

DETAILS OF CONSOLIDATED FUND RECEIPTS AND EXPENDITURE AND OUTPUT EXPENDITURE FOR THE QUARTER ENDED 30 SEPTEMBER 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.

ADMINISTRATIVE RESTRUCTURE

Please note that this report has been prepared on the basis of the administrative structure prior to the *State Service (Restructuring) Order (No. 2) 2002*. Therefore the financial data for the Department of Primary Industries, Water and Environment, the Department of State Development, the Department of Premier and Cabinet and the Department of Health and Human Services currently reflects the budget structures reported in the 2002-03 Budget Papers. The administrative restructure will be implemented in reporting systems from 1 October 2002.

Table 1: Consolidated Fund Outcome

	Budget Estimate 2002-03 \$'000	September YTD Actual 2002-03 \$'000	September YTD Actual to Budget %
Receipts			
Recurrent Receipts	2 395 284	569 528	23.8
Capital Receipts	41 600	8 893	21.4
Total Receipts	2 436 884	578 421	23.7
Expenditure			
Recurrent Expenditure	2 289 807	633 860	27.7
Capital Expenditure	138 557	25 582	18.5
Total Expenditure	2 428 364	659 442	27.2
Consolidated Fund Outcome	(8 520)	81 021	N/A

2002-03 CONSOLIDATED FUND OUTCOME

The Budgeted Consolidated Fund Outcome for 2002-03 is a surplus of \$8.5 million. The actual Consolidated Fund Outcome for the quarter ended 30 September 2002 is a deficit of \$81 million. This has been funded by a reduction in the Government's cash reserves. The outcome, consistent with previous September quarters, 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 known factors which will preclude achievement of the Budgeted outcome at 30 June 2003.

Table 2: Statement of the Consolidated Fund for the Quarter Ended 30 September 2002

	Budget Estimate 2002-03 \$'000	September YTD 2002-03 Actual \$'000	September YTD 2002-03 Actual to Budget %
RECEIPTS			
Recurrent Receipts			
<i>Commonwealth Sources</i>			
General Purpose	1 269 600	314 195	24.7
Specific Purpose	346 768	88 252	25.4
	1 616 368	402 447	24.9
<i>State Sources</i>			
Taxation	494 492	132 591	26.8
Receipts from Government Business Enterprises, State-owned Companies and State Authorities	152 053	7 690	5.1
Departmental Fees and Recoveries	81 112	18 745	23.1
Recoveries of State Debt Charges	6 224	1 462	23.5
Sale and Rent of Government Property	11 603	....	....
Resource Rents and Royalties	12 908	1 552	12.0
Other Recurrent Receipts	20 524	5 041	24.6
	778 916	167 081	21.5
Total Recurrent Receipts	2 395 284	569 528	23.8
Capital Receipts			
<i>Commonwealth Sources</i>			
Specific Purpose Payments	40 765	8 332	20.4
<i>State Sources</i>			
Capital Repayments	835	561	67.2
Total Capital Receipts	41 600	8 893	21.4
TOTAL RECEIPTS	2 436 884	578 421	23.7
EXPENDITURE			
Recurrent Expenditure	2 289 807	633 860	27.7
Capital Expenditure	138 557	25 582	18.5
TOTAL EXPENDITURE	2 428 364	659 442	27.2
CONSOLIDATED FUND OUTCOME	(8 520)	81 021	N/A

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

Table 3: Commonwealth Specific Purpose Recurrent Receipts

	Budget Estimate 2002-03 \$'000	September YTD 2002-03 Actual \$'000	September YTD 2002-03 Actual to Budget %
COMMONWEALTH PAYMENT TOWARDS-			
<i>Health and Human Services</i>			
Commonwealth-State Housing Agreement	17 741	5 949	33.5
Health Care Grant	153 400	38 516	25.1
Blood Transfusion Service	1 855	400	21.5
Home and Community Care Program	15 860	3 965	25.0
Supported Accommodation Assistance Program	6 798	1 698	25.0
Public Health Outcomes Funding Agreement	3 931	1 055	26.8
National Child Care Strategy	217	53	24.6
Disability Services Grant	17 600	4 725	26.8
High Cost Drugs	4 850	2 110	43.5
<i>Education</i>			
Primary and Secondary Education	44 243	10 772	24.3
Technical and Further Education	22 235	5 475	24.6
<i>Primary Industries, Water and Environment</i>			
World Heritage Area	5 300	....	....
<i>Police and Public Safety</i>			
Natural Disasters Organisations	207	....	....
<i>Finance-General</i>			
Assistance for Concessions	5 531	1 413	25.5
Grant to the State for Local Government	47 000	12 122	25.8
TOTAL COMMONWEALTH SPECIFIC PURPOSE RECURRENT RECEIPTS	346 768	88 252	25.4

