4.3 REVENUE 2001-02 AND FORWARD ESTIMATES

This section identifies the 2000-01 estimated outcome and 2001-02 budget and forward estimates for revenue items. A detailed discussion of taxation items is included.

General revenue payments from the Commonwealth are discussed in detail in Section 6.2 Developments in Commonwealth – State Financial Relations. Specific Purpose Payments and User Charges are identified in relevant agency chapters of Budget Paper No. 4.

Overview

As shown in figure 4.3.1, a significant component of general government revenue in the ACT is taxes, fees and fines, accounting for 29% of total revenue. The remainder is derived from grants from the Commonwealth, user charges, interest received and other own source revenue.

Figure 4.3.1
Components of General Government Revenue 2001-02

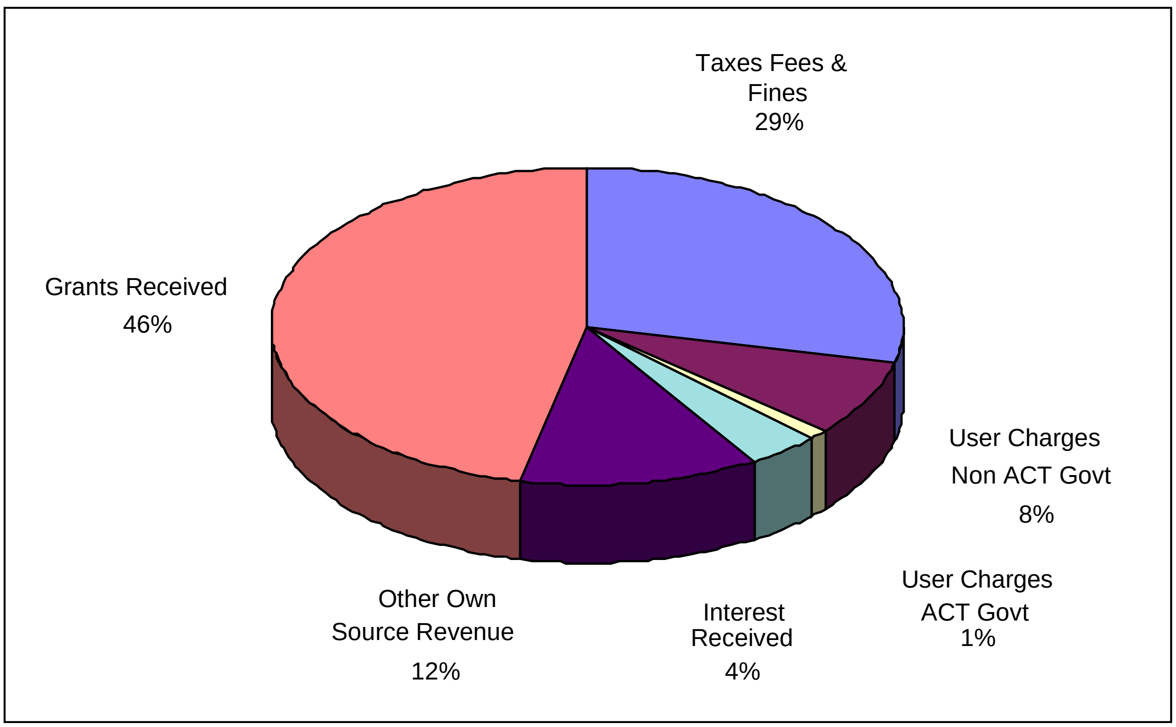


Table 4.3.1 provides a summary of the estimated outcome for 2000-01, forecasts for the 2001-02 budget and forward years for general government revenue.

Table 4.3.1
General Government Revenue

	2000-01 Est.Outcome $'000	2001-02 Budget $'000	Var %	2002-03 Estimate $'000	2003-04 Estimate $'000	2004-05 Estimate $'000
Revenue and Grants Received						
Taxes,Fees & Fines	638 281	582 212	-9	597 234	615 459	635 160
User Charges Non ACT Govt	164 997	163 041	-1	163 273	158 760	156 049
User Charges ACT Govt	17 657	18 328	4	18 861	19 203	19 600
Interest received	93 227	76 591	-18	77 510	80 930	84 346
Other Own Source Revenue	196 038	248 058	27	250 407	256 522	258 190
Grants Received	861 637	954 432	11	977 450	985 627	1005 922
Total Revenue	**1 971 837**	**2 042 662**	**4**	**2 084 735**	**2 116 501**	**2 159 267**

Note: Totals may not add due to rounding

Taxes, Fees and Fines

Total revenue from taxes, fees and fines in 2001-02 is expected to decrease by $56.069m or 9%, from $638.281m in 2000-01 to $582.212m.

