GOVERNMENT FINANCE STATISTICS

This appendix contains details of the operations of the ACT on a Government Finance Statistics basis (GFS), as required under the Accrual Uniform Presentation Framework. Information relates to the 2000-01 estimated outcome and budget estimates for 2001-02 and forward years.

Information on the components of these concepts and on the classification of entities is provided at Appendix A and B of this budget paper.

The GFS includes only those transactions over which a government exercises control under its legislative or policy framework.

GFS revenue differs from AAS31 revenue. GFS revenue includes all (mutually agreed) transactions that increase net worth. Revaluations, included in AAS31 revenue, are not considered mutually agreed transactions, so are excluded from GFS revenue. Included in this revaluations category are asset write-offs. Asset sales, which involve a transfer of a non-financial for a financial asset, are also excluded.

GFS expenses differ from AAS31 expenses. GFS expenses encompasses all transactions that decrease net worth, including dividend and tax equivalent payments.

General Government Sector Operating Statement.

		-1 2000-01 Estimated Outcome $'000	Budget 2001-02 Budget $'000	1 2002-03 Estimate $'000	2 2003-04 Estimate $'000	3 2004-05 Estimate $'000
	GFS Revenue					
	Taxation Revenue	584 247	526 555	539 755	557 421	575 940
	Current grants and subsidies	824 114	905 987	939 483	955 460	978 255
	Capital Grants	86 568	130 399	126 048	116 292	104 266
	Sale of goods and services	253 890	260 204	246 317	230 841	228 306
	Interest income	105 160	87 845	88 079	90 803	93 516
	Other	132 899	135 764	148 960	156 550	163 351
	Total revenue	1 986 868	2 046 754	2 088 642	2 107 367	2 143 634
less	**GFS Expenses**					
	Gross operating expenses	1 504 245	1 586 806	1 622 758	1 660 151	1 693 180
	Nominal superannuation interest expense	5 413	5 553	5 619	5 654	5 705
	Other interest expenses	76 211	62 426	58 598	57 941	54 541
	Other property expenses	0	0	0	0	0
	Current transfers	361 291	391 018	398 629	404 287	418 935
	Capital transfers	10 566	17 955	11 542	7 500	7 500
	Total expenses	1 957 726	2 063 758	2 097 146	2 135 533	2 179 861
equals	**GFS net operating balance**	29 142	-17 004	-8 504	-28 166	-36 227
less						
Net acquisition of non financial assets						
	Gross fixed capital formation	140 398	204 791	188 474	152 879	133 528
	Depreciation	-143 142	-148 842	-151 820	-154 557	-156 319
	Change in inventories	0	0	0	0	0
	Other movements in non financial assets	0	0	0	0	0
	Total net acquisitions of non financial assets	-2 744	55 949	36 654	-1 678	-22 791
Equals	**GFS Net Lending/Borrowing (Fiscal Bal)**	31 886	-72 953	-57 158	-38 488	-25 436

Reconciliation to 2001-02 Budget Papers

AAS31	Operating Result as per Table 4.1.7	47 354	12 285	20 285	12 968	10 703
Less	Gains/Losses on non-financial assets	-7 100	22 090	24 382	38 030	44 849
	Gains/Losses on financial assets	22 127	22 127	22 127	22 127	22 127
	Revaluations	0	0	0	0	0
plus	ACTEW - Income Tax Equivalent Revenue	-3 185	14 928	17 720	19 023	20 046
Reconciles to GFS net operating balance		29 142	-17 004	-8 504	-28 166	-36 227

Public Non-Financial Corporation Sector Operating Statement

		2000-01 Estimated Outcome -1 $'000	2001-02 Budget Budget $'000
	GFS Revenue		
	Taxation Revenue	0	0
	Current grants and subsidies	4 475	9 888
	Capital Grants	0	0
	Sale of goods and services	403 035	341 300
	Interest income	5 080	1 660
	Other	61 961	16 003
	Total revenue	474 551	368 851
less	**GFS Expenses**		
	Gross operating expenses	330 684	265 453
	Nominal superannuation interest expense	0	0
	Other interest expenses	41 982	36 106
	Other property expenses	58 691	57 053
	Current transfers	12 922	12 434
	Capital transfers	0	0
	Total expenses	444 279	371 046
equals	**GFS net operating balance**	30 272	-2 195
less			
Net acquisition of non financial assets			
	Gross fixed capital formation	32 670	33 416
	Depreciation	-43 200	-37 836
	Change in inventories	0	0
	Other movements in non financial assets	0	0
	Total net acquisition of non financial assets	-10 530	-4 420
Equals GFS Net Lending/Borrowing (Fiscal Bal)		**40 802**	**2 225**