Table 4: State Taxation Receipts

	Budget Estimate 2002-03	September YTD 2002-03 Actual	September YTD 2002-03 Actual to Budget
	\$'000	\$'000	%
Land Tax	24 990	1 074	4.3
Motor Taxation	43 466	11 459	26.4
Payroll Tax	220 290	56 553	25.7
Financial Transaction Taxes:			
Debits Duties	21 512	5 308	24.7
Financial Institutions Duty	....	693	....
Stamp Duties	116 245	40 975	35.2
Franchise Fees and Levies:			
Electricity Entities Levy	....	104	....
Gambling Taxes:			
Casino Tax and Licence Fees	47 031	10 668	22.7
Lottery Tax	20 490	5 682	27.7
Racing and Gaming Taxes	438	73	17.8
Other:			
Sundry Licences	30	....	....
TOTAL STATE TAXATION RECEIPTS	494 492	132 591	26.8

MAJOR VARIATIONS - RECEIPTS

Total receipts for the three months to 30 September 2002 were \$578.4 million, 23.7 per cent of Budget.

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 to the timing of dividend payments. The majority of dividends are received in the final quarter of the financial year

State Taxation Receipts**Land Tax**

Land tax receipts are below pro rata Budget as a result of the timing of issuing land tax assessment notices for 2002-03. Assessment notices will be issued in the second quarter. Actual receipts for the three months to 30 September 2002 reflect compliance activities and the receipt of late payments for 2001-02.

Stamp Duties

Stamp Duties receipts are \$11 million above pro rata Budget as a result of a large 'one-off' payment and continuing high activity in the property market resulting from interest rate stability and the continued positive impact of the First Home Owners Scheme.

EXPENDITURE

Table 5: Consolidated Fund Expenditure

	Budget Estimate 2002-03 \$'000	September YTD 2002-03 Actual \$'000	September YTD 2002-03 Actual to Budget %
Education			
Recurrent Expenditure	619 590	172 890	27.9
Capital Expenditure	25 189	7 032	27.9
Total	644 779	179 922	27.9
Finance-General			
Recurrent Expenditure	445 510	141 512	31.8
Capital Expenditure	....	....	....
Total	445 510	141 512	31.8
Health and Human Services			
Recurrent Expenditure	700 410	180 283	25.7
Capital Expenditure	25 664	1 771	6.9
Total	726 074	182 054	25.1
House of Assembly			
Recurrent Expenditure	4 631	1 142	24.7
Capital Expenditure	....	....	....
Total	4 631	1 142	24.7
Infrastructure, Energy and Resources			
Recurrent Expenditure	95 415	27 539	28.9
Capital Expenditure	69 360	13 912	20.1
Total	164 775	41 451	25.2
Justice and Industrial Relations			
Recurrent Expenditure	59 909	15 696	26.2
Capital Expenditure	4 309	376	8.7
Total	64 218	16 072	25.0
Legislative Council			
Recurrent Expenditure	3 394	829	24.4
Capital Expenditure	....	....	....
Total	3 394	829	24.4
Legislature-General			
Recurrent Expenditure	3 545	832	23.5
Capital Expenditure	....	....	....
Total	3 545	832	23.5

	Budget Estimate 2002-03	September YTD 2002-03 Actual	September YTD 2002-03 Actual to Budget
	\$'000	\$'000	%
Ministerial and Parliamentary Support			
Recurrent Expenditure	11 059	3 539	32.0
Capital Expenditure	....	....	....
Total	11 059	3 539	32.0
Office of the Governor			
Recurrent Expenditure	1 961	517	26.4
Capital Expenditure	8	8	100.0
Total	1 969	524	26.6
Police and Public Safety			
Recurrent Expenditure	114 716	32 598	28.4
Capital Expenditure	1 562	235	15.0
Total	116 278	32 833	28.2
Premier and Cabinet			
Recurrent Expenditure	20 899	6 809	32.6
Capital Expenditure	....	....	....
Total	20 899	6 809	32.6
Primary Industries, Water and Environment			
Recurrent Expenditure	94 872	24 943	26.3
Capital Expenditure	2 432	47	1.9
Total	97 304	24 990	25.7
State Development			
Recurrent Expenditure	80 268	16 656	20.8
Capital Expenditure	2 011	2 000	99.5
Total	82 279	18 656	22.7
Tasmanian Audit Office			
Recurrent Expenditure	298	61	20.4
Capital Expenditure	....	....	....
Total	298	61	20.4
Treasury and Finance			
Recurrent Expenditure	33 330	8 015	24.0
Capital Expenditure	8 022	202	2.5
Total	41 352	8 217	19.9
TOTAL	2 428 364	659 442	27.2

MAJOR VARIATIONS - EXPENDITURE

Total expenditure for the three months to 30 September 2002 was \$659.4 million, 27.2 per cent of budget.