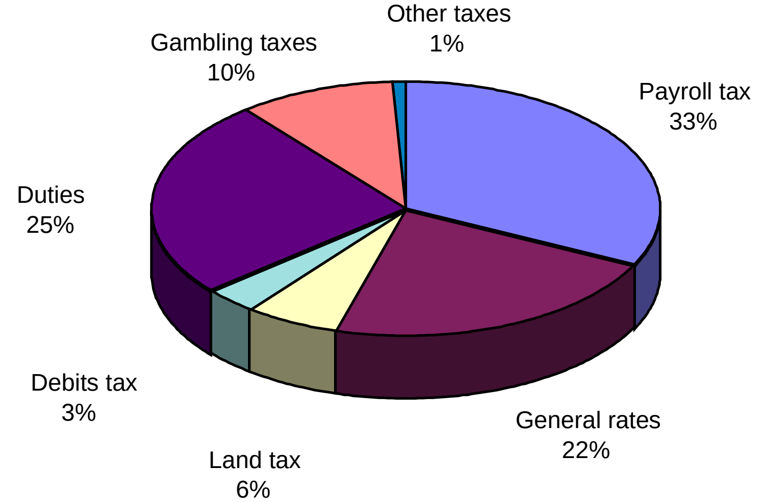
This variation primarily reflects:

- removal of the Insurance levy;
- cessation of Financial Institutions Duty; and
- removal of duty on quotable marketable securities.

Payroll tax revenue is expected to increase steadily during 2001-02 and in the forward years, reflecting continued employment and wage growth in the private sector. Total employment growth in the ACT is forecast at 1.3% in 2001-02 and an annual average of 2.5% growth for the following three years. In addition, average weekly earnings growth in the ACT continues to remain above the national average.

Figure 4.3.2 identifies payroll tax as the largest taxation item, generating 33% of total taxation revenue. Significant revenue contributions are also made by duties and general rates.

Figure 4.3.2
Components of Taxes 2001-02



Revenue Initiatives for 2001-02

Taxation measures to take effect during 2001-02 include:

- an increase in the payroll tax-free threshold;
- changes to the First Home Owners Scheme (FHOS) administered on behalf of the Commonwealth;
- a reduction in motor vehicle registration fees;
- the removal of the Insurance Levy; and
- changes to ACT taxes to take account of the GST and National Tax Reform which include:
  - FID to cease from 1 July 2001; and
  - Stamp duty on quoted marketable securities to cease from 1 July 2001.

Payroll tax

The ACT has a current tax rate of 6.85% and a tax-free threshold of $900,000. As announced in the 2000-01 budget, to improve the competitiveness of ACT businesses, the tax-free threshold will increase from $900,000 to $1.25m from 1 July 2001 and then to $1.5m from 1 July 2002. This will provide direct assistance to small and medium sized businesses that dominate the ACT private sector. It is estimated that the reduction in revenue will be more than offset by continued economic growth in the ACT.

First Home Owners Scheme

On 9 March 2001, the Prime Minister announced an additional $7,000 grant on top of the existing $7,000 grant to people entering a contract to build or purchase a home that has not been previously occupied. The additional grant will be payable for contracts entered into between 9 March 2001 and 31 December 2001. The existing First Home Owners Scheme of $7,000 continues to be available to all first home owners, whether they purchase a new or established dwelling.

Reduction of Motor Vehicle registration fees

Effective from 1 July 2001, registration fees for all private and business vehicles, including motorcycles, will be reduced on average by $58. This is in keeping with the ACT Government's undertaking to return a tangible dividend from the Budget surplus to the ACT community. This initiative represents a 22% reduction on the average registration component of vehicle registration, bringing the ACT registration fee below that of NSW.

Removal of the Insurance Levy

As announced in the 2000-01 budget, from 1 July 2001 the Insurance Levy will be abolished. This levy is imposed on insurance companies based on their assessable premiums. Some companies pass on the cost of the levy to policy holders. In removing this levy, the benefit will be passed on to householders and businesses in the form of reduced premiums.

Cessation of taxes under National Tax Reforms

Financial Institutions Duty and duty on quoted marketable securities will cease from 1 July 2001. These changes are part of the Intergovernmental Agreement (IGA) on the Reform of Commonwealth-State Financial Relations between the Commonwealth and State and Territory governments to facilitate national tax reforms. The loss in taxation revenue is compensated for by the equivalent increase in Financial Assistance Grants from the Commonwealth as part of the Guaranteed Minimum Amount (GMA) calculation. It is therefore budget neutral.

Taxes

Table 4.3.2 provides details on ACT taxes.