Reconciliation to 2001-02 Budget Papers

	Operating Result as per Table 4.1.10	95 406	57 065
Less	Gains/Losses on non-financial assets	6 953	2 708
	Dividends Declared	61 366	41 624
	Recognition of Income tax equivalent expense	-3 185	14 928
	Revaluations	0	0
	Reconciles to GFS net operating balance	30 272	-2 195

Non-Financial Public Sector Operating Statement.

		-1 2000-01 Estimated Outcome $'000	Budget 2001-02 Budget $'000
	GFS Revenue		
	Taxation Revenue	563 007	505 825
	Current grants and subsidies	824 514	905 987
	Capital Grants	86 568	130 399
	Sale of goods and services	529 291	471 830
	Interest income	67 171	52 711
	Other	109 514	79 282
	Total revenue	2 180 065	2 146 034
less	**GFS Expenses**		
	Gross operating expenses	1 759 7857	1 788 560
	Nominal superannuation interest expense	5 413	5 553
	Other interest expenses	75 124	61 738
	Other property expenses	0	0
	Current transfers	269 791	291 427
	Capital transfers	10 566	17 955
	Total expenses	2 120 651	2 165 233
equals	**GFS net operating balance**	59 414	-19 199
less			
Net acquisition of non financial assets			
	Gross fixed capital formation	173 068	238 588
	Depreciation	-186 342	-186 678
	Change in inventories	0	0
	Other movements in non financial assets	0	0
	Total net acquisition of non financial assets	-13 274	51 529
Equals GFS Net Lending/Borrowing (Fiscal Bal)		**72 688**	**-70 728**

Reconciliation to 2001-02 Budget Papers

Operating Result as per Table 4.1.13		81 394	27 726
Less	Gains/Losses on non-financial assets	-147	24 798
	Gains/Losses on financial assets	22 127	22 127
	Revaluations	0	0
Reconciles to GFS net operating balance		59 414	-19 199

General Government Sector Balance Sheet

	-1 2000-01 Estimated Outcome $'000	Budget 2001-02 Budget $'000	1 2002-03 Estimate $'000	2 2003-04 Estimate $'000	3 2004-05 Estimate $'000
Assets					
Financial Assets					
Cash and deposits	442 522	335 840	327 291	330 586	396 972
Advances paid	609 677	579 643	549 102	519 435	487 556
Investments, loans and placements	418 730	463 074	505 825	553 839	587 197
Other non-equity assets	206 054	231 517	249 541	254 389	259 365
Equity	2 796 893	2 949 477	3 052 499	3 164 979	3 268 153
Total financial assets	4 473 876	4 559 551	4 684 258	4 823 228	4 999 243
Non Financial Assets					
Land and fixed assets	5 150 928	5 231 237	5 299 179	5 332 813	5 337 292
Other non financial assets	265 689	233 008	212 283	196 108	189 249
Total non financial assets	5 416 617	5 464 245	5 511 462	5 528 921	5 526 541
Total assets	9 890 493	10 023 796	10 195 720	10 352 149	10 525 784
Liabilities					
Deposits held	6,168	5,436	4,671	1,004	0
Advances received	288 658	278 146	267 446	256 551	246 497
Borrowing	632 157	623 668	614 870	607 701	599 734
Superannuation liability (a)	1 473 226	1 586 544	1 708 646	1 849 475	1 996 621
Other employee entitlements and provisions	194 451	202 843	211 856	210 243	218 043
Other non-equity liabilities	142 320	146 794	166 825	177 995	189 911
Total liabilities	2 736 980	2 843 431	2 974 314	3 102 969	3 250 806
Net Worth	7 153 513	7 180 365	7 221 406	7 249 177	7 274 978
Net Financial Worth (b)	1 736 896	1 716 120	1 709 944	1 720 259	1 748 437
Net Debt (c)	-543 948	-471 308	-495 233	-538 607	-625 498

(a) This line item consists of the total superannuation liability.
(b) Net financial worth equals total financial assets minus total liabilities.
(c) Net debt equals the sum of, deposits held, advances received and borrowing, minus the sum of cash and deposits, advances paid and investments, loans and placements

