



2008 09

FINAL BUDGET OUTCOME



**Government
of South Australia**

FINAL BUDGET OUTCOME

2008-09

*Presented by the
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ISSN 1036-3807

FINAL BUDGET OUTCOME

FOREWORD

The Final Budget Outcome for 2008-09 is published as the first section of a combined Final Budget Outcome and Consolidated Financial Report for the South Australian Government.

The Final Budget Outcome reports the 2008-09 financial results for the Government of South Australia's key fiscal targets and provides an analysis of these results against earlier estimates.

The Consolidated Financial Report presents the financial results for the general government sector and the whole of government in accordance with Accounting Standard AASB1049.

Chapter 1 provides an overview of the 2008-09 final outcomes with the focus on the general government sector financial outcomes and financial liabilities. The chapter includes:

- a discussion of variations between the 2008-09 final outcome for revenues and expenses of the general government sector and estimates included in the 2009-10 Budget; and
- public sector net debt and superannuation liability levels as at 30 June 2009.

Chapter 2 provides an assessment of the performance of the South Australian economy in 2008-09.

The appendices to this document provide the following information:

- **Appendix A** contains the *Uniform Presentation Framework* reporting for the general government sector, the public non-financial corporations sector, the non-financial public sector and the public financial corporations sector. Further information is also provided on general government sector taxation revenue, grant revenue and expenses, and expenses and capital expenditure by function.
- **Appendix B** details the Loan Council Allocation for 2008-09.
- **Appendix C** summarises the receipts and payments of the Consolidated Account.
- **Appendix D** provides a time series of financial statistics.

This document provides explanation of variations between estimates included in the 2009-10 Budget and the 2008-09 outcome. Variations between the estimates included in the 2009-10 Budget and the 2008-09 Budget are discussed in the 2009-10 Budget Papers.

Note 46 of the Consolidated Financial Report contains a list of controlled South Australian Public Sector agencies.

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CHAPTER 1: FINAL BUDGET OUTCOME 2008-09

Overview

The Government of South Australia recorded a net operating deficit of \$233 million in 2008-09 for the general government sector. This represents an improvement of \$32 million on the net operating deficit of \$265 million forecast at the time of the 2009-10 Budget.

The improvement in 2008-09 compared with estimates in the 2009-10 Budget reflects:

- higher than expected dividend and income tax equivalent income from public non-financial corporations as a result of higher than estimated earnings; and
- improvements from property related taxes reflecting stronger than anticipated activity levels in the property sector.

These improvements were partially offset by additional operating expenditure, including to meet demands in the health sector.

The net lending deficit was \$872 million in 2008-09, an improvement of \$60 million on the estimate included in the 2009-10 Budget, a result of the lower net operating balance and lower than anticipated net capital expenditure. The ratio of general government sector net financial liabilities to revenue at 30 June 2009 was 85.5 per cent, lower than the estimate in the 2009-10 Budget. The lower net financial liabilities to revenue ratio compared with the previous estimate is primarily the result of a lower than expected unfunded superannuation liability at 30 June 2009, and an improved revenue outcome for 2008-09.

Net debt for the general government sector at June 2009 was \$475 million, a \$184 million improvement on the level of debt projected at the time of the 2009-10 Budget. The improved net debt position is principally driven by variations in the timing of cash flows — particularly the impact of operating accruals, timing of payments for capital projects and project slippage — rather than a significant improvement in the underlying budget position.

Notwithstanding an improved outcome compared with the estimate in the 2009-10 Budget, the unfunded superannuation liability increased by around \$2 471 million in 2008-09 (but \$809 million lower than the 2009-10 Budget) mainly as a result of lower than expected investment returns achieved by Funds SA in 2008-09, and a reduction in the discount rate used to value the liability.

Table 1.1 shows the 2008-09 outcomes for key general government financial indicators compared with earlier estimates and the 2007-08 outcomes.

Table 1.2 and Table 1.3 provide reconciliations of variations between estimates and outcomes for net operating balance and net lending respectively.

Table 1.1: General government sector aggregates (\$million)

	2007-08 Outcome	2008-09 Estimate at 2008-09 Budget ^(a)	2008-09 Estimate at 2009-10 Budget ^(a)	2008-09 Outcome ^(a)
Revenue	12 879	13 255	13 385	13 531
Expenses	-12 414	-13 094	-13 650	-13 764
Net operating balance	464	160	- 265	- 233
Gross fixed capital formation	- 767	-1 302	-1 262	-1 197
Depreciation	525	593	595	566
Change in Inventories	—	—	—	- 7
Net lending	222	- 548	- 932	- 872
Memorandum items:				
ABS Cash surplus	379	- 530	- 903	- 721
Net Debt	- 276	610	659	475
Unfunded Superannuation	6 468	6 992	9 748	8 939
Net financial liabilities to revenue	62.7	70.4	93.1	85.5

Note: Totals may not add due to rounding.

(a) For the purposes of preparing the budget estimates some expenses, particularly those in health units, were reported net of revenue, whereas in the Final Budget Outcome they are reported in gross terms (that is, without the associated revenue being subtracted). This accounting difference means that both expenses and revenues are boosted relative to earlier estimates.

Table 1.2: Net operating balance — policy and parameter variations (\$million)

	2008-09
Estimate at 2008-09 Budget	160
Parameter and other variations	
Revenue — taxation	- 138
Revenue — other	234
Operating expenses	- 526
Net effect of parameter and other variations	- 430
Policy measures up to the 2009-10 Budget	
Revenue offsets	35
Operating expenses	- 111
Net effect of policy measures up to the 2009-10 Budget	- 76
Policy measures in the Budget	
Operating expenses	- 185
Net effect of policy measures in the 2009-10 Budget	- 185
Use of provisions set aside in the 2008-09 Budget and the 2008-09 Mid Year Budget Review	
Operating expenses	265
Estimate at 2009-10 Budget	- 265
Parameter and other variations	
Revenue — taxation	59
Revenue — other	87
Operating expenses	- 114
Net effect of parameter and other variations	32
Final outcome	- 233

Note: Totals may not add due to rounding.

Table 1.3: Net lending — policy and parameter variations (\$million)

	2008-09
Estimate at 2008-09 Budget	-548
Net effect of operating variations	-424
Investing variations^(a)	
Net effect of parameter variations	20
Policy variations up to the 2009-10 Budget	31
Policy variations in the 2009-10 Budget	-52
Use of provisions set aside in the 2008-09 Budget and the 2008-09 Mid Year Budget Review	43
Total investing variations	42
Estimate at 2009-10 Budget	-932
Net effect of operating variations after the 2009-10 Budget	32
Investing variations^(a)	
Net effect of parameter variations	28
Final outcome	-872

Note: Totals may not add due to rounding.

(a) Investing variations relate to the movements in the net acquisition of non-financial assets.

General government sector operating results

The 2008-09 general government sector operating statement is presented in Table 1.4. A full set of financial statements produced in accordance with the *Uniform Presentation Framework* is provided in Appendix A.

Table 1.4: General government sector operating statement (\$million)

	2008-09 Estimate at 2008-09 Budget ^(a)	2008-09 Estimate at 2009-10 Budget	2008-09 Outcome
Revenue			
Taxation revenue	3 615	3 478	3 537
Grants	6 906	7 199	7 249
Sales of goods and services	1 601	1 711	1 697
Interest income	200	120	150
Dividend and income tax equivalent income	441	348	382
Other	491	529	517
Total revenue	13 255	13 385	13 531
<i>less</i>			
Expenses			
Employee expenses	5 539	5 684	5 749
Superannuation expenses			
Superannuation interest cost	370	383	383
Other superannuation expenses	577	602	580
Depreciation and amortisation	593	595	566
Interest expenses	234	161	180
Other property expenses	—	—	—
Other operating expenses	3 382	3 501	3 624
Grants	2 400	2 724	2 682
Total expenses	13 094	13 650	13 764
<i>equals</i>			
Net operating balance	160	- 265	- 233
<i>plus</i>			
Other economic flows	583	-2 356	708
<i>equals</i>			
Comprehensive result — total change in net worth	743	-2 621	475
<i>Net operating balance</i>			
	160	- 265	- 233
<i>less</i>			
Net acquisition of non-financial assets			
Purchases of non-financial assets	1 396	1 347	1 305
<i>less</i> Sales of non-financial assets	94	85	108
<i>less</i> Depreciation	593	595	566
<i>plus</i> Change in inventories	—	—	7
<i>plus</i> Other movements in non-financial assets	—	—	—
<i>equals</i> Total net acquisition of non-financial assets	709	667	639
<i>equals</i>			
Net lending/borrowing	- 548	- 932	- 872

(a) The format of the operating statement differs from that published in the 2008-09 Budget Papers due to revisions in the *Uniform Presentation Framework* (UPF) approved by the Australian Loan Council in March 2008.

The major items contributing to the variation in the general government sector financial outcome compared with the estimate included in the 2009-10 Budget are discussed on the following pages.

Operating revenue

Operating revenues for the general government sector for 2008-09 were \$146 million higher than the estimated result at the time of the 2009-10 Budget.

Taxation revenue

Taxation revenue exceeded the estimated result for 2008-09 by \$59 million, mainly due to higher than expected revenue from property related taxes, gambling taxes and motor vehicle taxes.

Conveyance duty receipts were \$23 million higher than estimated, mainly due to stronger than anticipated activity levels in the residential sector of the property market in the last quarter of 2008-09, supported by an increase in first homebuyer activity. Residential property values were also stronger than assumed at budget. Other property-related taxes were largely in line with the estimated result.

Gambling tax revenues were \$15 million higher than the estimated result largely reflecting higher than anticipated revenue from SA Lotteries.

Motor vehicle taxes exceeded the estimated result by \$15 million. Both registration fee revenue and stamp duty on motor vehicle registrations and transfers contributed to the higher than expected outcome.

Table 1.5 summarises variations in actual tax receipts for 2008-09 relative to the estimated outcome at the time of the 2009-10 Budget.

Table 1.5: Taxation variations (\$million)

	Variations in actual collections for 2008-09 against estimated result in the 2009-10 Budget
Payroll tax	1
Taxes on property	
Conveyance duty	23
Other taxes on property	2
Gambling taxes	15
Motor vehicle taxes	15
Insurance taxes	4
Total taxation	59

Note: Totals may not add due to rounding.

Current grants

Current grants exceeded the estimated result by \$41 million. Grants from the private sector and general purpose Commonwealth grant revenue exceeded the estimated result by \$41 million and \$3 million respectively, partially offset by a net shortfall in specific purpose and National Partnership payments of \$3 million.

Grants from the private sector were higher than anticipated due to schools revenue from non-government sources and grants to Natural Resource Management boards.

General purpose Commonwealth grants exceeded the estimated result by approximately \$3 million primarily due to increased funding for revenues foregone under the terms of the guaranteed minimum funding arrangements included in the Intergovernmental Agreement on the Reform of Commonwealth-State Financial Relations.

Specific purpose grant revenue for on-passing was higher than the estimated result mainly due to higher than expected payments for local government and non-government schools. National Partnership payments were lower than budgeted due to the deferral of some Remote Indigenous

Housing projects and Trade Training Centres into 2009-10, partially offset by an increase in payments for the Digital Education Revolution for non-government schools.

Capital grants

Capital grants exceeded expectations by \$9 million, mainly reflecting the bringing forward of funding for the Health and Medical Research Institute and an increase in specific purpose grants for Nation Building – Education projects for both government and non-government schools, partly offset by a shortfall in grants from the private sector.

Private sector capital grants were \$27 million lower than budgeted, mainly due to lower than expected grants for health units received from non-government sources.

Sales of goods and services

Revenue from sales of goods and services was \$14 million lower than the 2008-09 estimated result.

Commonwealth contributions were lower than expected, largely attributable to a delay in the receipt of funding for the Jervois to Langhorne Creek Pipeline. Partially offsetting this shortfall were higher than anticipated revenues for health units fees and health services provided to interstate patients and sales in the Transport, Energy and Infrastructure portfolio.

Schools revenue (eg. fees) also exceeded expectations.

Interest Income

Interest income for 2008-09 was \$30 million higher than estimated at the 2009-10 Budget largely due to higher than estimated cash and deposits.