Table 4.3.2
Taxes

	2000-01 Est.Outcome $'000	2001-02 Budget $'000	Var %	2002-03 Estimate $'000	2003-04 Estimate $'000	2004-05 Estimate $'000
General Tax						
Payroll Tax	155 958	152 725	-2	157 405	166 929	177 030
General Rates	102 441	104 941	2	107 303	109 725	112 222
Land Tax	29 496	29 011	-2	29 517	29 523	29 523
Financial Institution Duty	25 657	-	-	-	-	-
Debit Tax	14 395	14 719	2	15 050	15 389	15 735
Total General Tax	**327 947**	**301 396**	**-8**	**309 275**	**321 566**	**334 510**
Duties						
Conveyances	65 228	64 714	-1	65 910	67 133	68 383
General Insurance	19 712	20 620	5	21 547	22 517	23 530
Hiring Duty	2 297	2 365	3	2 437	2 515	2 594
Leases	4 098	4 190	2	4 284	4 381	4 479
Life Insurance	713	746	5	779	814	851
Motor Vehicle Rego & Transfers	20 060	20 512	2	20 973	21 445	21 928
Shares & Marketable Securities	17 941	5 103	-72	5 178	5 252	5 328
Other Duties	1 308	1 337	2	1 367	1 398	1 430
Total Duties	**131 357**	**119 587**	**-9**	**122 475**	**125 455**	**128 523**
S 90 Revenue						
Petroleum	2 227	-	-	-	-	-
Tobacco	4	-	-	-	-	-
Liquor	643	-	-	-	-	-
Total S90 Revenue	**2 874**	**0**	**-**	**0**	**0**	**0**
Gambling Taxes						
ACTTAB Licence Fee	1 570	1 570	-	1 570	1 570	1 570
Bookmakers Turnover Tax	71	65	-8	65	60	60
Gaming Machine Tax	28 324	28 961	2	29 613	30 279	30 960
Casino Tax	2 324	2 324	-	2 324	2 324	2 324
Interstate Lotteries	13 916	14 229	2	14 549	14 877	15 211
Total Gambling Taxes	**46 205**	**47 149**	**2**	**48 121**	**49 110**	**50 125**
Other Taxes						
General Insurance Levy	10 000					
Ambulance Levy	4 068	4 068	-	4 068	4 068	4 068
Sales & Income Tax Equivalent	4 609	501	-89	516	532	548
Total Other Taxes	**18 677**	**4 569**	**-76**	**4 584**	**4 600**	**4 616**
Total Taxes	**527 060**	**472 701**	**-10**	**484 455**	**500 731**	**517 774**

Note: the above figures exclude regulatory service fees and internal trading revenue (General Government Sector).

ACT taxes compared to NSW

The ACT is a city-state and, as a result, the ACT Government has both state and municipal responsibilities. In recognition of the geographic circumstances of the ACT, successive ACT governments have endeavoured to maintain competitive taxation rates in line with NSW wherever appropriate. Table 4.3.3 shows the comparative tax rates between the ACT and NSW in 2000-01 for major taxation items.

Table 4.3.3
ACT Taxes compared with NSW (2000-01)

Tax type	**ACT**	**NSW**
Payroll tax	6.85% 1st $900,000 exempt from 1 Jan 2001	6.2% from 1 Jan 2001 1st $600,000 exempt
Land tax	Imposed quarterly on the unimproved property value of income producing properties Up to $100,000 – 1% $100,001- $200,000 – 1.25% Above $200,001 – 1.5%	Imposed annually Where the property is not the principal place of residence and less than $205,000 $nil otherwise $100 plus 1.7% Premium property tax only applies to principal places of residence above $1.319m in value
Conveyance stamp duty	1.25% - 5.5%	1.25% - 5.5%
Motor vehicle registration stamp duty	Under $45,000 = $3/$100 Over $45,000 = $1350+$5/$100	Under $45,000 = $3/$100 Over $45,000 = $1350+$5/$100
Financial Institutions Duty	0.06%	0.06%
Debits Tax	Sliding scale from 30c to $4	Sliding scale from 30c to $4
Life Insurance duty	Up to $2,000 - $1 plus 20c per $200 or part thereof in excess of $2,000	Up to $2,000 - $1 plus 20c per $200 or part thereof in excess of $2,000
General Insurance duty	10%	10%
Gambling tax – Casino	20% of gross revenue 10% of gross revenue on junket operations	10.91% of gross revenue from table gaming plus super tax on table revenue above $235.1m/annum 13.41% of gross revenue from machines 10% on junket operations
Gambling tax – clubs	Where monthly gross profit exceeds $8,000, a sliding scale between 1% and 25% applies	Where annual profit exceeds $200,000 a two step scale of 10.91% up to $1m and 17.16% above $1m applies
Gambling tax – hotels	25.9% of gross monthly gaming machine revenue	Sliding scale (5.91% - 30.91%) on annual profit

The latest available statistical data from the Australian Bureau of Statistics (ABS 1998-99 Taxation Revenue – Australia, Cat no. 5506.0, April 2000) shows that in 1998-99 ACT residents paid, on average, $582 per head per annum less in combined state and local government taxes compared to NSW residents.

Payroll Tax

During 2000-01, payroll tax was payable by liable ACT employers and contractors at 6.8% of the wages and other taxable payments of the employer, or the employer's group, where the Australia-wide wages exceeded the average tax free threshold of $850,000 per annum.