Reconciliation to 2001-02 Budget Papers

Budgeted Net Assets as per Table 4.1.8		4 887 669	4 899 080	4 922 272	4 938 117	4 951 714
plus	Inclusion of PTE Equity in GFS statements	2 269 029	2 266 357	2 281 414	2 292 040	2 303 218
plus	Income tax equivalent receivable	-3 185	14 928	17 720	19 023	20 046
Reconciles to GFS Net Worth		7 153 513	7 180 365	7 221 406	7 249 180	7 274 978

Public Non-Financial Corporation Sector Balance Sheet

	-1 2000-01 Estimated Outcome $'000	Budget 2001-02 Budget $'000
Assets		
Financial Assets		
Cash and deposits	16 696	13 130
Advances paid	0	0
Investments, loans and placements	18 053	4 608
Other non-equity assets	26 581	28 053
Equity	379 701	395 751
Total financial assets	441 031	441 542
Non Financial Assets		
Land and fixed assets	2 295 840	2 294 810
Other non financial assets	124 787	122 863
Total non financial assets	2 420 627	2 417 673
Total assets	2 861 658	2 859 215
Liabilities		
Deposits held	0	0
Advances received	507 121	496 515
Borrowing	1 355	979
Superannuation liability (a)	127	127
Other employee entitlements and provisions	55 661	67 764
Other non-equity liabilities	28 365	27 473
Total liabilities	592 629	592 858
Shares and Contributed Assets	2 269 029	2 266 357
Net Worth	0	0
Net Financial Worth (b)	-151 598	-151 316
Net Debt (c)	473 727	479 756

(a) This line item consists of the total superannuation liability.
(b) Net financial worth equals total financial assets minus total liabilities.
(c) Net debt equals the sum of, deposits held, advances received and borrowing, minus the sum of cash and deposits, advances paid and investments, loans and placements

Reconciliation to 2001-02 Budget Papers

Budgeted Net Assets as per Table 4.1.11		2 265 844	2 281 285
less	Deferred Income tax equivalent provision	-3 185	14 928
	Shares and Contributed Assets	2 269 029	2 266 357
Reconciles to GFS Net Worth		0	0

Non-Financial Public Sector Balance Sheet

	-1 2000-01 Estimated Outcome $'000	Budget 2001-02 Budget $'000
Assets		
Financial Assets		
Cash and deposits	453 050	343 534
Advances paid	100 598	81 104
Investments, loans and placements	436 783	467 682
Other non-equity assets	203 916	216 261
Equity	907 545	1 078 851
Total financial assets	2 101 892	2 187 432
Non Financial Assets		
Land and fixed assets	7 446 768	7 526 047
Other non financial assets	390 476	355 871
Total non financial assets	7 837 244	7 881 918
Total assets	9 939 136	10 069 350
Liabilities		
Deposits held	0	0
Advances received	292 977	282 644
Borrowing	633 512	624 647
Superannuation liability (a)	1 473 353	1 586 671
Other employee entitlements and provisions	238 193	243 948
Other non-equity liabilities	150 202	153 690
Total liabilities	2 788 237	2 891 600
Net Worth	7 150 899	7 177 750
Net Financial Worth (b)	-686 345	-704 168
Net Debt (c)	-63 942	14 971

(a) This line item consists of the total superannuation liability.
(b) Net financial worth equals total financial assets minus total liabilities.
(c) Net debt equals the sum of, deposits held, advances received and borrowing, minus the sum of cash and deposits, advances paid and investments, loans and placements