Other revenue

Other revenue fell short of the 2008-09 estimated result by \$12 million mainly due to lower than expected revenue from school fundraising activities which, even though retained by schools, is recorded as revenue in the budget.

Dividend and income tax equivalent revenue from public non-financial corporations exceeded expectations largely reflecting higher distributions from SA Water and ForestrySA in 2008-09.

Royalty revenue exceeded the estimated result by \$2 million, primarily reflecting higher mineral royalties from Olympic Dam due to higher than assumed copper prices.

Operating expenses

The final outcome for total operating expenses in 2008-09 is \$114 million higher than the estimate reported in the 2009-10 Budget.

Employee expenses were \$65 million higher than estimated in the 2009-10 Budget, primarily due to the continued higher than projected demand for services in the health sector and reclassification of expenses from other operating expenditure lines. This was partially offset by lower superannuation expenses of \$22 million.

Depreciation expenses were \$29 million lower than estimated, mainly reflecting the deferred application of a revised capitalisation policy for road pavement expenditure by the Department for Transport, Energy and Infrastructure.

Other operating expenses were \$123 million higher than estimated due to additional spending in the health sector and reclassifications from investing expenditure, primarily for transport projects, offset by delays in a number of agency programs. Additional expenses were incurred, such as interstate patient transport expenses, which were fully offset by unbudgeted revenue.

Interest expense for 2008-09 was \$19 million higher than estimated at the 2009-10 Budget largely due to higher than estimated gross borrowings.

Compared with the 2008-09 estimate reported in the 2009-10 Budget, the 2008-09 outcome for operating expenses reflects various reclassifications between categories of expense. Earlier estimates, by their nature, are often based on incomplete information as to the precise mix of final expenditure. Agency year end procedures and the annual audit process provide clarity for the classification of expenses.

Net acquisition of non-financial assets

The net acquisition of non-financial assets is a positive \$639 million in 2008-09. This outcome is \$28 million lower than the 2008-09 estimate reported in the 2009-10 Budget.

The lower 2008-09 outcome for the net acquisition of non-financial assets compared with the estimate reported in the 2009-10 Budget reflects lower than estimated capital expenditure (\$42 million) across a range of agencies reflecting slippage of mainly infrastructure projects from 2008-09 into future years and reclassification of expenditure as operating as outlined above. Sales of non-financial assets were also higher than budgeted.

These variations were offset in part by lower depreciation expenses as detailed above.

Expenses by function

Table 1.6 shows general government expenses by function according to Australian Bureau of Statistics Government Purpose Classification (GPC).

The Government Purpose Classification (GPC) is used to classify expenses of the general government sector in terms of the purposes for which the transactions are made. Transactions between agencies are eliminated. The GPC does not align neatly to the administrative structure of agencies and caution should be exercised when comparing the GPC outcomes to agency results.

Major variations between the 2008-09 GPC estimates provided at the 2009-10 Budget and the 2008-09 outcome are provided below. Some of the lower than estimated expenditure in 2008-09 will be carried over into 2008-09 and future years.

Education

Compared with estimates in the 2009-10 Budget, the 2008-09 outcome for this function is \$90 million lower. This mainly reflects lower than estimated operating expenditure across the State's schools, unspent Commonwealth funding that will be carried over into future years, and lower than projected operating expenditure by the Department of Further Education, Employment, Science and Technology.

Health

The final operating expenditure attributable to the health function is \$173 million higher than the estimate in the 2009-10 Budget. This reflects the continued higher than projected demand for public health services, and the impact of unbudgeted expenditure, for example interstate patient payments, that is offset by additional revenue.

Housing and community amenities

The final outcome for this function is \$63 million lower than estimated in the 2009-10 Budget. This mainly reflects timing variations to Commonwealth funded water-related programs and lower housing related expenditure by the Department for Families and Communities.

Transport and communications

The final outcome for this function is \$40 million higher than estimated in the 2009-10 Budget. This is largely due to the reclassification of expenditure budgeted as investing to operating, partially offset by lower depreciation expenses as discussed above.

Other purposes

Operating expenditure attributable to other purposes is \$70 million higher than estimated in the 2009-10 Budget. This mainly reflects additional grants funded from the Commonwealth for local government.

Table 1.6: General government expenses by function^(a) (\$million)

	2008-09 Estimate at 2008-09 Budget	2008-09 Estimate at 2009-10 Budget	2008-09 Outcome
General public services	297	236	277
Defence	—	—	—
Public order and safety	1 296	1 296	1 293
Education	3 307	3 437	3 347
Health	3 744	3 827	4 000
Social security and welfare	910	941	927
Housing and community amenities	1 090	1 393	1 330
Recreation and culture	274	279	284
Fuel and energy	49	52	52
Agriculture, forestry, fishing and hunting	158	245	243
Mining and mineral resources (other than fuels); manufacturing and construction	71	62	48
Transport and communications	721	744	784
Other economic affairs	234	256	226
Other purposes	943	883	953
Total GFS expenses	13 094	13 650	13 764

Note: Totals may not add due to rounding.

(a) Expenses by function data are derived from information submitted by government agencies. The processes for deriving these data are subject to ongoing refinements. Consequently the data may be subject to future revisions. Consistent with the ongoing review process some changes to the classification of agency expenditures were implemented for the 2008-09 Outcome. The 2008-09 Estimate at 2008-09 Budget and the 2008-09 Estimate at 2009-10 Budget have been recast to be on a consistent basis as the 2008-09 Outcome. Accordingly these differ from the estimates published in the respective budget papers.

Balance sheet indicators

Compared with estimates at the time of the 2009-10 Budget, all key balance sheet indicators as at 30 June 2009 have improved, due to:

- a lower operating deficit and net borrowing result than estimated at the time of the budget;
- a lower level of unfunded superannuation liabilities at the reporting date; and
- an improvement in asset valuations, particularly land and other fixed assets.

The following sections provide key balance sheet indicators and associated commentary for both the general government sector and the non-financial public sector.

General government sector

Table 1.7: General government sector — key balance sheet indicators

	June 2008 Outcome	June 2009 Estimate at 2008-09 Budget	June 2009 Estimate at 2009-10 Budget	June 2009 Outcome
Net debt				
\$m	- 276	610	659	475
% of total revenue	- 2.1	4.6	4.9	3.5
Net financial liabilities				
\$m	8 078	9 330	12 456	11 562
% of total revenue	62.7	70.4	93.1	85.5
Net financial worth				
\$m	7 580	6 577	4 177	5 551
% of total revenue	58.9	49.6	31.2	41.0
Net worth				
\$m	23 741	22 425	21 120	24 146
% of total revenue	184.3	169.2	157.8	178.5

Net debt

Net debt increased by \$751 million from 30 June 2008 to 30 June 2009, due mainly to the general government cash deficit.

Table 1.8 provides details of the movement in general government net debt in 2008-09.

Table 1.8: General government sector net debt (\$million)

Net debt at 30 June 2008	-276
Increase in net debt:	
General government cash deficit	721
Other variations	30
Increase in net debt	751
Net debt at 30 June 2009	475

Note: Totals may not add due to rounding.

The general government sector net debt of \$475 million at 30 June 2009 is, however, a \$184 million improvement compared to the estimate at the time of the 2009-10 Budget (\$659 million). The better than expected level of net debt reflects an improvement in the net lending balance of \$60 million, together with additional non-cash operating expenditure accruals relating mainly to employee expenses.

As a significant component of the improvement relates to the timing of payments that are expected to be paid in the future, the net debt outcome does not represent a significant improvement to the underlying budget position since the 2009-10 Budget.

Unfunded superannuation liability

The largest component of the government's net financial liabilities is its unfunded superannuation liability. The unfunded superannuation liability was \$8 939 million at June 2009, \$2 471 million higher than at June 2008, but \$809 million lower than estimated in the 2009-10 Budget.

Table 1.9 provides details of the movements in the unfunded superannuation liability in 2008-09.

Table 1.9: Unfunded superannuation liability (\$million)

Unfunded superannuation liability as at 30 June 2008	6 468
Nominal superannuation interest expense ^(a)	383
Past service payments	- 292
Lower than expected returns on investments ^(b)	1 251
Impact of change in discount rate from 6.5% to 5.2%	1 959
Other movements	- 22
Estimate of 30 June 2009 unfunded superannuation liability as at 2009-10 Budget	9 748
Lower than expected returns on investments ^(c)	31
Impact of change in discount rate from 5.2% to 5.7%	- 841
Other movements	1
Unfunded superannuation liability as at 30 June 2009	8 939

Note: Totals may not add due to rounding.

- (a) The nominal superannuation interest expense represents the increase during the year in the present value of the defined benefit obligation, which arises because the benefits are one period closer to settlement.
- (b) At the time of the 2009-10 Budget it was anticipated that the 2008-09 earnings rate would be negative 17 per cent, compared with the long-term earnings assumption of 7 per cent.
- (c) Reflects a final earnings rate for 2008-09 of negative 17.6 per cent, compared with negative 17 per cent assumed at the time of the 2009-10 Budget.

In addition to the normal annual movements in the unfunded superannuation liability arising from nominal superannuation interest expense and past service payments, material changes to the estimate of the liability as detailed in the 2009-10 Budget arose from:

- lower than expected returns on investments estimated at the time of the 2009-10 Budget added \$1 251 million. The budget time estimate of returns was negative 17 per cent.
- a lower discount rate used to value the unfunded superannuation liability. A discount rate of 5.2 per cent (effective annual rate) was used for the 2009-10 Budget, compared with 6.5 per cent used as at 30 June 2008. This resulted in an increase of \$1 959 million to the unfunded superannuation liability as estimated in the 2009-10 Budget.

In the period between the 2009-10 Budget and 30 June 2009 further material changes impacting on the value of the unfunded liability at 30 June 2009 included:

- a further small deterioration in the returns on superannuation assets added \$31 million to the liability. The total return for 2008-09 was negative 17.6 per cent.
- the prevailing long-term Commonwealth bond rate at reporting date was 5.7 per cent, a 0.5 percentage point change from budget time. Adopting this discount rate, in accordance with Australian Accounting Standards, resulted in an improvement in the liability of \$841 million.

The government's closed defined benefit superannuation schemes create a liability for the government to pay future benefits to scheme members in accordance with the terms of the schemes. A program began in 1994-95 to fully fund the superannuation liability by 2034. In 2008-09 a \$291.5 million payment was made to the superannuation schemes as part of that program.

The accounting standard for employee entitlements requires that superannuation benefits are valued at the net present value of the future obligations. This is calculated by discounting the gross liability using market yields on government bonds.

Given the long term nature of the liability, the spot market yield of the longest term Commonwealth Government bonds at balance date is used as the discount rate for the purpose of this valuation. As shown in Table 1.9 above, small changes in the long term bond rate have a material impact on the reported liability.

Net financial liabilities

The government's fiscal targets include the achievement of net lending outcomes that ensure the ratio of net financial liabilities to revenue continues to decline towards that of other triple-A rated states. In addition to net debt and unfunded superannuation liabilities, net financial liabilities include other financial liabilities and financial assets (excluding equity held in the public non-financial corporations and public financial corporations).

Net financial liabilities amounted to \$11 562 million at June 2009; \$894 million lower than the estimate at the time of the 2009-10 Budget. This decrease is primarily the result of the reduction in the unfunded superannuation liability (\$809 million) as set out in Table 1.9.

The lower net financial liabilities together with higher revenue relative to the previous estimate, has resulted in a lower net financial liabilities to revenue ratio of 85.5 per cent at 30 June 2009, compared with an estimate of 93.1 per cent in the 2009-10 Budget.

Net financial worth and net worth

Net financial worth and net worth results at 30 June 2009 were both improved over estimates made at the time of the 2009-10 Budget. Net worth is \$24 146 million, compared with \$21 120 million in the 2009-10 Budget. This primarily reflects:

- higher than expected non-financial asset valuations (\$1 796 million);
- a lower unfunded superannuation liability (\$809 million); and
- a higher value of the general government sector's equity in other public sector entities (\$480 million).

Table 1.10 shows movements in net worth attributable to operating transactions and other items during 2008-09.