The 2000-01 collection is estimated at $155.958m, and the forecast for 2001-02 is $152.725m, to reflect the impact of the increase in the tax-free threshold, and partly offset by the expectation of continued employment growth in the private sector.

General Rates

General rates are levied on rateable land in the ACT. The various rating factors are set annually to achieve an overall CPI increase on total rates revenue. The 2000-01 estimated outcome is $102.441m. The rating system for 2001-02 will have the following features:

- a fixed charge of $300 applied to all properties except rural properties;
- an ad valorem charge based on the rolling three-year average of unimproved land valuations;
- a threshold of $19,000 applied to all property values; and
- separate revenue targets of 85%:15% applied to the residential and non-residential sectors respectively.

Rating factors for 2001-02 are:

- 0.7820% for residential properties in the City Area;
- 0.3910% for properties outside the City Area (rural); and
- 1.3356% for non-residential properties in the City Area.

The 2001-02 estimate of rates revenue is $104.941m and this figure includes expected revenue of $0.658m for 2001-02 from new properties.

Rates revenue estimates for 2001-02 and forward years include expected revenue from new properties and represent the net amount after allowing for pensioner and other concessions. Total rates revenue, including payments received from the Commonwealth Government as reimbursement for some concessions, is included in the Department of Treasury, Budget Paper No. 4.

Land Tax

In 2001-02, land tax continues to be charged at rates between 1% to 1.5% of the unimproved value of land and is payable on all rateable commercial properties and residential properties that produce rental income. The rolling three-year average of property values used for general rates is also incorporated in the land tax base.

The estimated outcome in 2000-01 is $29.496m. Forecast revenue for 2001-02 is $29.011m, reflecting the recent reduction in the land valuation of commercial properties incorporated in the rolling three-year average base.

Financial Institutions Duty

Financial Institutions Duty (FID) is levied on deposits to accounts held by financial institutions, and collected from account holders/depositors. The rate is 0.06% of the deposits and the maximum payment on a single transaction is $1,200.

The estimated outcome for 2000-01 is $25.657m. As part of the National Tax Reform package, states and territories have agreed to cease levying FID from 1 July 2001. The revenue estimates for future years are included in the Guaranteed Minimum Amount (GMA), which is to be paid by the Commonwealth under the Intergovernmental Agreement.

Debits Tax

Debits tax is levied on withdrawals from bank accounts upon which cheque drawing facilities are provided. Debits tax was introduced from 1 July 1997 and the rates remain in line with NSW, Victoria, South Australia, Western Australia and Queensland.

The estimated outcome for 2000-01 is $14.395m and the forecast for 2001-02, is $14.719m. Revenue collection levels from debits tax are influenced by changes in banking practices by taxpayers as other payment options (Internet banking, Bpay, direct debit) become increasingly available.

Duty on Conveyances

Stamp duty on conveyances is levied on the transfer of real property. The rate payable increases progressively from 1.25% to 5.5% and applies to the value of the property. A concession rate applies for persons qualifying under the ACT Homebuyer Concession Scheme.

Estimated outcome in 2000-01 is $65.228m, reflecting current high activity levels. The forecast for 2001-02 is $64.714m.

Duty on Hiring Arrangements

The ACT tax rates are the same as those in NSW; 0.75% for equipment leasing and 1.5% on receipts over $6,000 per month for other leasing arrangements. Revenue in 2000-01 is estimated at $2.297m and the forecast for 2001-02 is $2.365m.

Duty on General and Life Insurance

General insurance premiums and life insurance premiums are liable for stamp duty. The rate payable on general insurance premiums is 10%, and temporary and term life insurance policies are liable at the rate of 5% of the first year’s premium.

Estimates for 2001-02 reflect the forecast for similar levels of insurance coverage as previous years. General insurance revenue in 2000-01 is estimated at $19.712m and for 2001-02, $20.620m. Life insurance revenue in 2000-01 is estimated at $0.713m and the forecast for 2001-02 is $0.746m.

Duty on Leases

Stamp duty is payable on commercial tenancy leases at the rate of 50 cents for every $100, with the exception of leases in excess of 30 years which are subject to duty at conveyance rates. The revenue estimate for 2000-01 is $4.098m and the forecast for 2001-02 is $4.190m.

Duty on Motor Vehicle Registrations

Stamp duty is payable at the rate of $3.00 per $100 or part thereof, on whichever is the higher of the purchase price or market value, at initial registration and on subsequent transfers of a motor vehicle.

The stamp duty rate on passenger vehicles with a market value over $45,000 and that can carry up to 9 people is $1,350 plus $5 per $100, or part thereof, of the value in excess of $45,000. Revenue in 2000-01 is estimated at $20.060m and the forecast for 2001-02 is $20.512m.

Duty on Marketable Securities

Stamp duty is imposed on the transfer of dutiable marketable securities, including trust units. The 2000-01 estimate is $17.941m.