Recurrent Expenditure

Education

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

Finance-General

Recurrent expenditure is above pro rata Budget primarily due to the payment in the first quarter of the financial year, of the annual contribution to the TT-Line, for the purchase of one of the two vessels acquired in 2001-02 to replace the *Spirit of Tasmania*.

Capital Expenditure

Justice and Industrial Relations

Capital Expenditure is below pro rata Budget due to the timing of expenditure relating to the Prison Infrastructure Redevelopment Program. The majority of expenditure on this project will occur towards the end of the financial year.

Treasury and Finance

Capital expenditure is below pro rata Budget because the majority of expenditure occurs towards the end of the financial year.

Table 6: Output Group Expenditure

	Budget Estimate 2002-03 \$'000	September YTD 2002-03 Actual \$'000	September YTD 2002-03 Actual to Budget %
Education			
Delivery of Education Services	494 545	126 564	25.6
Delivery of Vocational Education and Training	72 618	18 606	25.6
Delivery of Information Services	23 020	6 134	26.6
Strategic Development and Evaluation Services	18 857	4 556	24.2
Administered Payments	146 967	49 561	33.7
Capital Investment Program	30 009	9 081	30.3
Total	786 016	214 502	27.3
Finance-General			
Debt Servicing and Management	147 908	34 701	23.5
Employee Related Costs	132 330	26 844	20.3
Government Business Enterprises	48 365	42 305	87.5
Miscellaneous	102 438	18 520	18.1
Administered Payments	126 561	35 089	27.7
2001-02 Infrastructure Fund	15 000	4 244	28.3
Social Infrastructure Fund	17 000	101	0.6
Total	589 602	161 804	27.4
Health and Human Services			
Community, Population and Rural Health	203 448	45 158	22.5
Children and Families	37 285	9 244	25.6
Hospitals and Ambulance Service	409 273	96 486	24.4
Housing Services	75 452	26 276	34.8
Administered Payments	147 175	41 172	28.0
Capital Investment Program	49 794	5 341	10.7
Total	922 427	223 677	24.7
House of Assembly			
House of Assembly Support Services	1 759	448	25.4
Payments Administered by the House of Assembly	2 872	694	24.2
Administered Payments	67	10	15.4
Total	4 698	1 152	24.5

	Budget Estimate 2002-03 \$'000	September YTD 2002-03 Actual \$'000	September YTD 2002-03 Actual to Budget %
Infrastructure, Energy and Resources			
Development of Transport Policy Advice and Planning	1 691	314	18.6
Land Transport Safety Programs	18 687	3 767	20.2
Provision of Transport Services and Infrastructure	6 549	1 066	16.3
Provision of Energy Advisory and Regulatory Services	709	104	14.7
Workplace Standards	13 218	3 187	24.1
Mineral Resources Management and Administration	5 359	1 500	28.0
Support for the Minister in Infrastructure Development and Business Management	542	109	20.1
Support for Racing Industry	1 446	398	27.5
Administered Payments	218 741	67 753	31.0
Capital Investment Program	69 710	14 086	20.2
Total	336 652	92 284	27.4
Justice and Industrial Relations			
Administration of Justice	22 502	5 602	24.9
Legal Services	6 080	1 453	23.9
Registration Services	710	244	34.4
Review Services	2 367	506	21.4
Electoral Services	4 358	1 888	43.3
Corrective Services	24 781	6 948	28.0
Other Services	586	136	23.3
Consumer Services	2 702	673	24.9
Industrial Relations Services	3 508	790	22.5
Administered Payments	7 970	2 612	32.8
Capital Investment Program	4 309	417	9.7
Total	79 873	21 271	26.6
Legislative Council			
Legislative Council Support Services	1 612	417	25.9
Payments Administered by the Legislative Council	1 782	416	23.4
Administered Payments	27	11	39.0
Total	3 421	844	24.7
Legislature-General			
Parliamentary Reporting Service	781	93	12.0
Parliamentary Library Service	572	84	14.7
Parliamentary Printing and Systems	550	79	14.3
Joint Services	1 770	594	33.6
Administered Payments	243	77	31.6
Total	3 916	927	23.7
Ministerial and Parliamentary Support			
Support for Members of Parliament	11 084	3 572	32.2
Administered Payments	330	134	40.7
Total	11 414	3 706	32.5