Table 1.10: General government sector net worth (\$million)

	2008-09 Estimated Result	2008-09 Outcome
Net worth at 30 June 2008	23 741	23 741
Prior period adjustments		
Revaluation for SA Water non-financial based assets	—	- 49
Other	—	- 19
Restated net worth at beginning of year	23 741	23 673
Change in net worth from operating transactions:		
Net operating balance	- 265	- 233
Change in net worth from other economic flows:		
Movement in net assets of PFCs	- 568	- 340
Movement in net assets of PNFCs	1 543	1 845
Non-financial asset revaluations	—	1 796
Revaluation of unfunded superannuation liability	-3 188	-2 379
Revaluation of annual leave liability	- 26	- 32
Revaluation of workers comp liability	—	- 26
Revaluation of long service leave liability	- 81	- 95
Other revaluation adjustments	- 35	- 62
<i>Subtotal</i>		
Total other economic flows	-2 356	708
Net worth at 30 June 2009	21 120	24 146

General government sector net worth increased by \$405 million in 2008-09. An increase in other economic flows of \$708 million was offset by a \$233 million net operating deficit and downward adjustments for the prior period of \$68 million.

General government equity in the net assets of public financial corporations decreased by \$340 million in 2008-09. This was mainly due to:

- a \$208 million reduction in the value of the Motor Accident Commission's net assets, primarily due to an increase in insurance claims liability;
- a \$75 million reduction in the value of WorkCover's net assets, largely reflecting a decrease in financial assets of \$148 million, offset by a decrease in liability provisions of \$80 million; and
- a \$42 million reduction in the South Australian Government Financing Authority's (SAFA) net assets.

During 2008-09, the value of the general government sector's investment in public non-financial corporations increased by \$1 845 million, mainly due to:

- an increase in the South Australian Housing Trust's (SAHT) net assets of \$1 188 million, due to the revaluation of land and buildings, reflecting upward movements in the residential property market;
- an increase in the value of SA Water's assets of \$517 million; due to revaluations of infrastructure, property, plant and equipment; and
- an increase in the value of Forestry SA of \$98 million, due mainly to revaluations of land and standing timber.

In addition, within the general government sector, the Department for Transport, Energy and Infrastructure recorded an increase in the value of its non-financial assets of \$998 million, and the Department of Health recorded an increase in the value of its net assets of \$295 million.

Revaluation of the unfunded superannuation liability reduced net worth by \$2 379 million. This figure represents movement in the unfunded liability that is not attributable to past service payments or nominal superannuation interest expense, such as the effect of changes in the discount rate and lower than expected returns on investments.

Non-financial public sector

Table 1.11 sets out the key balance sheet indicators for the non-financial public sector (which is comprised of the general government sector and the public non-financial corporations sector).

Table 1.11: Non-financial public sector — key balance sheet indicators at 30 June

	June 2008 Outcome	June 2009 Estimate at 2008-09 Budget	June 2009 Estimate at 2009-10 Budget	June 2009 Outcome
Net debt				
\$m	1 611	2 776	3 082	2 872
% of total revenue	11.8	19.8	21.9	20.0
Net financial liabilities				
\$m	10 208	11 761	15 127	14 302
% of total revenue	74.9	84.0	107.3	99.6
Net financial worth				
\$m	-10 487	-11 969	-15 974	-14 921
% of total revenue	- 76.9	- 85.5	- 113.3	- 103.9
Net worth				
\$m	23 741	22 425	21 120	24 146
% of total revenue	174.1	160.2	149.8	168.2

Non-financial public sector net debt increased \$1 261 million in 2008-09 to \$2 872 million, primarily due to increased borrowing. The public non-financial corporation's component of net debt at June 2009 was \$2 398 million, \$511 million higher than at June 2008.

The negative net financial worth position on the non-financial public sector of \$14 921 million contrasts with the positive net financial worth of the general government sector of \$5 551 million. This variation largely reflects equity in the public non-financial corporations sector held by the general government sector and recognised as a financial asset of that sector. This asset is eliminated in the consolidation of the non-financial public sector.

Net worth for the non-financial public sector increased by \$405 million in 2008-09, mainly due to increases in asset values as set out in the previous section.

Contingent liabilities

A full discussion of the contingent liabilities of the South Australian Government appears in the Consolidated Financial Report.

CHAPTER 2: ECONOMIC PERFORMANCE

National economic performance for the year 2008-09

The fall out from the sub-prime crisis in the United States of America had unprecedented financial and economic consequences around the world during 2008-09, with consequent impacts on the Australian economy. The crisis in the global financial system intensified significantly in September 2008 following the bankruptcy of Lehman Brothers, the United States of America's fourth largest investment bank. As widely anticipated at the time, the problems in the financial system began to impact on economic activity, with large downward revisions to global growth estimates. In their World Economic Outlook publication, released in April 2009, the International Monetary Fund stated that, "*By any measure, this downturn represents by far the deepest global recession since the Great Depression*".

Australia was not unaffected by global economic and financial developments, and the pace of economic growth slowed noticeably in 2008-09. However, while Gross Domestic Product (GDP) growth of 1.0 per cent in 2008-09 in year on year terms represents a marked step down from the strong rates seen in previous years, it remained a stronger outcome than recorded by most other advanced economies. Without the policy intervention of the Commonwealth Government via its economic stimulus packages and bank guarantees, and the Reserve Bank of Australia reducing official interest rates to levels not seen since 1960, the deterioration in Australia's economy would have been more severe.

Consistent with the general moderation in demand and activity, labour market conditions also softened in 2008-09, with employment rising by just 0.1 per cent through the year to the June quarter 2009 (1.1 per cent growth in year on year terms), down from the rates of around 2–3 per cent in previous years. By the end of 2008-09 the unemployment rate had risen to 5.8 per cent compared to 4.2 per cent a year earlier.

With subdued economic activity inflationary pressures were much reduced in 2008-09, with the CPI rising by 1.5 per cent through the year to the June quarter 2009, compared with 4.5 per cent through the previous 12 months.

South Australian economic performance for the year 2008-09

The Australian Bureau of Statistics (ABS) has not yet published estimates of South Australia's Gross State Product (GSP) for 2008-09.

State Final Demand (SFD), which is a measure of total spending by households, business and governments in the South Australian economy, grew by a strong 5.4 per cent in real terms during 2008-09, the strongest growth of all the states and territories. Household consumption spending was the strongest component of South Australian state final demand, growing 5.2 per cent during 2008-09.

Notwithstanding the strength in demand, South Australia's labour market conditions were less buoyant in 2008-09. Employment rose by 1.1 per cent through the year to the June quarter 2009 (1.5 per cent in year average terms). Hours worked fell significantly by 4.3 per cent through the year to the June quarter 2009 (0.5 per cent fall in year average terms) as employers responded to the weaker economic climate by cutting employee hours more so than letting workers go. The unemployment rate in South Australia rose from 4.8 per cent in June 2008 to 5.6 per cent in June 2009. Reflecting the reduction in hours worked there was an even larger increase in underemployment, which represents persons who want to work more hours. Total labour underutilisation, which is the combination of unemployment and underemployment, rose from 12 per cent in May 2008 to 14 per cent in May 2009.

Primary production activity has suffered from adverse climatic conditions, including reduced water allocations for irrigators in recent years. The Department of Primary Industry and Resources estimates South Australia's field crop production in 2008-09 to be up 1.0 per cent on 2007-08 production. However this is still 4.2 per cent below the 5 year average level production. Irrigated crop production in 2008-09 was down compared with 2007-08, with low rainfall, higher water costs and lower water allocations all having an impact.

Residential housing purchase activity fell away in South Australia during 2008-09, despite being supported by buyers taking advantage of the Commonwealth Government First Home Owners Boost, which was introduced in October 2008. Residential housing transactions decreased by 18 per cent in year on year terms during 2008-09 but median house prices continued to grow (up 3.1 per cent in year on year terms).

Table 2.1: Economic Parameters — Australia and South Australia real growth rates (per cent per annum), 2008-09

	2008-09 Forecast at 2008-09 Budget	2008-09 Estimate at 2009-10 Budget	Outcome
Australia			
Gross Domestic Product	2¾	0	1.0
Domestic Final Demand	3¾	1½	2.6
Employment ^(a)	¾	-¼	0.1
Consumer Price Index ^(b)	3¼	1¾	1.5
South Australia			
Gross State Product	2¾	1	na
State Final Demand	2¾	2¼	5.4
Employment	1¼	¾	1.1

Sources: 2007-08 and 2008-09 Commonwealth and South Australian Budget Papers, and the Australian Bureau of Statistics.

(a) Following the lead of the Commonwealth, the 2008-09 employment forecasts, estimates and outcomes for South Australia and Australia are through the year to the June quarter. Previously these figures were reported in year average terms. The 2008-09 forecast for South Australia at the time of the 2008-09 Budget was 1½ per cent in year average terms.

(b) Consumer Price Index for Australia is a weighted average of the 8 capital cities and is the through the year growth rate to the June quarter 2009.

UNIFORM PRESENTATION FRAMEWORK TABLES

Table A.1: General government sector operating statement (\$million)

	2008-09 Estimate at 2009-10 Budget	2008-09 Outcome
Revenue		
Taxation revenue	3 478	3 537
Grants	7 199	7 249
Sales of goods and services	1 711	1 697
Interest income	120	150
Dividend and income tax equivalent income	348	382
Other	529	517
Total revenue	13 385	13 531
<i>less</i>		
Expenses		
Employee expenses	5 684	5 749
Superannuation expenses		
Superannuation interest cost	383	383
Other superannuation expenses	602	580
Depreciation and amortisation	595	566
Interest expenses	161	180
Other property expenses	—	—
Other operating expenses	3 501	3 624
Grants	2 724	2 682
Total expenses	13 650	13 764
<i>equals</i>		
Net operating balance	-265	-233
<i>plus</i>		
Other economic flows	-2 356	708
<i>equals</i>		
Comprehensive result - total change in net worth	-2 621	475
Net operating balance	-265	-233
<i>less</i>		
Net acquisition of non-financial assets		
Purchases of non-financial assets	1 347	1 305
less Sales of non-financial assets	85	108
less Depreciation	595	566
plus Change in inventories	—	7
plus Other movements in non-financial assets	—	—
<i>equals</i> Total net acquisition of non-financial assets	667	639
<i>equals</i>		
Net lending / borrowing	-932	-872

Note: Totals may not add due to rounding.

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Table A.2: Public non-financial corporations (public trading enterprises) sector operating statement (\$million)

	2008-09 Estimate at 2009-10 Budget	2008-09 Outcome
Revenue		
Taxation revenue	—	—
Grants	649	629
Sales of goods and services	1 378	1 663
Interest income	26	29
Dividend and income tax equivalent income	13	11
Other	223	104
Total revenue	2 291	2 435
<i>less</i>		
Expenses		
Employee expenses	146	195
Superannuation expenses		
Superannuation interest cost	—	—
Other superannuation expenses	23	25
Depreciation and amortisation	282	286
Interest expenses	182	164
Other property expenses	332	331
Other operating expenses	1 251	1 386
Grants	83	22
Total expenses	2 300	2 409
<i>equals</i>		
Net operating balance	-10	26
<i>plus</i>		
Other economic flows	1 552	1 819
<i>equals</i>		
Comprehensive result - total change in net worth	1 543	1 845
<hr/>		
Net operating balance	-10	26
<i>less</i>		
Net acquisition of non-financial assets		
Purchases of non-financial assets	988	1 023
less Sales of non-financial assets	266	195
less Depreciation	282	286
plus Change in inventories	93	69
plus Other movements in non-financial assets	—	—
equals Total net acquisition of non-financial assets	533	610
<i>equals</i>		
Net lending / borrowing	-542	-584

Note: Totals may not add due to rounding.