As part of the National Tax Reform, States and Territories have agreed to cease levying duty on quoted marketable securities from 1 July 2001. The forecast for 2001-02 of $5.103m represents the revenue expected to be collected from the remaining unquoted marketable securities.

Other Duties

Stamp duty is payable on the acquisitions of businesses conducted in the ACT and on the ACT portion of businesses conducted across jurisdictions. The rate of duty payable is 60 cents per $100 on specific business assets (goodwill, intellectual property or a statutory licence). Duty is also payable on Deeds of Trust, and counterparts, replicas and duplicates for dutiable transactions.

Revenue in 2000-01 is estimated at $1.308m and the 2001-02 forecast is $1.337m.

ACTTAB Licence Fee

ACTTAB pays a licence fee, in addition to a dividend and a tax equivalent payment that are identified separately. The licence fees for 2000-01 and 2001-02 are estimated at $1.570m per annum.

Bookmakers Turnover Tax

The level of turnover tax applying to the standing bookmakers is 1%, in line with the rate applying in NSW. Estimated revenue for 2000-01 is $0.071m, and for 2001-02 the forecast is $0.065m.

Gaming Tax

Gaming tax revenue incorporates gaming machine taxes and interactive gaming tax. Gaming machines are taxed on the basis of monthly gross revenue, which is defined as gaming machine revenue less amounts paid out in prize money. Gaming machine licensees other than clubs will continue to be taxed at 25.9% of gross revenue. Estimated total gaming tax revenue for 2000-01 is $28.324m, and the forecast for 2001-02 is $28.961m.

Casino Tax

The tax applying to Casino Canberra is 20% of the gross profit from general gaming operations. Estimated revenue in 2000-01 and 2001-02 is $2.324m per annum.

Interstate Lotteries

The ACT receives revenue on the value of tickets in interstate lotteries purchased in the ACT, including NSW lotteries (including Lotto), Tattslotto and other Victorian lotteries. Revenue from this source is estimated at $13.916m in 2000-01, and the forecast for 2001-02 is $14.229m.

Ambulance Levy

The ambulance levy is imposed on health funds in the ACT to provide ambulance cover for fund members. The revenue outcome for 2000-01 and 2001-02 is estimated at $4.068m per annum.

Sales tax and Income tax equivalent payments

These represent tax equivalent payments made by ACT Public Trading Enterprises. The estimate of total revenue for 2000-01 is $4.609m and the forecast for 2001-02 is $0.501m. The amount received in 2000-01 includes a large payment for sales tax liability covering an extended period prior to 1 July 2000, following the outcome of a recent court decision.

As part of National Tax Reform, sales tax was abolished from 1 July 2000. No further sales tax equivalent payments will be collected.

Fees and Fines

Details of fees and fines are provided in table 4.3.4.

Table 4.3.4
Fees and Fines

	2000-01 Est.Outcome $'000	2001-02 Budget $'000	Var %	2002-03 Estimate $'000	2003-04 Estimate $'000	2004-05 Estimate $'000
Fees						
Motor vehicle registrations	52 106	43 956	-16	45 137	46 253	47 445
Casino Licence fees	613	626	2	640	654	669
Drivers Licences	5 200	5 594	8	5 721	5 856	5 988
Change of Use Charge	3 706	3 840	4	3 923	4 011	4 102
Regulatory services	33 163	36 046	9	37 223	38 068	38 970
Total Fees	**94 788**	**90 062**	**-5**	**92 644**	**94 842**	**97 174**
Fines						
Traffic infringement fines	8 739	11 564	32	12 083	11 655	11 809
Court fines	250	250	-	250	250	250
Parking fines	7 069	7 258	3	7 425	7 604	7 776
Other fines	375	377	1	377	377	377
Total Fines	**16 433**	**19 449**	**18**	**20 135**	**19 886**	**20 212**

Fees

Motor Vehicle Registration Fees

The estimated revenue from motor vehicle registration charges in 2000-01 is $52.106m and the forecast for 2001-02 is $43.956m. The reduction reflects a reduction in registration charges arising from the Government’s decision to hand back part of the projected budget surplus to the ACT community.

Casino Licence Fees

The Casino licence holder pays the Casino licence fee to the ACT Gambling and Racing Commission. The ACT Gambling and Racing Commission also collects Casino employees’ licence fees for licensing staff employed by the Casino. The 2000-01 total estimate for casino licence fees of $0.613m is expected to increase to $0.626m in 2001-02.

Drivers’ Licences

The revenue from drivers’ licences in 2000-01 is estimated at $5.200m and is forecast to increase to $5.594m in 2001-02. The increase relates primarily to the expected movement in CPI.

Change of Use Charge (CHUC)

A Change of Use Charge (CHUC) is a charge that is payable on the increased value of a block of land arising from a development application and is calculated as 75% of the added property value. Some qualifying lease variations will receive a remission of the CHUC of between 25% to 100%.

