capital Investment Program	49 491	12 632	25.5
Total	867 914	449 629	51.8
<b>House of Assembly</b>			
House of Assembly Support Services	1 732	815	47.0
Payments Administered by the House of Assembly	2 805	1 405	50.1
Administered Payments	67	38	56.9
Total	4 604	2 258	49.0

	Budget Estimate 2001-02  \$'000	December YTD 2001-02 Actual  \$'000	December YTD 2001-02 Actual to Budget  %
<b>Infrastructure, Energy and Resources</b>			
Development of Transport Policy Advice and Planning	1 661	907	54.6
Land Transport Safety Programs	20 698	8 400	40.6
Provision of Transport Services and Infrastructure	4 814	3 134	65.1
Provision of Energy Advisory and Regulatory Services	409	178	43.6
Workplace Standards	13 032	6 524	50.1
Mineral Resources Management and Administration	6 795	3 836	56.4
Support for the Minister in Infrastructure Development and Business Management	299	357	119.4
Support for Racing Industry	1 423	821	57.7
Administered Payments	216 395	119 416	55.2
Capital Investment Program	84 076	32 145	38.2
Total	349 602	175 718	50.3
<b>Justice and Industrial Relations</b>			
Administration of Justice	20 107	11 778	58.6
Legal Services	5 986	3 454	57.7
Registration Services	677	646	95.4
Review Services	2 064	1 330	64.4
Electoral Services	1 379	683	49.5
Corrective Services	24 126	13 730	56.9
Other Services	569	297	52.2
Consumer Services	2 674	1 585	59.3
Industrial Relations Services	3 424	1 806	52.7
Administered Payments	7 982	4 206	52.7
Capital Investment Program	1 322	405	30.7
Total	70 310	39 921	56.8
<b>Legislative Council</b>			
Legislative Council Support Services	1 582	871	55.1
Payments Administered by the Legislative Council	1 742	884	50.8
Administered Payments	27	....	....
Total	3 351	1 756	52.4
<b>Legislature-General</b>			
Parliamentary Reporting Service	762	377	49.4
Parliamentary Library Service	559	209	37.4
Parliamentary Printing and Systems	550	326	59.3
Joint Services	1 756	1 098	62.5
Administered Payments	258	19	7.2
Capital Investment Program	39	29	73.5
Total	3 924	2 057	52.4

	Budget Estimate 2001-02  \$'000	December YTD 2001-02 Actual  \$'000	December YTD 2001-02 Actual to Budget  %
<b>Ministerial and Parliamentary Support</b>			
Support for Members of Parliament	10 820	6 008	55.5
Administered Payments	330	11	3.4
Total	11 150	6 019	54.0
<b>Office of the Governor</b>			
The Office of the Governor	1 918	1 037	54.1
Administered Payments	60	22	36.1
Capital Investment Program	8	3	40.6
Total	1 986	1 062	53.5
<b>Police and Public Safety</b>			
Policing Support to the Community	62 426	34 608	55.4
Crime Detection and Investigation	27 102	15 715	58.0
Traffic Law Enforcement and Road Safety	13 154	5 846	44.4
Protection of Primary Industry and Fisheries Resources	4 931	2 621	53.2
Emergency Management	1 580	881	55.8
Support to Judicial Services	6 543	2 907	44.4
Ministerial Support and Information Services	2 241	791	35.3
Administered Payments	2 786	1 623	58.2
Capital Investment Program	1 176	168	14.3
Total	121 939	65 160	53.4
<b>Premier and Cabinet</b>			
Support for Executive Decision Making	3 438	1 776	51.7
Government Processes and Services	5 560	4 646	83.6
Electronic Services for Government Agencies and the Community	33 016	14 393	43.6
Public Employment and Management	2 362	1 199	50.8
Aboriginal Affairs - Policy Advice and Community Services	648	260	40.1
Multicultural Tasmania - Policy Advice and Community Services	290	154	53.2
Development of Local Government	1 631	848	52.0
Women Tasmania - Policy Advice and Community Services	1 136	540	47.5
Administered Payments	12 708	2 456	19.3
Capital Investment Program	200	4	2.0
Total	60 989	26 275	43.1

	Budget Estimate 2001-02  \$'000	December YTD 2001-02 Actual  \$'000	December YTD 2001-02 Actual to Budget  %
<b>Primary Industries, Water &amp; Environment</b>			
Information and Land Services	27 647	13 523	48.9
Food, Agriculture and Fisheries	27 755	12 661	45.6
Resource Management and Conservation	22 573	9 229	40.9
Environment Protection, Planning and Analytical Services	16 636	7 417	44.6
Parks and Wildlife Services	23 540	11 877	50.5
Administered Payments	268 886	103 688	38.6
Capital Investment Program	2 890	757	26.2
Total	389 927	159 153	40.8
<b>State Development</b>			
Investment Trade and Development	9 583	4 766	49.7
State Industries	5 846	3 105	53.1
Centre for Research Industry and Strategic Planning	1 914	974	50.9
Tourism Marketing and Development	27 985	13 631	48.7
Cultural, Heritage and Recreation Industry Development	7 924	4 039	51.0
Administered Payments	145 008	64 361	44.4
Capital Investment Program	6 011	6 004	99.9
Total	204 271	96 879	47.4
<b>Tasmanian Audit Office</b>			
Public Sector Management and Accountability	3 446	1 724	50.0
Administered Payments	277	131	47.4
Total	3 723	1 856	49.8
<b>Treasury and Finance</b>			
Financial and Resource Management Services	46 233	23 681	51.2
Economic and Fiscal Policy Advice	6 650	3 231	48.6
Revenue and Regulatory Management Services	12 798	6 274	49.0
Administered Payments	32 407	16 527	51.0
Capital Investment Program	7 476	430	5.7
Total	105 564	50 143	47.5

## **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 the Administered Payments Output Group is above pro rata Budget due to timing differences in payment of grants and allowances. The majority of payments are made in the first half 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 the Administered Payments Output Group 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 other agencies. It is anticipated that the Infrastructure Fund will be fully expended in accordance with Budget.

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

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.

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

Expenditure for the Capital Investment Program Output Group is below pro rata Budget due to a majority of the projects, consisting primarily of the Roads Program, being conducted in the second half 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 Administered Payments Output Group 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 second half of the financial year.

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

Expenditure for the Administered Payments Output Group 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.

### ***State Development***

Expenditure for the Capital Investment Program is above pro rata Budget due to the timing of capital project payments requiring disbursement in the first half of the financial year.

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

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