Reconciliation to 2001-02 Budget Papers

Budgeted Net Assets as per budget Table 4.1.14	7 150 899	7 177 750

General Government Sector Cash Flow Statement

	-1 2000-01 Estimated Outcome $'000	Budget 2001-02 Budget $'000	1 2002-03 Estimate $'000	2 2003-04 Estimate $'000	3 2004-05 Estimate $'000
Cash receipts from operating activities					
Taxes received	590 370	535 997	549 881	562 820	582 495
Receipts from sales of goods and services	217 726	221 045	222 282	219 098	217 939
Grants/subsidies received	868 225	961 263	984 610	993 129	1 013 784
Other receipts	338 255	336 648	320 849	311 395	306 087
Total receipts	1 987 404	2 020 902	2 045 975	2 055 174	2 087 940
Cash payments for operating activities					
Payments for goods and services	-1 193 167	-1 243 625	-1 259 395	-1 286 568	-1 297 996
Grants and subsidies paid	-343 455	-371 849	-377 229	-384 699	-401 626
Interest paid	-70 558	-62 323	-58 349	-57 691	-54 290
Other payments	-133 670	-146 808	-138 136	-138 000	-141 638
Total payments	-1 740 850	-1 824 605	-1 833 109	-1 866 958	-1 895 550
Net cash flows from operating activities	**273 726**	**230 348**	**244 513**	**219 484**	**224 755**
Net cash flows from investments in non-financial assets					
sales of non-financial assets	4 693	8 600	0	0	0
less Purchases of non-financial assets (a)	-133 559	-200 988	-189 076	-149 900	-132 317
Net cashflows from investments in non-financial assets	-128 866	-192 388	-189 076	-149 900	-132 317
Net cash flows from investments in financial assets for policy purposes (b)	**154 050**	**25 658**	**29 148**	**28 266**	**31 771**
Net cash flows from investments in financial assets for liquidity purposes	**-117 685**	**-43 948**	**-72 212**	**-104 999**	**-120 916**
Net cash flows from financing activities					
Advances received (net)	0	0	0	0	0
Borrowing (net)	128 365	54 565	53 797	58 553	54 782
Deposits received (net)	0	0	0	0	0
Other financing (net)	-208 220	-73 782	-73 815	-76 717	-74 054
Net cash flows from financing activities	-79 855	-19 217	-20 018	-18 164	-19 272
Net increase (decrease) in cash held	**101 371**	**453**	**-7 645**	**-25 313**	**-15 979**
Net cash from operating activities and investments in non financial assets	**144 860**	**37 960**	**55 437**	**69 584**	**92 438**
less Finance leases and similar arrangements (c)	-11 532	-12 403	-11 398	-14 979	-13 211
Surplus (+) / deficit (-) (d)	**133 328**	**25 557**	**44 039**	**54 605**	**79 227**

(a) The ABS disaggregates this item into new and secondhand non-financial assets.
(b) Includes equity acquisitions, disposals and privatisations (net).
(c) Finance leases are shown with a negative sign as they are deducted in compiling the surplus/deficit.
(d) Conceptually, the surplus/deficit aggregate contained in the cash flow statement is the same as the deficit measure obtained under the cash UPF. However, in practice, the process of deriving these aggregates differs so that the measures are not directly comparable. Time series data created by splicing these measures together should therefore be used with caution.

Reconciliation to 2001-02 Budget Papers

Net Increase/(Decrease) in Cash as per Table 4.1.9	89 838	-11 950	-19 043	-40 292	-29 190
Add back items not included in calculation					
Cash flows from investments in financial assets (policy purposes) (a)	-154 050	-25 658	-29 148	-28 266	-31 771
Cash flows from investments in financial assets (liquidity purposes)	117 685	43 948	72 212	104 999	120 916
Advances received (net)	0	0	0	0	0
Borrowing (net)	-128 365	-54 565	-53 797	-58 553	-54 782
Deposits received (net)	0	0	0	0	0
Other financing (net)	208 220	73 782	73 815	76 717	74 054
Reconciles to GFS Surplus (+)/Deficit (-)	133 329	25 557	44 039	54 605	79 227

Public Non-Financial Corporation Sector Cash Flow Statement

	-1 2000-01 Estimated Outcome $'000	Budget 2001-02 Budget $'000
Cash receipts from operating activities		
Taxes received	0	0
Receipts from sales of goods and services	374 104	316 837
Grants/subsidies received	700	1 050
Other receipts	32 617	36 799
Total receipts	407 421	354 686
Cash payments for operating activities		
Payments for goods and services	-286 650	-221 275
Grants and subsidies paid	0	0
Interest paid	-36 105	-35 722
Other payments	-90 175	-64 318
Total payments	-412 930	-321 315
Net cash flows from operating activities	**-5 509**	**33 371**
Net cash flows from investments in non-financial assets		
sales of non-financial assets	36 894	32 000
less Purchases of non-financial assets (a)	-69 235	-65 040
Net cashflows from investments in non-financial assets	-32 341	-33 040
Net cash flows from investments in financial assets for policy purposes (b)	**157 595**	**0**
Net cash flows from investments in financial assets for liquidity purposes	**16 321**	**-10 118**
Net cash flows from financing activities		
Advances received (net)	-118 850	4 440
Borrowing (net)	-13 161	-10 606
Deposits received (net)	0	0
Other financing (net)	-834	0
Net cash flows from financing activities	-132 845	-6 166
Net increase (decrease) in cash held	**2 718**	**-15 953**
Net cash from operating activities and investments in non financial assets	**-37 850**	**331**
less Finance leases and similar arrangements (c)	-329	-376
Surplus (+) / deficit (-) (d)	**-38 179**	**-45**