APPENDIX A

Table A.3: Non-financial public sector operating statement (\$million)

	2008-09 Estimate at 2009-10 Budget	2008-09 Outcome
Revenue		
Taxation revenue	3 196	3 244
Grants	7 198	7 262
Sales of goods and services	2 852	3 082
Interest income	94	125
Dividend and income tax equivalent income	39	36
Other	716	611
Total revenue	14 096	14 360
<i>less</i>		
Expenses		
Employee expenses	5 830	5 944
Superannuation expenses		
Superannuation interest cost	383	383
Other superannuation expenses	626	605
Depreciation and amortisation	877	852
Interest expenses	290	290
Other property expenses	16	—
Other operating expenses	4 190	4 404
Grants	2 158	2 089
Total expenses	14 370	14 567
<i>equals</i>		
Net operating balance	-275	-207
<i>plus</i>		
Other economic flows	-2 346	682
<i>equals</i>		
Comprehensive result - total change in net worth	-2 621	475
Net operating balance	-275	-207
<i>less</i>		
Net acquisition of non-financial assets		
Purchases of non-financial assets	2 332	2 328
less Sales of non-financial assets	349	304
less Depreciation	877	852
plus Change in inventories	93	76
plus Other movements in non-financial assets	—	—
<i>equals</i> Total net acquisition of non-financial assets	1 199	1 249
<i>equals</i>		
Net lending / borrowing	-1 474	-1 456

Note: Totals may not add due to rounding.

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Table A.4: Public financial corporations sector operating statement (\$million)

	2008-09 Outcome
Revenue	
Taxation revenue	—
Grants	7
Sales of goods and services	1 123
Interest income	887
Dividend and income tax equivalent income	21
Other	67
Total revenue	<u>2 104</u>
<i>less</i>	
Expenses	
Employee expenses	37
Superannuation expenses	
Superannuation interest cost	—
Other superannuation expenses	3
Depreciation and amortisation	2
Interest expenses	796
Other property expenses	23
Other operating expenses	1 388
Grants	1
Total expenses	<u>2 250</u>
<i>equals</i>	
Net operating balance	<u>-145</u>
<i>plus</i>	
Other economic flows	-195
<i>equals</i>	
Comprehensive result - total change in net worth	<u>-340</u>
Net operating balance	<u>-145</u>
<i>less</i>	
Net acquisition of non-financial assets	
Purchases of non-financial assets	17
less Sales of non-financial assets	—
less Depreciation	2
plus Change in inventories	—
plus Other movements in non-financial assets	—
<i>equals</i> Total net acquisition of non-financial assets	<u>16</u>
<i>equals</i>	
Net lending / borrowing	<u>-161</u>

Note: Totals may not add due to rounding.

APPENDIX A

Table A.5: General government sector balance sheet (\$million)

	2008-09 Estimate at 2009-10 Budget	2008-09 Outcome
Assets		
Financial assets		
Cash and deposits	2 915	3 084
Advances paid	764	752
Investments, loans and placements	145	140
Receivables	516	610
Equity		
Investments in other public sector entities	16 633	17 113
Investments - other	671	707
Other financial assets	36	43
Total financial assets	21 680	22 449
Non-financial assets		
Land and other fixed assets	16 920	18 590
Other non-financial assets	23	5
Total non-financial assets	16 943	18 595
Total assets	38 622	41 045
Liabilities		
Deposits held	463	335
Advances received	656	628
Borrowing	3 365	3 488
Superannuation	9 748	8 939
Other employee benefits	1 777	1 867
Payables	641	760
Other liabilities	853	881
Total liabilities	17 503	16 898
Net worth	21 120	24 146
Net financial worth	4 177	5 551
Net financial liabilities	12 456	11 562
Net debt	659	475

Note: Totals may not add due to rounding.

APPENDIX A

Table A.6: Public non-financial corporations (public trading enterprises) sector balance sheet (\$million)

	2008-09 Estimate at 2009-10 Budget	2008-09 Outcome
Assets		
Financial assets		
Cash and deposits	513	437
Advances paid	62	60
Investments, loans and placements	30	36
Receivables	176	87
Equity		
Investments in other public sector entities	—	—
Investments - other	22	19
Other financial assets	40	40
Total financial assets	843	679
Non-financial assets		
Land and other fixed assets	20 149	20 469
Other non-financial assets	2	3
Total non-financial assets	20 151	20 472
Total assets	20 994	21 151
Liabilities		
Deposits held	—	—
Advances received	741	742
Borrowing	2 286	2 190
Superannuation	—	—
Other employee benefits	74	76
Payables	243	270
Other liabilities	169	141
Total liabilities	3 514	3 419
Net worth	17 479	17 732
Net financial worth	-2 671	-2 739
Net financial liabilities	2 671	2 739
Net debt	2 423	2 398

Note: Totals may not add due to rounding.

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Table A.7: Non-financial public sector balance sheet (\$million)

	2008-09 Estimate at 2009-10 Budget	2008-09 Outcome
Assets		
Financial assets		
Cash and deposits	3 159	3 360
Advances paid	84	71
Investments, loans and placements	175	176
Receivables	554	520
Equity		
Investments in other public sector entities	-847	-619
Investments - other	693	727
Other financial assets	75	82
Total financial assets	3 894	4 316
Non-financial assets		
Land and other fixed assets	37 069	39 059
Other non-financial assets	25	8
Total non-financial assets	37 094	39 067
Total assets	40 987	43 384
Liabilities		
Deposits held	195	174
Advances received	656	628
Borrowing	5 650	5 677
Superannuation	9 748	8 939
Other employee benefits	1 851	1 944
Payables	775	907
Other liabilities	994	969
Total liabilities	19 868	19 237
Net worth	21 120	24 146
Net financial worth	-15 974	-14 921
Net financial liabilities	15 127	14 302
Net debt	3 082	2 872

Note: Totals may not add due to rounding.

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Table A.8: Public financial corporations sector balance sheet (\$million)

	2008-09 Outcome
Assets	
Financial assets	
Cash and deposits	195
Advances paid	8 096
Investments, loans and placements	4 824
Receivables	329
Equity	
Investments in other public sector entities	—
Investments - other	1 738
Other financial assets	20
Total financial assets	15 203
Non-financial assets	
Land and other fixed assets	205
Other non-financial assets	33
Total non-financial assets	238
Total assets	15 440
Liabilities	
Deposits held	3 288
Advances received	—
Borrowing	7 811
Superannuation	—
Other employee benefits	2
Payables	141
Other liabilities	4 816
Total liabilities	16 060
Net worth	-619
Net financial worth	-857
Net financial liabilities	857
Net debt	-2 015

Note: Totals may not add due to rounding.

APPENDIX A

Table A.9: General government sector cash flow statement (\$million)

	2008-09 Estimate at 2009-10 Budget	2008-09 Outcome
Cash receipts from operating activities		
Taxes received	3 453	3 503
Receipts from sales of goods and services	1 688	1 632
Grants and subsidies received	7 202	7 248
Interest receipts	111	149
Dividends and income tax equivalents	371	377
Other receipts	547	576
Total operating receipts	13 373	13 485
Cash payments for operating activities		
Payments for employees	-6 572	-6 539
Payments for goods and services	-3 188	-3 325
Grants and subsidies paid	-2 789	-2 742
Interest paid	-160	-188
Other payments	-297	-194
Total operating payments	-13 007	-12 988
Net cash flows from operating activities	366	497
Net cash flows from investments in non-financial assets		
Sales of non-financial assets	85	94
Purchases of non-financial assets (a)	-1 354	-1 310
Net cash flows from investments in non-financial assets	-1 269	-1 216
Net cash flows from investments in financial assets for policy purposes (b)	12	31
Net cash flows from investments in financial assets for liquidity purposes	-16	-9
Net cash flows from financing activities		
Advances received (net)	11	-17
Borrowing (net)	1 054	1 182
Deposits received (net)	88	7
Dividends paid	—	—
Other financing (net)	—	—
Net cash flows from financing activities	1 152	1 172
Net increase / (decrease) in cash held	245	475
Net cash flows from operating activities	366	497
Net cash flows from investments in non-financial assets	-1 269	-1 216
Dividends paid	—	—
Cash surplus / (deficit)	-903	-719

Note: Totals may not add due to rounding.

(a) The ABS disaggregates this item into new and secondhand non-financial assets.

(b) Includes equity acquisitions, disposals and privatisations (net).

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Table A.10: Public non-financial corporations (public trading enterprises) sector cash flow statement (\$million)

	2008-09 Estimate at 2009-10 Budget	2008-09 Outcome
Cash receipts from operating activities		
Taxes received	—	—
Receipts from sales of goods and services	1 356	1 622
Grants and subsidies received	688	628
Interest receipts	26	30
Dividends and income tax equivalents	13	11
Other receipts	205	87
Total operating receipts	2 288	2 377
Cash payments for operating activities		
Payments for employees	-186	-237
Payments for goods and services	-783	-787
Grants and subsidies paid	-83	-18
Interest paid	-183	-162
Other payments	-694	-805
Total operating payments	-1 930	-2 009
Net cash flows from operating activities	358	368
Net cash flows from investments in non-financial assets		
Sales of non-financial assets	266	195
Purchases of non-financial assets (a)	-954	-874
Net cash flows from investments in non-financial assets	-688	-679
Net cash flows from investments in financial assets for policy purposes (b)	4	6
Net cash flows from investments in financial assets for liquidity purposes	2	-1
Net cash flows from financing activities		
Advances received (net)	-21	-32
Borrowing (net)	629	545
Deposits received (net)	—	—
Dividends paid	-219	-211
Other financing (net)	—	—
Net cash flows from financing activities	389	302
Net increase / (decrease) in cash held	66	-5
Net cash flows from operating activities	358	368
Net cash flows from investments in non-financial assets	-688	-679
Dividends paid	-219	-211
Cash surplus / (deficit)	-548	-522

Note: Totals may not add due to rounding.

(a) The ABS disaggregates this item into new and secondhand non-financial assets.

(b) Includes equity acquisitions, disposals and privatisations (net).

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Table A.11: Non-financial public sector cash flow statement (\$million)

	2008-09 Estimate at 2009-10 Budget	2008-09 Outcome
Cash receipts from operating activities		
Taxes received	3 172	3 218
Receipts from sales of goods and services	2 809	3 002
Grants and subsidies received	7 240	7 262
Interest receipts	84	124
Dividends and income tax equivalents	39	36
Other receipts	711	632
Total operating receipts	14 056	14 274
Cash payments for operating activities		
Payments for employees	-6 740	-6 761
Payments for goods and services	-3 756	-3 861
Grants and subsidies paid	-2 223	-2 146
Interest paid	-291	-295
Other payments	-540	-558
Total operating payments	-13 550	-13 620
Net cash flows from operating activities	506	654
Net cash flows from investments in non-financial assets		
Sales of non-financial assets	349	289
Purchases of non-financial assets (a)	-2 305	-2 184
Net cash flows from investments in non-financial assets	-1 957	-1 895
Net cash flows from investments in financial assets for policy purposes (b)	-5	5
Net cash flows from investments in financial assets for liquidity purposes	-14	-10
Net cash flows from financing activities		
Advances received (net)	11	-17
Borrowing (net)	1 682	1 727
Deposits received (net)	6	8
Dividends paid	—	—
Other financing (net)	—	—
Net cash flows from financing activities	1 700	1 718
Net increase / (decrease) in cash held	230	472
Net cash flows from operating activities	506	654
Net cash flows from investments in non-financial assets	-1 957	-1 895
Dividends paid	—	—
Cash surplus / (deficit)	-1 451	-1 241

Note: Totals may not add due to rounding.

(a) The ABS disaggregates this item into new and secondhand non-financial assets.

(b) Includes equity acquisitions, disposals and privatisations (net).

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Table A.12: Public financial corporations sector cash flow statement (\$million)

	2008-09 Outcome
Cash receipts from operating activities	
Taxes received	—
Receipts from sales of goods and services	1 118
Grants and subsidies received	7
Interest receipts	875
Dividends and income tax equivalents	21
Other receipts	35
Total operating receipts	2 055
Cash payments for operating activities	
Payments for employees	-37
Payments for goods and services	-180
Grants and subsidies paid	-1
Interest paid	-817
Other payments	-990
Total operating payments	-2 024
Net cash flows from operating activities	31
Net cash flows from investments in non-financial assets	
Sales of non-financial assets	—
Purchases of non-financial assets (a)	-17
Net cash flows from investments in non-financial assets	-17
Net cash flows from investments in financial assets for policy purposes (b)	-1 997
Net cash flows from investments in financial assets for liquidity purposes	-674
Net cash flows from financing activities	
Advances received (net)	—
Borrowing (net)	2 290
Deposits received (net)	362
Dividends paid	-20
Other financing (net)	—
Net cash flows from financing activities	2 632
Net increase / (decrease) in cash held	-26
Net cash flows from operating activities	31
Net cash flows from investments in non-financial assets	-17
Dividends paid	-20
Cash surplus / (deficit)	-6

Note: Totals may not add due to rounding.