The 2000-01 outcome is estimated at $3.706m and the forecast for 2001-02 is $3.840m.

Fees for Regulatory Services

Fees for regulatory services are received by numerous agencies other than the Revenue Office and include items such as waste management fees, motor transport regulation and building control fees. Revenue from this source is estimated at $33.163m in 2000-01, and the forecast for 2001-02 is $36.046m.

Fines

Total revenue from fines is expected to increase in 2001-02. Revenue from parking fines is expected to increase from an estimate of $7.069m in 2000-01 to $7.258m in 2001-02. Revenue from traffic infringement fines is expected to increase from $8.739m in 2000-01 to $11.564m in 2001-02, due to the introduction of revised speed and safety measures, additional speed/red light cameras and the full year effect of expected revenue from existing cameras.

User Charges

Details of user charges for non-ACT Government and ACT Government are provided in table 4.3.5.

Table 4.3.5
User Charges - Non ACT Government and ACT Government

	2000-01 Est.Outcome $'000	2001-02 Budget $'000	Var %	2002-03 Estimate $'000	2003-04 Estimate $'000	2004-05 Estimate $'000
User Charges - Non ACT Govt.						
Parking fees	10 821	11 156	3	11 373	11 604	11 866
Inpatient fees	10 600	10 856	2	11 118	11 386	11 660
Non-inpatient fees	1 547	1 565	1	1 584	1 604	1 624
Cross Border health receipts	45 700	47 100	3	47 100	40 100	40 803
Sales	9 739	10 303	6	10 103	10 404	10 608
Service receipts	76 847	73 382	-5	73 077	74 543	70 242
Miscellaneous	9 743	8 679	-11	8 918	9 119	9 246
Total Non ACT Govt	**164 997**	**163 041**	**-1**	**163 273**	**158 760**	**156 049**
User Charges - ACT Govt.						
User Charges - ACT Govt.	17 657	18 328	4	18 861	19 203	19 600
Total ACT Govt	**17 657**	**18 328**	**4**	**18 861**	**19 203**	**19 600**

Parking Fees

Receipts for this item in 2000-01 are estimated at $10.821m and the 2001-02 forecast is $11.156m.

Patient Fees

Inpatient fees and non-inpatient fees are payments for the provision of hospital and related services. The 2000-01 estimated outcome for inpatient and non-impatient fees is $10.600m and $1.547m, compared to the 2001-02 forecast estimates of $10.856m and $1.565m respectively.

Cross Border Health Receipts

The NSW Government pays the ACT Government for ACT medical services provided to NSW citizens. The revenue estimates for 2000-01 and 2001-02 are $45.700m and $47.100m respectively.

Sales

Entry fees from sporting and cultural facilities are included in this item, including the Canberra Theatre and the Australian International Hotel School. The 2000-01 estimate is $9.739m and the 2001-02 estimate is $10.303m.

Service Receipts

This item includes payments from government agencies and external clients for the provision of services. Examples of services include: student fees and commercial activities by the Canberra Institute of Technology; revenue from events such as the GMC 400 and the Rally of Canberra; and revenue from fleet facilities, maintenance and linen sales by Totalcare.

The variance from the estimated outcome to the 2001-02 Budget is largely due to the Government initiative allowing free entry to Floriade and the reduction in revenue by the Linen Division of Totalcare.

Miscellaneous

Miscellaneous revenue is estimated at $9.743m for 2000-01 and the 2001-02 forecast is $8.679m.

Interest Received

Table 4.3.6 provides a summary of interest received.

Table 4.3.6
Interest Received

	2000-01 Est.Outcome $'000	2001-02 Budget $'000	Var %	2002-03 Estimate $'000	2003-04 Estimate $'000	2004-05 Estimate $'000
Interest Received						
Interest received from banks	54 126	43 816	-19	44 630	48 596	52 124
Interest on agencyadvances/loans	30 041	24 840	-17	24 929	24 378	24 262
Interest on priv advances	120	120	-	120	120	120
Other interest received	8 490	7 385	-13	7 391	7 396	7 400
Interest from ACT Law Soc.	450	430	-4	440	440	440
Total Interest Received	**93 227**	**76 591**	**-18**	**77 510**	**80 930**	**84 346**

Interest Received from Banks

This item represents the interest received by the Central Financing Unit for general government investments and by the Superannuation Unit for investments made in respect of the superannuation provision account. General government investments comprise the surplus balances of the Territory public account and investments made on behalf of government departments. The interest received for government departments is on-passed to them on a quarterly basis. Interest earned on the superannuation provision account is compounded within the existing investment funds managed by the Territory's external fund managers. Interest revenue is expected to increase in 2001-02 due mainly to an increase in the funds held on investment for the superannuation provision account as a result of the capital injections totalling $154m made during 2000-01.