(a) The ABS disaggregates this item into new and secondhand non-financial assets.
(b) Includes equity acquisitions, disposals and privatisations (net).
(c) Finance leases are shown with a negative sign as they are deducted in compiling the surplus/deficit.
(d) Conceptually, the surplus/deficit aggregate contained in the cash flow statement is the same as the deficit measure obtained under the cash UPF. However, in practice, the process of deriving these aggregates differs so that the measures are not directly comparable. Time series data created by splicing these measures together should therefore be used with caution.

Reconciliation to 2001-02 Budget Papers

Net Increase/(Decrease) in Cash as per Table 4.1.12	2 892	-16 329
Add back items not included in calculation		
Cash flows from investments in financial assets (policy purposes) (a)	-157 595	0
Cash flows from investments in financial assets (liquidity purposes)	-16 321	10 118
Advances received (net)	118 850	-4 440
Borrowing (net)	13 161	10 606
Deposits received (net)	0	0
Other financing (net)	834	0
Reconciles to GFS Surplus (+)/Deficit (-)	-38 179	-45

Non-Financial Public Sector Cash Flow Statement

	-1 2000-01 Estimated Outcome $'000	Budget 2001-02 Budget $'000
Cash receipts from operating activities		
Taxes received	567 686	519 115
Receipts from sales of goods and services	460 156	404 851
Grants/subsidies received	868 625	961 263
Other receipts	251 742	281 327
Total receipts	2 148 209	2 166 556
Cash payments for operating activities		
Payments for goods and services	-1 391 522	-1 374 180
Grants and subsidies paid	-285 261	-316 213
Interest paid	-69 254	-61 435
Other payments	-134 454	-151 009
Total payments	-1 880 491	-1 902 837
Net cash flows from operating activities	**267 718**	**263 719**
Net cash flows from investments in non-financial assets		
sales of non-financial assets	41 587	40 600
less Purchases of non-financial assets (a)	-202 794	-266 028
Net cashflows from investments in non-financial assets	-161 207	-225 428
Net cash flows from investments in financial assets for policy purposes (b)	**182 360**	**19 492**
Net cash flows from investments in financial assets for liquidity purposes	**-110 836**	**-54 798**
Net cash flows from financing activities		
Advances received (net)	0	0
Borrowing (net)	52 589	-18 485
Deposits received (net)	0	0
Other financing (net)	-126 032	0
Net cash flows from financing activities	-73 443	-18 485
Net increase (decrease) in cash held	**104 589**	**-15 500**
Net cash from operating activities and investments in non financial assets	**106 511**	**38 291**
less Finance leases and similar arrangements (c)	-11 861	-12 779
Surplus (+) / deficit (-) (d)	**94 650**	**25 512**

(a) The ABS disaggregates this item into new and secondhand non-financial assets.
(b) Includes equity acquisitions, disposals and privatisations (net).
(c) Finance leases are shown with a negative sign as they are deducted in compiling the surplus/deficit.
(d) Conceptually, the surplus/deficit aggregate contained in the cash flow statement is the same as the deficit measure obtained under the cash UPF. However, in practice, the process of deriving these aggregates differs so that the measures are not directly comparable. Time series data created by splicing these measures together should therefore be used with caution.