(a) The ABS disaggregates this item into new and secondhand non-financial assets.

(b) Includes equity acquisitions, disposals and privatisations (net).

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Table A.13: General government sector derivation of ABS GFS cash surplus/deficit (\$million)

	2008-09 Estimate at 2009-10 Budget	2008-09 Outcome
Cash surplus / (deficit)	-903	-719
Acquisitions under finance leases and similar arrangements(a)	—	-1
ABS GFS Surplus (+) / deficit (-) including finance leases and similar arrangements	-903	-721

Table A.14: Public non-financial corporations (public trading enterprises) sector derivation of ABS GFS cash surplus/deficit (\$million)

Cash surplus / (deficit)	-548	-522
Acquisitions under finance leases and similar arrangements(a)	—	—
ABS GFS Surplus (+) / deficit (-) including finance leases and similar arrangements	-548	-522

Table A.15: Non-financial public sector derivation of ABS GFS cash surplus/deficit (\$million)

Cash surplus / (deficit)	-1 451	-1 241
Acquisitions under finance leases and similar arrangements(a)	—	-1
ABS GFS Surplus (+) / deficit (-) including finance leases and similar arrangements	-1 451	-1 243

Table A.16: Public financial corporations sector derivation of ABS GFS cash surplus/deficit (\$million)(b)

Cash surplus / (deficit)		-6
Acquisitions under finance leases and similar arrangements(a)		—
ABS GFS Surplus (+) / deficit (-) including finance leases and similar arrangements		-6

Note: Totals may not add due to rounding.

(a) Finance leases are shown with a negative sign as they are deducted in compiling the ABS GFS cash surplus/deficit.

(b) Forward estimates are not collected for public financial corporations.

Table A.17: General government sector taxes (\$million) (a)

	2008-09 Estimate at 2009-10 Budget	2008-09 Outcome
Taxes on employers' payroll and labour force	913	914
Taxes on property		
Land taxes	508	510
Stamp duties on financial and capital transactions	765	786
Financial institutions' transaction taxes	—	—
Other	149	151
Total	1 422	1 447
Taxes on the provision of goods and services		
Excises and levies	—	—
Taxes on gambling	392	407
Taxes on insurance	323	327
Total	715	734
Taxes on use of goods and performance of activities		
Motor vehicle taxes	427	442
Total	427	442
Total GFS taxation revenue	3 478	3 537

Note: Totals may not add due to rounding.

(a) Excludes taxes paid by general government entities.

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Table A.18(a): General government sector grant revenue (\$million)

	2008-09 Estimate at 2009-10 Budget	2008-09 Outcome
Current grant revenue		
Current grants from the Commonwealth		
General purpose grants	3 817	3 820
National partnership grants	512	454
Specific purpose grants	1 490	1 483
Specific purpose grants for on-passing	675	737
Total current grants from the Commonwealth	6 494	6 494
Other contributions and grants	117	158
Total current grant revenue	6 611	6 651
Capital grant revenue		
Capital grants from the Commonwealth		
General purpose grants	—	—
National partnership grants	173	174
Specific purpose grants	371	387
Specific purpose grants for on-passing	15	33
Total capital grants from the Commonwealth	558	594
Other contributions and grants	30	4
Total capital grant revenue	589	598
Total grant revenue	7 199	7 249

Table A.18(b): General government sector grant expense (\$million)

	2008-09 Estimate at 2009-10 Budget	2008-09 Outcome
Current grant expense		
State/territory government	—	—
Local government	55	54
Local government on-passing	106	146
Private and not-for-profit sector	478	558
Private and not-for-profit sector on-passing	569	591
Grants to other sectors of Government	659	649
Other	591	468
Total current grant expense	2 457	2 466
Capital grant expense		
State/territory government	7	3
Local government	—	—
Local government on-passing	—	—
Private and not-for-profit sector	195	175
Private and not-for-profit sector on-passing	37	33
Grants to other sectors of Government	19	—
Other	8	6
Total capital grant expense	268	216
Total grant expense	2 724	2 682

Note: Totals may not add due to rounding.

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Table A.19: General government sector dividend and income tax equivalent income (\$million)

	2008-09 Estimate at 2009-10 Budget	2008-09 Outcome
Dividend and income tax equivalent income from PNFC sector	322	356
Dividend and income tax equivalent income from PFC sector	26	24
Other dividend income	—	1
Total dividend and income tax equivalent income	348	382

Note: Totals may not add due to rounding.

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Table A.20: General government sector expenses by function(a) (\$million)

	2008-09 Estimate at 2009-10 Budget	2008-09 Outcome
General public services	236	277
Government superannuation benefits	—	—
Other general public services	236	277
Defence	—	—
Public order and safety	1 296	1 293
Police and fire protection services	781	779
Law courts and legal services	251	242
Prisons and corrective services	220	225
Other public order and safety	43	46
Education	3 437	3 347
Primary and secondary education	2 785	2 757
Tertiary education	495	460
Pre-school education and education not definable by level	133	105
Transportation of students	23	22
Education n.e.c.	2	2
Health	3 827	4 000
Acute care institutions	3 259	3 482
Mental health institutions	n.a.	n.a.
Nursing homes for the aged	n.a.	n.a.
Community health services	301	267
Public health services	42	54
Pharmaceuticals, medical aids and appliances	n.a.	n.a.
Health research	n.a.	n.a.
Health administration n.e.c.	225	197
Social security and welfare	941	927
Social security	95	89
Welfare services	730	716
Social security and welfare services n.e.c.	116	123
Housing and community amenities	1 393	1 330
Housing and community development	627	596
Water supply	237	231
Sanitation and protection of the environment	509	489
Other community amenities	20	14
Recreation and culture	279	284
Recreation facilities and services	124	117
Cultural facilities and services	142	154
Broadcasting and film production	7	7
Recreation and culture n.e.c.	5	7

APPENDIX A

Table A.20: General government sector expenses by function^(a) (\$million)

	2008-09 Estimate at 2009-10 Budget	2008-09 Outcome
Fuel and energy	52	52
Fuel affairs and services	17	18
Electricity and other energy	9	11
Fuel and energy n.e.c.	26	22
Agriculture, forestry, fishing and hunting	245	243
Agriculture	216	219
Forestry, fishing and hunting	29	25
Mining and mineral resources other than fuels; manufacturing; and construction	62	48
Mining and mineral resources other than fuels	24	26
Manufacturing	—	—
Construction	38	22
Transport and communications	744	784
Road transport	362	347
Water transport	13	19
Rail transport	5	25
Air transport	—	—
Pipelines	n.a.	n.a.
Other transport	353	376
Communications	10	18
Other economic affairs	256	226
Storage, saleyards and markets	n.a.	n.a.
Tourism and area promotion	65	67
Labour and employment affairs	53	44
Other economic affairs	138	114
Other purposes	883	953
Public debt transactions	161	180
General purpose inter-government transactions	99	157
Natural disaster relief	82	72
Nominal superannuation interest expense	383	383
Other purposes n.e.c.	157	160
Total GFS expenses	13 650	13 764

Note: Totals may not add due to rounding.

(a) Expenses by function data are derived from information submitted by government agencies. The processes for deriving these data are subject to ongoing refinements. Consequently the data may be subject to future revisions. Consistent with the ongoing review process, some changes to the classification of agency expenditures were implemented for the 2008-09 Outcome. The 2008-09 Estimate at the 2009-10 Budget has been recast to be on a consistent basis as the 2008-09 Outcome. Accordingly, this differs from the estimate published in the 2009-10 Budget papers.

APPENDIX A

Table A.21: General government sector capital expenditure by function^(a) (\$million)

	2008-09 Estimate at 2009-10 Budget	2008-09 Outcome
General public services	136	139
Defence	—	—
Public order and safety	83	84
Education	117	64
Health	210	183
Social security and welfare	9	7
Housing and community amenities	17	24
Recreation and culture	39	36
Fuel and energy	—	—
Agriculture, forestry, fishing and hunting	11	20
Mining and mineral resources other than fuels; manufacturing; and construction	3	4
Transport and communications	590	601
Other economic affairs	121	136
Other purposes	12	6
Total capital expenditure^(b)	1 347	1 305

Note: Totals may not add due to rounding.

- (a) Expenses by function data are derived from information submitted by government agencies. The processes for deriving these data are subject to ongoing refinements. Consequently the data may be subject to future revisions.
- (b) Total capital expenditure for the 2008-09 Estimate at 2009-10 Budget has been updated to include assets received free of charge, consistent with the treatment in the operating statement and 2008-09 Outcome.

LOAN COUNCIL ALLOCATION REPORT

The Australian Loan Council — a ministerial council comprising the Commonwealth, State and Territory Treasurers — was established in 1927 to coordinate public sector borrowing in Australia. It is now primarily concerned with ensuring the transparency and accountability of public sector borrowing rather than, as in the past, securing adherence to strict borrowing limits.

Loan Council Allocation (LCA) nominations, required in March each year, are intended to provide an indication of each government's probable call on financial markets over the forthcoming financial year. The Loan Council, having regard to each jurisdiction's fiscal position and reasonable infrastructure requirements, along with the macroeconomic implications of the aggregate figure, then considers the nominations at its annual meeting.

Nominated LCAs for 2008-09, for all jurisdictions and in aggregate, were reviewed and endorsed by the 147th meeting of the Australian Loan Council on 14 March 2008.

Following the endorsement of LCA nominations, jurisdictions are further required to update their nominated LCAs at budget time for changes in economic parameters and policy decisions, and also provide an LCA outcome at the end of the financial year. A tolerance limit of 2 per cent of total public sector revenue, set at nomination time, applies between both the nomination and budget, and the budget and outcome LCAs. If the tolerance limit is exceeded, the Loan Council must be notified and a report detailing the reasons for change released publicly.

South Australia's Budget and outcome LCAs for 2008-09 are shown in Table B.1. The table is prepared in accordance with the requirements of the accrual UPF, endorsed by the Loan Council in March 2000.

As Table B.1 indicates, South Australia recorded an LCA deficit of \$1 800 million for 2008-09. This is a significant increase over the 2008-09 Budget (June 2008) estimated deficit of \$114 million, reflecting increases in both the general government sector and PNFC cash deficits, lower than expected earnings on superannuation assets and a large movement in the net present value of operating leases (a greater number of leases were renewed or created throughout the financial year).

As a result of these movements, South Australia's 2008-09 LCA outcome exceeds the 2 per cent of total revenue tolerance limit applied to the June 2008 budget-time LCA.

Table B.1: Loan Council Allocation 2008-09^(a) (\$million)

	2008-09 Estimate at 2008-09 Budget	2008-09 Outcome
General government sector cash deficit/surplus	530	719
PNFC sector cash deficit/surplus	222	522
Non-financial public sector cash deficit/surplus ^(b)	752	1 241
Acquisitions under finance leases and similar arrangements	—	2
ABS Government Finance Statistics cash surplus	752	1 243
Net cash flows from investments in financial assets for policy purposes ^(c)	-5	-5
Adjusted total non-financial public sector cash deficit/surplus	747	1 238
Memorandum items ^(d)		
Operating leases ^(e)	-57	245
Recourse asset sales	—	—
Superannuation ^(f)	-531	132
Local government	43	16
Home finance schemes	-88	169
Total memorandum items	-633	562
LCA deficit/surplus ^{(g)(h)}	114	1 800

(a) For the purposes of this table a surplus amount is represented as a negative, while a deficit is a positive.

(b) The sum of the deficits of the general government and PNFC sector may not equal the non-financial public sector deficit due to intersectoral transfers, which are netted out in the calculation of the total figure. The figures exclude statutory marketing authorities.