Interest from Advances/Loans

This item represents the interest payment to the Central Financing Unit from Public Trading Enterprise sector agencies for market related loans. The majority of interest received is from ACTEW related loans. During 2000-01 the interest payments made by ACTEW, in respect of the indexed Annuity Bond loan, were high on a once-off basis as a result of increased inflation during the year. This loan is linked to the consumer price index which was abnormally high in the year as a result of the introduction of the goods and services tax. The interest payments are reduced to a normal level in 2001-02 and the forward years.

Other Interest Received

This item represents the natural movement in interest paid under the Home Loan scheme. The 2000-01 estimate is $8.490m and the 2001-02 forecast is $7.385m.

Other Own Source Revenue

Total other own source revenue (including Dividends from Public Trading Enterprises) is expected to increase by $52.061m or 26% in 2001-02. Table 4.3.7 provides a summary of other own source revenue in 2000-01 and the forward years.

Table 4.3.7
Other Own Source Revenue

	2000-01 Est.Outcome $'000	2001-02 Budget $'000	Var %	2002-03 Estimate $'000	2003-04 Estimate $'000	2004-05 Estimate $'000
Dividends						
ACTEW	60 771	40 831	-33	47 745	50 947	53 335
ACTTAB	495	585	18	603	621	638
CIT Solutions	100	208	108	213	218	218
Total Dividends	**61 366**	**41 624**	**-32**	**48 561**	**51 786**	**54 191**
Other						
Super contributions	11 126	10 998	-1	10 980	11 022	11 093
MLA super contributions	361	367	2	371	376	380
Gain on asset disposals	717	0	-100	0	0	0
Other	27 222	62 605	130	67 873	84 972	94 956
Lease sales	49 045	81 954	67	88 081	86 125	76 599
Associates and Joint Ventures	28 410	32 719	15	16 749	4 450	3 180
Rents & Commutations	3 850	3 850	-	3 850	3 850	3 850
Contributions	13 941	13 941	-	13 942	13 941	13 941
Total Other	**134 672**	**206 434**	**53**	**201 846**	**204 736**	**203 999**

Dividends

ACTEW

The estimate for 2000-01 is $60.771m and the forecast for 2001-02 is $40.831m.

The 2000-01 result includes a component arising from realised gains from the transfer of ACTEW’s electricity business to the ActewAGL joint venture. That transfer resulted in ACTEW receiving equalisation payments from AGL to compensate for the relative value of assets that were transferred by each party and the equal share of future profits.

The forecast decrease in 2001-02 reflects the first full year of ActewAGL joint venture partnership profit sharing arrangements. The fall in dividend reflects the fact that in 2000-01 the Territory received an up front capital return from ACTEW of $119m which arose from the equalisation payments. ACTEW’s dividends are forecast to rise steadily each year after 2001-02.

ACTTAB

The forecast dividend for 2001-02 is $0.585m compared to the 2000-01 amount of $0.495m due to an expected increase in turnover, including the return of premium punter support.

Other

Superannuation Contributions

This item represents the payment of superannuation to the Superannuation Unit by the PTE Sector. The 2000-01 estimate is $11.126m and the 2001-02 forecast is $10.998m.

Other

This item includes market gains on investments made by the Finance and Investment Group. The increase in the 2001-02 revenue forecast reflects a projected increase in the funds invested.

Lease Sales

Land revenue from lease sales is expected to increase from $49.045m in 2000-01 to $81.954m in 2001-02. This is due to the sale of Section 56 City which was originally expected to occur in 2000-01 ($12m), additional land releases by the Gungahlin Development Authority during 2001-02 ($13.920m) and the initial release of land at the Kingston Foreshore ($6.664m).

Associates and Joint Ventures

Land revenue from joint ventures is expected to increase from $28.410m in 2000-01 to $32.719m in 2001-02. This comprises a reduction in activity due to the winding-down of a number of joint ventures managed by Land and Property (-$2.868m), offset by a new joint venture by the Kingston Foreshore Development Authority to develop the first stage of the foreshore ($7.192m).

Commonwealth Grants Estimates

Total revenue from grants received is expected to increase by $92.795m or 11%, from the 2000-01 estimate of $861.637m to $954.432m in 2001-02.

Table 4.3.8 provides a summary of Commonwealth grants estimates.