Reconciliation to 2001-02 Budget Papers

Net Increase/(Decrease) in Cash as per Table 4.1.15	92 731	-28 279
Add back items not included in calculation		
Cash flows from investments in financial assets (policy purposes) (a)	-182 360	-19 492
Cash flows from investments in financial assets (liquidity purposes)	110 836	54 798
Advances received (net)	0	0
Borrowing (net)	-52 589	18 485
Deposits received (net)	0	0
Other financing (net)	126 032	0
Reconciles to GFS Surplus (+)/Deficit (-)	94 650	25 512

Commonwealth General Government Sector Taxes

	-1 2000-01 Estimated Outcome $'000	Budget 2001-02 Budget $'000
Taxes on income, profits and capital gains		
Income and capital gains levied on individuals	0	0
Income and capital gains levied on enterprises	0	0
Income taxes levied on non-residents	0	0
Total	**0**	**0**
Taxes on employers payroll and labour force	**155 958**	**152 725**
Taxes on property	**252 172**	**215 501**
Taxes on provision of goods and services		
Sales tax	0	0
Excises and levies	0	0
Taxes on international trade	0	0
Total	**0**	**0**
Taxes on use of goods and performance of activities	**90 859**	**94 616**
Total GFS taxation revenue	**498 989**	**462 842**

State and Territory General Government Sector Taxes

	-1 2000-01 Estimated Outcome $'000	Budget 2001-02 Budget $'000
Taxes on employers payroll and labour force	**155 958**	**152 725**
Taxes on property		
Land taxes	29 496	29 011
Stamp duties on financial and capital transactions	1 308	1 337
Financial institutions and capital transactions	17 941	5 103
Financial institutions transaction taxes	27 954	2 365
Other	175 473	177 685
Total	**252 172**	**215 501**
Taxes on provision of goods and services		
Excises and levies	0	0
Taxes on gambling	46 205	47 149
Taxes on insurance	34 493	25 434
Total	**80 698**	**72 583**
Taxes on use of goods and performance of activities		
Motor vehicles taxes	72 166	64 468
Franchise taxes	2 874	0
Other	15 819	30 148
Total	**90 859**	**94 616**
Total GFS taxation revenue	**579 687**	**535 425**

Reconciliation to GFS Taxation Revenue

		-1 2000-01 Estimated Outcome $'000	Budget 2001-02 Budget $'000
Operating GFS Taxation Revenue		584 247	526 555
plus	Sales Tax	4 099	0
	Income Tax Equivalent	-2 675	15 429
less	Payment from ACTTAB	5 984	6 559
Reconciles to GFS General Government Sector Taxes		579 687	535 425

Loan Council Allocation

The ACT's Loan Council Allocation (LCA) agreed at the time of the 2001 Loan Council meeting was -$201m, based on an accrual Government Finance Statistics surplus of $152m.

The nomination established a tolerance limit for the Budget-time estimate of -$242m and -$160m (+/- 2% of total public sector receipts).

The Budget-time estimate has been revised to -$51m, based on an accrual Government Finance Statistics surplus of $26m, which is outside the LCA nomination tolerance limit.

As per requirements of the Loan Council, LCA nomination estimates did not include provisions for any policy changes. Therefore initiatives announced as part of the 2001-02 Budget were not to be included. The breach of the tolerance limit includes several factors:

- The Government announcing the largest capital works program since self government valued at over $214m, which is $54m above what was used in nomination;
- Budget initiatives valued at over $95m;
- Additional funding of $35m for the outstanding superannuation liability; and
- Expenditure being offset by an increase in taxation receipts of $17m.

The resulting budget-time estimate is outside the nominated limit by approximately $66m

However, the final LCA outcome remains in surplus and the ACT continues to be a net lender.

Loan Council Allocation

	Loan Council Nomination $m	Budget-time Estimate $m
General government sector deficit/(surplus)	-152	-26
PNFC sector cash deficit/(surplus)	-20	0
Non-financial public sector cash deficit/(surplus) (a)	-172	-26
Net cash flows from investments in financial assets for policy purposes (b)	-19	-19
Memorandum items (c)	-10	-6
Loan Council Allocation	**-201**	**-51**

(a) The sum of the deficits of the general government and PNFC sector does not equal the non-financial public sector deficit due to intersectoral transfers, which are netted out in the calculation of the non-financial public sector figure.
(b) This item is the negative of net advances paid under a cash accounting framework.
(c) Memorandum items are used to adjust the ABS deficit to include in LCA's certain transactions - such as operating leases - that have many of the characteristics of public sector borrowings but do not constitute formal borrowings. They are also used, where appropriate, to deduct from the ABS deficit certain transactions that loan council has agreed should not be included in LCAs for example, the funding of more than employers emerging costs under public sector superannuation schemes, or borrowings by entities such as statutory marketing authorities

Tolerance Limit

Nomination - 2% of public sector receipts ($2.030billion) +/-$41m

Budget - 2% of public sector receipts ($2.167billion) +/- $43m