(c) This item is the negative of net advances paid under a cash accounting framework.

(d) Excludes universities.

(e) Increase/decrease in the net present value (NPV) of operating leases with an NPV of \$5 million or greater.

(f) Includes both 'payments in excess of emerging costs of superannuation' and 'interest earnings on employer balances'.

(g) The 2 per cent of total revenue tolerance limit around South Australia's 2008-09 LCA is \$270 million.

(h) South Australia had one infrastructure project with private sector involvement that met the recognition criteria for 2008-09: acquisition of an on-line lotteries system.

CONSOLIDATED ACCOUNT

Table C.1: Summary of receipts and payments (\$000)

	2008-09 Budget	2008-09 Outcome
Receipts		
Taxation	3 381 931	3 223 351
Commonwealth General Purpose Grants	4 143 500	3 823 192
Commonwealth Specific Purpose Grants	—	36 834
Commonwealth National Partnership Payments	35 564	90 320
Contributions from State Undertakings	466 705	387 003
Fees and Charges	300 548	282 643
Recoveries	57 537	185 239
Royalties	163 450	152 498
Other Receipts	278 446	208 737
Total Receipts	8 827 681	8 389 815
Payments		
Appropriation Act	9 313 022	9 403 254
Specific Appropriation Authorised in Various Acts	127 072	145 503
Total Payments	9 440 094	9 548 757
Consolidated Account Financing Requirement	612 413	1 158 942

The deficit for 2008-09 has been funded by borrowings from the SA Government Financing Authority, pursuant to section 16(2) of the *Public Finance and Audit Act 1987*, increasing the level of debt serviced from the Consolidated Account.

Note: Totals may not add due to rounding.

Table C.2: Receipts (\$000)

	2008-09 Budget	2008-09 Outcome
Taxation		
Payroll tax	1 061 100	1 089 352
Commonwealth places mirror payroll tax ^(a)	18 700	19 059
Stamp duties	1 398 130	1 217 846
Commonwealth places mirror stamp duties ^(a)	500	545
Land tax	476 500	466 582
Commonwealth places mirror land tax ^(a)	1 400	1 297
Other taxes on property	10	179
Save the River Murray Levy	22 800	23 306
Gaming machines tax	296 300	292 166
Contribution from Lotteries Commission of South Australia	76 568	81 425
Contribution from casino operations	20 300	21 106
Contribution from South Australian Totalizator Agency Board	7 500	8 024
Contribution from on-course totalizators, bookmakers and small lotteries	1 923	2 464
Recoup from Recreation and Sport Fund	200	—
Total Taxation Receipts	3 381 931	3 223 351
Commonwealth general purpose payments		
GST revenue grants	4 143 500	3 786 481
Transitional assistance ^(b)	—	36 711
Total Commonwealth general purpose payments	4 143 500	3 823 192
Commonwealth specific purpose payments^(c)		
Council of Australian Governments funding arrangements ^(d)	—	36 834
Total Commonwealth specific purpose payments	—	36 834

Note: Totals may not add due to rounding.

- (a) Taxes akin to State taxes are levied on activities conducted on Commonwealth places under the authority of Commonwealth mirror tax legislation. Revenue is retained by the State.
- (b) Included in the *Intergovernmental Agreement on the Reform of Commonwealth-State Financial Relations* was a commitment from the Commonwealth Government that the states and territories would receive a Guaranteed Minimum Amount (GMA) of GST funding. To achieve this, the Commonwealth Government agreed that any shortfall between a jurisdiction's share of GST revenues and its GMA would be met by transitional assistance grants.
- (c) Refers only to those Commonwealth specific purpose payments paid to the Consolidated Account and not those paid directly to agencies.
- (d) At its November 2008 meeting, the Council of Australian Governments agreed on new Commonwealth-State funding arrangements that were introduced on 1 January 2009. These arrangements provide for the payment of specific purpose payment to the treasuries of each state and territory rather than to the relevant line agencies as was the case under the previous arrangements. In 2008-09, the majority of specific purpose payments were received in a Treasury and Finance special deposit account.

Table C.2: Receipts (\$000) (continued)

	2008-09 Budget	2008-09 Outcome
Commonwealth national partnership payments^(e)		
Concessions to pensioners and others	21 728	10 867
First Home Owners Boost	—	65 716
Legal Aid	13 836	13 737
Total Commonwealth national partnership payments	35 564	90 320
Contributions from State undertakings		
Arrangements with private electricity entities —		
Local government rate equivalent	199	—
Attorney-General's Department —		
Income tax equivalent	11	—
Austraining Pty Ltd —		
Income tax equivalent	—	250
Defence SA —		
Local government rate equivalent	164	—
Department for Transport, Energy and Infrastructure ^(f) —		
Dividend	19 006	364
Income tax equivalent	2 924	2 353
Local government rate equivalent	748	614
Department of Treasury and Finance —		
Dividend	112	—
Fleet SA —		
Income tax equivalent	—	851
Flinders Ports —		
Payments in lieu of other taxes	—	1 540
Forestry SA —		
Dividend	23 027	15 231
Income tax equivalent	10 662	7 955
Funds SA —		
Local government rate equivalent	160	345
Generation Lessor Corporation —		
Dividend	—	227

Note: Totals may not add due to rounding.

- (e) Concessions to pensioners and others and legal aid, previously classified as specific purpose payments, are now classified as national partnership payments. The Commonwealth pays the remainder of national partnership payments into a Treasury and Finance special deposit account for subsequent disbursement to the relevant line agencies.
- (f) The Department for Administrative and Information Services ceased operations on 31 December 2006 with some functions that generated distributions to the Consolidated Account transferred to the Department for Transport, Energy and Infrastructure, the Department of Treasury and Finance, the Department of the Premier and Cabinet and the Attorney-General's Department. Further restructuring in the Department for Transport, Energy and Infrastructure resulted in the cessation of distributions to the Consolidated Account, offset by reduced appropriation paid to the Department for Transport, Energy and Infrastructure.

Table C.2: Receipts (\$000) (continued)

	2008-09 Budget	2008-09 Outcome
HomeStart Finance —		
Dividend	5 503	5 311
Income tax equivalent	2 371	3 331
Land Management Corporation —		
Dividend	69 418	47 410
Income tax equivalent	30 884	24 960
Local government rate equivalent	366	435
Private —		
Local government rate equivalent	—	203
Public Trustee Office —		
Dividend	1 508	541
Income tax equivalent	754	168
SA Lotteries —		
Income tax equivalent	7 221	8 178
Local government rate equivalent	5	6
SA Water Corporation —		
Dividend	185 357	161 296
Income tax equivalent	85 646	73 159
Local government rate equivalent	2 055	2 475
South Australian Asset Management Corporation —		
Dividend	4 000	4 000
South Australian Government Employee Residential Properties —		
Dividend	1 156	1 156
Income tax equivalent	1 956	1 044
Local government rate equivalent	—	6
South Australian Government Financing Authority —		
Dividend	7 728	10 738
Income tax equivalent	3 200	—
South Australian Housing Trust —		
Income tax equivalent	—	5 496
TransAdelaide —		
Local government rate equivalent	90	—
Transmission Lessor Corporation —		
Dividend	—	6 880
West Beach Trust —		
Income tax equivalent	474	479
Total contributions from State undertakings	466 705	387 003

Note: Totals may not add due to rounding.

Table C.2: Receipts (\$000) (continued)

	2008-09 Budget	2008-09 Outcome
Fees and charges^(g)		
Auditor-General's Department — fees for audit and other sundry receipts	9 423	8 911
Court fines	29 669	16 995
Court regulatory fees ^(h)	24 234	23 736
Land Services regulatory fees	142 473	127 125
Department of Water, Land and Biodiversity Conservation — Natural Resource Management penalties	1 104	39
Guarantee fees	19 027	20 183
Infringement Notice Schemes — Expiation fees	74 063	85 632
Small lotteries	527	—
Sundry fees	28	21
Total fees and charges	300 548	282 643
Recoveries		
Child Abuse Protection Program	200	200
Contribution to the cost of private plated vehicles	10	2
Essential Services Commission of South Australia	6 837	6 838
Department of Transport, Energy and Infrastructure — Indentured Ports	3 986	—
Department of Water, Land and Biodiversity Conservation — Qualco Sunlands	250	—
Helicopter service — recovery of costs and sponsorships	1 050	—
Independent Gaming Authority contributions to Gamblers Rehabilitation Fund	1 500	2 500
National Tax Equivalent Program	50	—
Return of cash to Consolidated Account — Cash Alignment Policy	11 030	80 102
Return of deposit account balances	—	247
Return of deposit account balances — Superannuation	30 000	91 500
Sale of Government Gazette	162	345
Sundry recoupments	131	61
Unclaimed monies	1 807	2 844
United Water	524	600
Total recoveries	57 537	185 239

Note: Totals may not add due to rounding.

(g) Refers only to those fees and charges paid to the Consolidated Account.

(h) Sale of evidence/transcripts were previously shown separately under the Recoveries section. These fees are now under regulatory fees.

Table C.2: Receipts (\$000) (continued)

	2008-09 Budget	2008-09 Outcome
Royalties		
Department of Primary Industries and Resources	163 450	152 498
Total royalties	163 450	152 498
Other receipts		
Interest on investments	153 149	78 925
Interest recoveries from general government entities	9 673	7 548
Interest recoveries from public non-financial corporations	34 760	47 244
Interest recoveries from the private sector	67	136
Repayment of advances —		
Administered Items for the Department for Transport, Energy and Infrastructure	—	184
Department of Health	1 644	1 797
Department of Primary Industries and Resources	1 000	645
Land Management Corporation	107	165
Renmark Irrigation Trust	105	205
SA Country Arts Trust	20	—
South Australian Housing Trust	20 712	31 951
South Australian Tourism Commission	180	177
Other	5	5
Repayment of equity capital contributions —		
Defence SA	3 730	9 111
Department for Transport, Energy and Infrastructure ⁽ⁱ⁾	35 604	—
Department of Treasury and Finance	—	4 540
Other —		
Basketball Association of South Australia	—	360
Department of Primary Industries and Resources —		
Sale of 4.2 GL water licence	—	10 500
Other Recoveries	161	35
Sale of land and buildings	17 529	15 208
Total other receipts	278 446	208 736
Total Consolidated Account Receipts	8 827 681	8 389 817

Note: Totals may not add due to rounding.

- (i) The Department for Administrative and Information Services ceased operations on 31 December 2006 with some functions that generated distributions to the Consolidated Account transferred to the Department for Transport, Energy and Infrastructure, the Department of Treasury and Finance, the Department of the Premier and Cabinet and the Attorney-General's Department. Further restructuring in the Department for Transport, Energy and Infrastructure, resulted in the cessation of distributions to the Consolidated Account, offset by reduced appropriation paid to the Department for Transport, Energy and Infrastructure.

Table C.3: Payments (\$000)

	2008-09 Budget	2008-09 Outcome
Premier and Cabinet		
Department of the Premier and Cabinet	128 828	180 420
Administered Items for the Department of the Premier and Cabinet	18 780	19 086
State Governor's Establishment	3 181	3 181
Arts SA	114 661	111 275
Trade and Economic Development		
Department of Trade and Economic Development	62 756	62 973
Office of the Venture Capital Board	291	—
Defence SA	137 948	116 339
Treasury and Finance		
Department of Treasury and Finance	102 968	87 047
Administered Items for the Department of Treasury and Finance	1 393 139	1 521 583
Independent Gambling Authority	1 526	1 534
Primary Industries and Resources		
Department of Primary Industries and Resources	135 463	179 091
Administered Items for the Department of Primary Industries and Resources	4 189	4 189
Department of Planning and Local Government ^(a)	18 024	18 206
Administered Items for Department of Planning and Local Government ^(a)	865	683
Transport, Energy and Infrastructure		
Department of Transport, Energy and Infrastructure	548 678	493 805
Administered Items for the Department of Transport, Energy and Infrastructure	12 399	12 799
TransAdelaide	2 009	2 009
Justice		
Attorney-General's Department	116 580	115 396
Administered Items for Attorney-General's Department	55 673	51 073
Courts Administration Authority	80 533	80 648
Department for Correctional Services	172 455	173 358
South Australia Police	548 366	519 826
Administered Items for Police and Emergency Services	362	159
Electoral Commission of South Australia	3 973	4 455
Health		
Department of Health	2 162 750	2 161 559
Education and Children's Services		
Department of Education and Children's Services	1 755 505	1 746 547
Administered Items for the Department of Education and Children's Services	163 546	166 380
Tourism		
South Australian Tourism Commission	51 963	51 777
Minister for Tourism	4 527	4 527

(a) Planning SA, a former agency within the Department of Primary Industries and Resources changed its name to the Department of Planning and Local Government effective from 16 October 2008.