Table 4.3.8
Commonwealth Grants Estimates

	2000-01 Est.Outcome $'000	2001-02 Budget $'000	Var %	2002-03 Estimate $'000	2003-04 Estimate $'000	2004-05 Estimate $'000
Gen. Purpose Funding						
Competition payments	7 500	11 500	53	11 900	12 200	12 500
Special Revenue Assistance	13 500	14 200	5	14 200	14 200	14 200
Total Gen. Purpose Fund.	**21 000**	**25 700**	**22**	**26 100**	**26 400**	**26 700**
GST Revenue Grants						
GST Revenue Grant	506 100	555 300	10	578 300	605 700	630 100
Total	**506 100**	**555 300**	**10**	**578 300**	**605 700**	**630 100**
GST Balanced Budget Assist.						
Balancing Budget Assist – Grant	8 984	28 800	221	26 700	8 100	0
Total	**8 984**	**28 800**	**221**	**26 700**	**8 100**	**0**
Total General Revenue Assistance	**536 084**	**609 800**	**14**	**631 100**	**640 200**	**656 800**
Specific Purpose Payments						
Health (Includes HCGs)						
Blood Transfusion Service	1 031	1 031	-	1 031	1 031	1 031
Blood Transfusion Services Capital	55	55	-	55	55	55
Hospital funding grant	81 441	86 894	7	92 775	94 148	94 148
Youth health services	49	49	-	49	49	49
High cost drugs	5 130	5 258	2	5 390	5 524	5 663
Nat. public health agreements	4 506	4 080	-9	4 120	4 146	4 172
Hep.C Financial assist. Prog.	387	520	34	0	0	0
Total	**92 599**	**97 887**	**6**	**103 420**	**104 953**	**105 118**
Social Security and Welfare						
Aged Care Assessment Team	341	341	-	341	341	341
Home & Community care	6 424	6 920	8	7 454	8 030	8 650
Supported Accommodation program	4 822	5 488	14	5 592	5 704	5 818
Children's services	52	53	2	54	55	56
C'wlth States disability agree.	5 697	6 527	15	6 527	6 527	6 527
Total	**17 336**	**19 329**	**11**	**19 968**	**20 657**	**21 392**
Education						
Govt schools - general	21 112	21 928	4	22 076	22 228	22 333
Non-govt schools	61 756	64 108	4	67 314	70 679	74 213
Govt schools - other Cwth	4 202	4 364	4	4 518	4 469	4 574
School payments - other org.	320	341	7	362	418	428
School payments - non-govt.	1 760	1 846	5	1 903	1 887	1 934
Aboriginal education (IESIP)	343	351	2	367	367	376
Govt schools - capital grant	3 838	3 838	-	3 838	3 838	3 838
Non-govt schools capital grant	2 040	2 040	-	2 040	2 040	2 040

	2000-01 Est.Outcome $'000	2001-02 Budget $'000	Var %	2002-03 Estimate $'000	2003-04 Estimate $'000	2004-05 Estimate $'000
Total	**95 371**	**98 816**	**4**	**102 418**	**105 926**	**109 736**
Public Order and Safety						
Legal Aid	3 039	3 071	**1**	3 104	3 137	3 170
Total	**3 039**	**3 071**	**1**	**3 104**	**3 137**	**3 170**
Housing						
CSHA Housing Assistance	24 968	24 771	-1	24 618	18 718	18 718
Total	**24 968**	**24 771**	**-1**	**24 618**	**18 718**	**18 718**
Local Government						
Finance Assist. Local govt functions	28 000	28 800	3	29 700	30 600	31 500
National Capital Influences	20 471	20 880	2	21 214	21 553	21 892
Total	**48 471**	**49 680**	**2**	**50 914**	**52 153**	**53 392**
Other						
Assistance for Water and Sewerage	8 230	8 395	2	8 530	8 666	8 802
Interstate road transport	135	135	-	135	135	135
Nat. highway system Capital	6 125	17 225	181	6 900	5 000	2 500
Nat. Safety Black Spots program.	497	516	4	516	516	516
National highway system	3 000	2 400	**-20**	2 200	2 200	2 200
Total	**17 987**	**28 671**	**59**	**18 281**	**16 517**	**14 153**
Total Specific Purpose Payments	**299 771**	**322 225**	**7**	**322 723**	**322 061**	**325 679**
Other C'wlth Payments						
Vocational Education and Training						
Payment for ANTA C'wlth funding	14 667	14 395	-2	14 395	14 395	14 395
ANTA TAFE Capital Infrastructure.	4 080	1 360	-67	2 720	2 720	2 720
Total	**18 747**	**15 755**	**-16**	**17 115**	**17 115**	**17 115**
Other						
Concession funding	1 120	1 140	2	1 160	1 180	1 210
RALA Veterans	72	72	-	72	72	72
Sport participation dev.	140	215	54	215	215	215
DEETYA contracts	234	160	-32	160	160	160
Imm. data collect. (AIRC)	132	132	-	132	132	132
ANTA contracts	2 341	2 341	-	2 341	2 341	2 341
Miscellaneous C'wlth payments	2 996	2 592	-13	2 432	2 151	2 198
Total	**7 035**	**6 652**	**-5**	**6 512**	**6 251**	**6 328**
Total Other C'wlth Payments	**25 782**	**22 407**	**-13**	**23 627**	**23 366**	**23 443**
Total SPP and Other C'wlth Payments	**325 553**	**344 632**	**6**	**346 350**	**345 427**	**349 122**
Total Commonwealth Grants Received	**861 637**	**954 432**	**11**	**977 450**	**985 627**	**1 005 922**