	Budget Estimate 2002-03 \$'000	September YTD 2002-03 Actual \$'000	September YTD 2002-03 Actual to Budget %
Office of the Governor			
The Office of the Governor	1 961	636	32.4
Administered Payments	60	23	37.6
Capital Investment Program	8	8	96.2
Total	2 029	666	32.8
Police and Public Safety			
Policing Support to the Community	63 888	18 395	28.8
Crime Detection and Investigation	28 032	8 632	30.8
Traffic Law Enforcement and Road Safety	13 019	2 954	22.7
Protection of Primary Industry and Fisheries Resources	5 025	1 314	26.2
Emergency Management	1 603	454	28.3
Support to Judicial Services	6 652	1 448	21.8
Ministerial Support and Information Services	2 274	426	18.7
Administered Payments	3 080	758	24.6
Capital Investment Program	1 562	229	14.7
Total	125 135	34 611	27.7
Premier and Cabinet			
Support for Executive Decision Making	3 106	762	24.5
Government Processes and Services	4 768	1 606	33.7
Electronic Services for Government Agencies and the Community	29 365	8 839	30.1
Public Employment and Management	1 985	571	28.8
Aboriginal Affairs	485	121	25.0
Multicultural Tasmania	320	77	24.2
Development of Local Government	1 637	522	31.9
Women Tasmania	1 098	262	23.9
Tasmania Together Progress Board	614	176	28.7
Administered Payments	13 973	3 229	23.1
Total	57 351	16 166	28.2
Primary Industries, Water and Environment			
Information and Land Services	29 106	7 199	24.7
Food, Agriculture and Fisheries	28 074	7 401	26.4
Resource Management and Conservation	12 343	3 797	30.8
Environment Protection, Planning and Analytical Services	13 930	3 816	27.4
Parks and Wildlife Services	31 891	7 489	23.5
Water Resources	5 409	1 006	18.6
Administered Payments	228 473	68 555	30.0
Capital Investment Program	4 082	524	12.8
Total	353 308	99 787	28.2

	Budget Estimate 2002-03	September YTD 2002-03 Actual	September YTD 2002-03 Actual to Budget
	\$'000	\$'000	%
State Development			
Investment Trade and Development	15 374	3 701	24.1
Centre for Research Industry and Strategic Planning	1 331	319	23.9
Tourism Marketing and Development	28 961	6 712	23.2
Cultural, Heritage and Recreation Industry Development	7 964	2 185	27.4
Administered Payments	115 300	18 144	15.7
Capital Investment Program	2 011	2 000	99.5
Total	170 941	33 061	19.3
Tasmanian Audit Office			
Public Sector Management and Accountability	3 245	816	25.1
Administered Payments	264	79	30.0
Total	3 509	895	25.5
Treasury and Finance			
Financial and Resource Management Services	48 391	14 431	29.8
Economic and Fiscal Policy Advice	6 587	2 067	31.4
Revenue and Regulatory Management Services	14 139	2 726	19.3
Administered Payments	30 219	6 165	20.4
Capital Investment Program	8 022	202	2.5
Total	107 358	25 592	23.8

MAJOR VARIATIONS - OUTPUT GROUP EXPENDITURE

A number of agencies have recorded significant variations in actual expenditure under the Capital Investment Program. These variations largely reflect the timing of payments for major projects. Explanations for major variations in Output Group expenditure by agency are provided below.

Education

The Administered Payments Output Group is above pro rate Budget due to timing differences in the payment of grants and allowances. The majority of payments are made in the first half of the financial year.

Finance-General

The Government Business Enterprises Output Group is above pro rata Budget primarily due to the payment in the first quarter of the financial year, of the annual contribution to the TT-Line, for the purchase of one of the two vessels acquired in 2001-02 to replace the *Spirit of Tasmania*.

The Social Infrastructure Fund Output Group is under pro rata Budget due to timing of expenditure on various infrastructure projects. It is anticipated that Social Infrastructure Fund expenditure for the full year will be in accordance with Budget.

Health and Human Services

The Capital Investment Program Output Group is below pro rata Budget due to the timing of expenditure on the various projects. It is anticipated that expenditure for the full year will be in accordance with Budget.

Justice and Industrial Relations

The Electoral Services Output Group is above pro rata Budget due to the timing of Local Government elections.

The Capital Investment Program Output Group is below pro rata Budget due to the timing of expenditure relating to the Prison Infrastructure Redevelopment Program occurring towards the end of the financial year.

Treasury and Finance

The Capital Investment Program Output Group is below pro rata Budget as the majority of expenditure will occur towards the end of the financial year.