Table C.3: Payments (\$000) (continued)

	2008-09 Budget	2008-09 Outcome
Environment and Conservation and the River Murray		
Department for Environment and Heritage	134 200	132 009
Administered Items for the Department for Environment and Heritage	4 889	4 889
Department of Water, Land and Biodiversity Conservation	95 104	108 353
Administered Items for the Department of Water, Land and Biodiversity Conservation	10 535	10 535
Environment Protection Authority	6 960	6 939
Families and Communities		
Department for Families and Communities	794 327	798 433
Administered Items for the Department for Families and Communities	139 551	136 881
Further Education, Employment, Science and Technology		
Department of Further Education, Employment, Science and Technology	291 559	282 413
Auditor-General		
Auditor-General's Department	11 569	11 371
Legislature		
House of Assembly	7 708	7 582
Joint Parliamentary Services	9 676	9 549
Legislative Council	5 006	4 375
Total Payments Appropriated for Departments and Ministers	9 313 022	9 403 254
Payments for which specific appropriation is authorised in various Acts (from Table C.4)	127 072	145 503
Total Consolidated Account Payments	9 440 094	9 548 757

Note: Totals may not add due to rounding.

Table C.4: Appropriation for other purposes (\$000)

	2008-09 Budget	2008-09 Outcome
Payments for which specific appropriation is authorised in various		
Salaries and Allowances		
Agent-General — <i>Pursuant to Agent-General Act 1901</i>	212	146
Auditor-General — <i>Pursuant to Public Finance and Audit Act 1987</i>	257	283
Commissioners of Environment, Resource and Development Court and Commissioners of Industrial Relations — <i>Pursuant to Remuneration Act 1990</i>	890	922
Commissioner of Police — <i>Pursuant to Police Act 1988</i>	256	394
State Coroner and Deputy Coroner — <i>Pursuant to Remuneration Act 1990</i>	679	674
Electoral Commissioner and Deputy Electoral Commissioner — <i>Pursuant to Electoral Act 1985</i>	298	305
Employee Ombudsman — <i>Pursuant to the Industrial and Employee Relations Act 1994</i>	85	146
Governor — <i>Pursuant to Constitution Act 1934</i>	224	258
Judges — <i>Pursuant to Remuneration Act 1990</i> —		
Chief Justice	548	574
Judges and Masters	18 263	18 118
Magistrates — <i>Pursuant to Remuneration Act 1990</i>	11 815	12 421
Members of various Standing Committees — <i>Pursuant to Parliamentary Remuneration Act 1990 and Parliamentary Committees (Miscellaneous) Act 1991</i>	737	668
Ombudsman — <i>Pursuant to Ombudsman Act 1972</i>	262	234
Parliamentary Salaries and Electorate and Expense Allowances — Ministers, Officers and Members of Parliament — <i>Pursuant to Parliamentary Remuneration Act 1990</i>	12 540	12 299
Senior Judge and Judges of the Industrial Relations Commission — <i>Pursuant to Remuneration Act 1990</i>	1 864	3 080
Solicitor-General — <i>Pursuant to Solicitor-General Act 1972</i>	464	496
Valuer-General — <i>Pursuant to Valuation of Land Act 1971</i>	143	94
Total Salaries and Allowances	49 537	51 113
Other		
Contribution for injuries suffered as a result of the commission of criminal offences — <i>Pursuant to Victims of Crime Act 2001</i>	6 815	6 815
First Home Owners' Grants — <i>Pursuant to First Home Owner Grant Act 2000</i>	70 720	87 575
Total Other	77 535	94 390
Total Payments Authorised by Various Acts	127 072	145 503

Note: Totals may not add due to rounding.

GENERAL GOVERNMENT AND NON-FINANCIAL PUBLIC SECTOR FINANCIAL STATISTICS TIME SERIES

The following tables provide historical data on key fiscal aggregates. Data (excluding the unfunded superannuation liability) provided is sourced for 1998-99 from *Australian Bureau of Statistics Government Finance Statistics 2006-07* (catalogue number 5512.0) and 1999-2000 to 2007-08 from Budget Outcome publications for South Australia.

Data is provided from 1998-99, the first year for which information is available in the accrual format. Before 1998-99, government finances were measured using a cash-based methodology.

As historical data in this time series has not been back-cast to reflect classification and accounting changes, care must be taken in interpreting the data.

General Government

Table D.1: General government key operating statement aggregates

	Revenue			Expenses			Net operating balance \$m	Net acquisition of non-financial assets \$m	Net lending \$m
	\$m	% real growth	% GSP	\$m	% real growth	% GSP			
1998-99	7 290		16.9	7 505		17.4	- 215	19	- 233
1999-2000	7 644	2.3	16.9	7 974	3.7	17.6	- 330	140	- 471
2000-01	8 108	3.0	16.6	8 406	2.4	17.2	- 297	102	- 399
2001-02	8 538	2.0	16.3	8 713	0.5	16.6	- 174	- 50	- 124
2002-03	9 346	5.2	17.0	8 898	-1.8	16.1	448	34	414
2003-04	9 955	3.4	16.9	9 570	4.4	16.3	385	- 38	424
2004-05	10 592	4.0	17.4	10 368	5.9	17.0	224	105	119
2005-06	11 242	2.9	17.4	11 040	3.2	17.1	202	119	83
2006-07	11 757	1.9	17.2	11 547	2.0	16.9	209	139	71
2007-08	12 879	6.1	17.6	12 414	4.1	16.9	464	242	222
2008-09	13 531	1.8	17.7	13 764	7.4	18.0	- 233	639	- 872

Note: Table may not add due to rounding.

Table D.2: General government key balance sheet aggregates (\$million)

As at 30 June	Net debt ^(a)	Unfunded superannuation ^(b)	Net financial liabilities	Net financial worth	Net worth
1988	859				
1989	694				
1990	854				
1991	1 817				
1992	4 610				
1993	7 884				
1994	7 113				
1995	5 815				
1996	5 512				
1997	4 983				
1998	4 762				
1999	4 779	3 909	9 733	1 894	10 624
2000	1 920	3 543	6 911	2 986	12 445
2001	1 246	3 249	6 093	4 091	14 816
2002	1 303	3 998	6 907	3 559	14 721
2003	666	4 445	6 974	3 500	15 288
2004	224	5 668	7 858	3 842	15 760
2005	144	7 227	9 393	3 853	16 359
2006	- 119	6 146	8 171	5 846	19 703
2007 ^(c)	- 24	5 075	7 254	8 110	22 128
2008 ^{(d)(e)(f)}	- 276	6 468	8 078	7 580	23 741
2009	475	8 939	11 562	5 551	24 146

(a) Net debt data for the years before 1999 are sourced from *Australian Bureau of Statistics, Government Financial Estimates 2003-04* (catalogue number 5501).

(b) There is a structural break in the methodology used to calculate superannuation liabilities between June 2003 and June 2004. This accounting change, which involved the adoption of the Commonwealth Government bond rate for valuation purposes in line with AASB 119 *Employee Benefits*, resulted in a significant increase in superannuation liabilities.

(c) There is a structural break in 2007 reflecting the amalgamation of SAFA and SAICORP on 1 July 2006. The transfer of SAICORP's assets and liabilities from the general government sector to the public financial corporations sector resulted in an increase in general government net debt of \$99 million at 1 July 2006 and an increase in net financial liabilities of \$90 million at 1 July 2006.

(d) There is a structural break in 2008 reflecting the transfer of rail assets from TransAdelaide to the general government sector. This results in an increase in net debt and net financial liabilities of \$66 million in 2007-08, and a reduction in net financial worth of \$591 million, with no impact on net worth.

(e) There is a structural break in 2008 reflecting the transfer of assets from the Adelaide Festival Centre Trust to the general government sector. This results in an increase in net debt and net financial liabilities of \$28 million in 2007-08, and a reduction in net financial worth of \$76 million, with no impact on net worth.

(f) There is a structural break in 2008 reflecting the first time recognition on the general government balance sheet of South Australia's share of the net assets of the Murray-Darling Basin Commission. This has no impact on net debt, however results in a reduction in net financial liabilities of \$615 million in 2007-08, and increases in net financial worth and net worth of \$615 million.

Table D.3: General government receipts, payments and surplus^(a) (\$million)

	Receipts	Payments	ABS Cash Surplus
1979-80	1 891	1 671	220
1980-81	2 065	1 917	148
1981-82	2 210	2 122	87
1982-83	2 664	2 507	156
1983-84	2 988	2 734	255
1984-85	3 380	3 057	324
1985-86	3 634	3 161	474
1986-87	3 956	3 416	540
1987-88	4 307	3 858	449
1988-89	4 630	3 977	653
1989-90	4 973	4 370	603
1990-91	5 260	4 796	463
1991-92	5 387	5 396	- 10
1992-93	5 967	5 456	512
1993-94	6 087	6 024	63
1994-95	6 155	6 220	- 66
1995-96	6 405	6 164	241
1996-97	6 379	6 282	97
1997-98	6 988	6 724	264
1998-99	7 165	7 041	123
1999-2000	7 676	7 915	- 239
2000-01	8 278	8 387	- 108
2001-02	8 698	8 748	- 50
2002-03	9 522	8 864	658
2003-04	10 023	9 502	522
2004-05	11 252	11 059	193
2005-06	11 480	11 293	187
2006-07	12 090	12 116	- 26
2007-08	12 932	12 552	379
2008-09	13 579	14 299	- 721

Note: Table may not add due to rounding.

(a) There is a break in the series between 1998-99 and 1999-2000. Data for the years before 1999-2000 are sourced from the Australian Bureau of Statistics (ABS) and are consistent with ABS GFS reporting requirements on a cash basis. Capital receipts and payments, including payments associated with the provision of financial support for State owned financial institutions (which were treated by the ABS then as an "investment in financial assets for policy purposes") are not included in the series before 1999-2000. After 1998-99, data are derived from an accrual ABS GFS reporting framework, with receipts proxied by receipts from operating activities and sales of non-financial assets, and payments proxied by payments for operating activities, purchases of non-financial assets and net acquisition of assets under finance leases. Due to the associated methodological and data-source changes, time series data that encompass measures derived under both cash and accrual accounting should be used with caution.

Table D.4: General government sector operating statement (\$million)

	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Revenue						
Taxation revenue	2 806	2 941	2 979	3 250	3 570	3 537
Grants	5 073	5 406	5 766	5 969	6 616	7 249
Sales of goods and services	1 165	1 244	1 333	1 464	1 572	1 697
Interest income	172	161	147	167	203	150
Dividend and income tax equivalent income	468	455	575	450	429	382
Other	272	386	441	456	490	517
Total revenue	9 955	10 592	11 242	11 757	12 879	13 531
<i>less</i>						
Expenses						
Employee expenses	3 903	4 220	4 644	4 933	5 268	5 749
Superannuation expenses						
Superannuation interest cost	354	351	344	316	276	383
Other superannuation expenses	410	429	480	506	546	580
Depreciation and amortisation	435	453	454	498	525	566
Interest expenses	253	248	223	204	218	180
Other property expenses	—	—	—	—	—	—
Other operating expenses	2 348	2 742	2 874	3 021	3 246	3 624
Grants	1 866	1 925	2 021	2 069	2 337	2 682
Total expenses	9 570	10 368	11 040	11 547	12 414	13 764
<i>equals</i>						
Net operating balance	385	224	202	209	464	-233
<i>plus</i>						
Other economic flows	87	375	3 142	2 215	1 149	708
<i>equals</i>						
Comprehensive result - total change in net worth	472	599	3 344	2 424	1 613	475
Net operating balance	385	224	202	209	464	-233
<i>less</i>						
Net acquisition of non-financial assets						
Purchases of non-financial assets	530	695	717	771	875	1 305
<i>less</i> Sales of non-financial assets	124	119	144	134	108	108
<i>less</i> Depreciation	435	453	454	498	525	566
<i>plus</i> Change in inventories	- 10	- 18	—	—	—	7
<i>plus</i> Other movements in non-financial assets	—	—	—	—	—	—
<i>equals</i> Total net acquisition of non-financial assets	-38	105	119	139	242	639
<i>equals</i>						
Net lending / borrowing	424	119	83	71	222	-872

Note: Totals may not add due to rounding.

Table D.5: General government sector balance sheet (\$million)

	As at 30 June	2004	2005	2006	2007	2008	2009
Assets							
Financial assets							
Cash and deposits		2 178	1 960	2 210	2 384	2 760	3 084
Advances paid		1 133	959	902	905	782	752
Investments, loans and placements		154	170	180	119	134	140
Receivables		343	374	454	471	498	610
Equity							
Investments in other public sector entities		11 700	13 246	14 017	15 364	15 658	17 113
Investments - other		111	145	173	30	668	707
Other financial assets		43	60	44	39	38	43
Total financial assets		15 661	16 915	17 979	19 311	20 539	22 449
Non-financial assets							
Land and fixed assets		11 835	12 411	13 840	14 013	16 138	18 590
Other non-financial assets		83	94	17	4	23	5
Total non-financial assets		11 917	12 505	13 857	14 018	16 161	18 595
Total assets		27 579	29 420	31 836	33 329	36 700	41 045
Liabilities							
Deposits held		309	283	282	331	328	335
Advances received		733	686	682	659	644	628
Borrowing		2 648	2 265	2 209	2 394	2 427	3 488
Superannuation		5 668	7 227	6 146	5 075	6 468	8 939
Other employee benefits		1 233	1 305	1 393	1 492	1 646	1 867
Payables		466	483	616	553	665	760
Other liabilities		763	812	805	699	779	881
Total liabilities		11 819	13 061	12 133	11 201	12 959	16 898
Net worth^(d)		15 760	16 359	19 703	22 128	23 741	24 146
Net financial worth ^{(b)(c)(d)}		3 842	3 853	5 846	8 110	7 580	5 551
Net financial liabilities		7 858	9 393	8 171	7 254	8 078	11 562
Net debt ^{(a)(b)(c)}		224	144	- 119	- 24	- 276	475

Note: Totals may not add due to rounding.

- (a) There is a structural break in 2007 reflecting the amalgamation of SAFA and SAICORP on 1 July 2006. The transfer of SAICORP's assets and liabilities from the general government sector to the public financial corporations sector resulted in an increase in general government net debt of \$99 million at 1 July 2006.
- (b) There is a structural break in 2008 reflecting the transfer of rail assets from TransAdelaide to the general government sector. This results in an increase in net debt of \$66 million in 2007-08, and a reduction in net financial worth of \$591 million, with no impact on net worth.
- (c) There is a structural break in 2008 reflecting the transfer of assets from the Adelaide Festival Centre Trust to the general government sector. This results in an increase in net debt of \$28 million in 2007-08, and a reduction in net financial worth of \$76 million, with no impact on net worth.
- (d) There is a structural break in 2008 reflecting the first time recognition on the general government balance sheet of South Australia's share of the net assets of the Murray-Darling Basin Commission. This results in increases in net financial worth and net worth of \$615 million in 2007-08, with no impact on net debt.

Table D.6: General government expenses by function (\$million)

	2004-05 Outcome	2005-06 Outcome	2006-07 Outcome	2007-08 Outcome ^(a)	2008-09 Outcome
General public services	217	206	184	247	277
Defence	—	—	—	—	—
Public order and safety	957	1 036	1 074	1 220	1 293
Education	2 641	2 846	2 940	3 129	3 347
Health	2 824	3 064	3 356	3 626	4 000
Social security and welfare	714	673	748	871	927
Housing and community amenities	839	933	969	921	1 330
Recreation and culture	286	299	291	376	284
Fuel and energy	40	44	40	38	52
Agriculture, forestry, fishing and hunting	188	207	193	206	243
Mining, manufacturing and construction	68	84	95	65	48
Transport and communications	661	734	745	748	784
Other economic affairs	226	176	178	169	226
Other purposes	707	739	734	798	953
Total GFS expenses	10 368	11 040	11 547	12 414	13 764

Note: Totals may not add due to rounding.

- (a) Expenses by function data are derived from information submitted by government agencies. The processes for deriving these data are subject to ongoing refinements. Consequently the data may be subject to future revisions. Consistent with the ongoing data improvement policy, refinements have been made to the 2007-08 Outcome data. Accordingly, the 2007-08 Outcome data differs to that published in the 2007-08 Final Budget Outcome and the 2009-10 Budget papers.

Table D.7: General government sector capital expenditure by function^(a) (\$million)

	2004-05 Outcome	2005-06 Outcome	2006-07 Outcome	2007-08 Outcome	2008-09 Outcome ^(b)
General public services	140	171	137	105	139
Defence	—	—	—	—	—
Public order and safety	67	67	65	70	84
Education	83	69	63	89	64
Health	128	116	100	141	183
Social security and welfare	5	12	2	2	7
Housing and community amenities	16	6	17	14	24
Recreation and culture	9	14	11	20	36
Fuel and energy	—	—	—	—	—
Agriculture, forestry, fishing and hunting	12	10	5	5	20
Mining, manufacturing and construction	—	1	—	—	4
Transport and communications	222	237	299	286	601
Other economic affairs	1	—	50	127	136
Other purposes	—	1	3	—	6
Total capital expenditure	683	705	752	860	1 305

Note: Totals may not add due to rounding.

- (a) Expenses by function data are derived from information submitted by government agencies. The processes for deriving these data are subject to ongoing refinements. Consequently the data may be subject to future revisions.
- (b) For the 2008-09 Outcome, total capital expenditure has been measured on an accrual basis and includes assets received free of charge, consistent with the treatment in the operating statement. Data prior to 2008-09 was prepared on a cash basis.

Non-Financial Public Sector

Table D.8: Non-financial public sector key operating statement aggregates

	Revenue			Expenses			Net operating balance \$m	Net acquisition of non- financial assets \$m	Net lending \$m
	\$m	% real growth	% GSP	\$m	% real growth	% GSP			
1998-99	9 468		22.0	9 597		22.3	- 129	- 115	- 14
1999-2000	9 206	-5.1	20.3	9 552	-2.9	21.1	- 346	-3 508	3 161
2000-01	9 051	-4.5	18.5	9 279	-5.7	19.0	- 228	-1 111	883
2001-02	9 367	0.3	17.8	9 487	-0.9	18.1	- 120	- 124	5
2002-03	10 172	4.4	18.4	9 696	-1.7	17.6	476	72	405
2003-04	10 707	2.2	18.2	10 294	3.1	17.5	413	33	379
2004-05	11 343	3.5	18.6	11 029	4.7	18.1	314	125	189
2005-06	11 807	0.9	18.3	11 634	2.3	18.0	172	53	119
2006-07	12 321	1.7	18.0	12 175	2.0	17.8	147	173	- 26
2007-08	13 634	7.1	18.6	13 065	3.9	17.8	569	303	266
2008-09	14 360	2.0	18.8	14 567	8.0	19.1	- 207	1 249	-1 456

Note: Table may not add due to rounding.

Table D.9: Non-financial public sector key balance sheet aggregates (\$million)

As at 30 June	Net debt ^(a)	Unfunded superannuation ^(b)	Net financial liabilities	Net financial worth	Net worth
1988	4 397				
1989	4 197				
1990	4 457				
1991	5 418				
1992	8 142				
1993	11 610				
1994	10 550				
1995	8 844				
1996	8 432				
1997	8 170				
1998	7 927				
1999	7 657	3 909	13 099	-12 256	10 624
2000	4 355	3 543	9 914	-8 986	12 445
2001	3 223	3 249	8 151	-7 109	14 816
2002	3 317	3 998	8 973	-7 902	14 721
2003	2 696	4 445	9 096	-8 811	15 288
2004	2 285	5 668	10 031	-9 550	15 760
2005	2 126	7 227	11 511	-11 004	16 359
2006	1 786	6 146	10 451	-9 889	19 703
2007 ^(c)	1 989	5 075	9 518	-8 795	22 128
2008 ^{(d),(e)}	1 611	6 468	10 208	-10 487	23 741
2009	2 872	8 939	14 302	-14 921	24 146

- (a) Net debt data for the years before 1999 are sourced from the *Australian Bureau of Statistics, Government Financial Estimates 2003-04* (catalogue number 5501).
- (b) There is a structural break in the methodology used to calculate superannuation liabilities between June 2003 and June 2004. This accounting change, which involved the adoption of the Commonwealth Government bond rate for valuation purposes in line with the new accounting standard on employee benefits, resulted in a significant increase in superannuation liabilities.
- (c) There is a structural break in 2007 reflecting the amalgamation of SAFA and SAICORP on 1 July 2006. The transfer of SAICORP's assets and liabilities from the general government sector to the public financial corporations sector resulted in an increase in non-financial public sector net debt of \$99 million at 1 July 2006 and an increase in net financial liabilities of \$90 million at 1 July 2006.
- (d) There is a structural break in 2008 reflecting the amalgamation of the South Australian Community Housing Authority (PFC) with the South Australian Housing Trust (PNFC). This results in an increase in net debt and net financial liabilities and a decrease in net financial worth of \$98 million in 2007-08, with no impact on net worth.
- (e) There is a structural break in 2008 reflecting the first time recognition on the general government balance sheet of South Australia's share of the net assets of the Murray-Darling Basin Commission. This has no impact on net debt, however results in a reduction in net financial liabilities of \$615 million in 2007-08, and increases in net financial worth and net worth of \$615 million.

Table D.10: Non-financial public sector receipts, payments and surplus^(a) (\$million)

	Receipts	Payments	ABS Cash Surplus
1979-80	2 681	2 388	292
1980-81	2 877	2 649	228
1981-82	3 145	2 963	182
1982-83	3 651	3 356	295
1983-84	4 383	4 014	369
1984-85	4 887	4 356	531
1985-86	5 172	4 415	757
1986-87	5 542	4 790	752
1987-88	6 078	5 299	780
1988-89	6 946	5 784	1 162
1989-90	7 517	6 465	1 052
1990-91	7 830	6 839	991
1991-92	8 352	7 969	383
1992-93	8 939	7 946	993
1993-94	8 761	8 119	642
1994-95	8 570	8 142	428
1995-96	8 985	8 654	331
1996-97	8 908	8 532	375
1997-98	9 426	8 895	532
1998-99	9 301	8 692	609
1999-2000	13 014	9 501	3 513
2000-01	10 572	9 414	1 158
2001-02	9 726	9 722	4
2002-03	10 439	9 805	634
2003-04	10 891	10 403	488
2004-05	12 051	11 786	265
2005-06	12 239	11 868	370
2006-07	12 684	12 809	- 125
2007-08	13 943	13 477	466
2008-09	14 563	15 806	-1 243

Note: Table may not add due to rounding.

- (a) There is a break in the series between 1998-99 and 1999-2000. Data for the years before 1999-2000 are sourced from the ABS and are consistent with ABS GFS reporting requirements on a cash basis. Capital receipts and payments, including payments associated with the provision of financial support for State owned financial institutions (which were treated by the ABS then as an "investment in financial assets for policy purposes") are not included in this series before 1999-2000. After 1998-99, data are derived from an accrual ABS GFS reporting framework, with receipts proxied by receipts from operating activities and sales of non-financial assets, and payments proxied by payments for operating activities, purchases of non-financial assets and net acquisition of assets under finance leases. Due to the associated methodological and data-source changes, time series data that encompass measures derived under both cash and accrual accounting should be used with caution.

Table D.11: Non-financial public sector operating statement (\$million)

	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Revenue						
Taxation revenue	2 629	2 731	2 749	3 009	3 308	3 244
Grants	5 078	5 405	5 849	6 039	6 616	7 262
Sales of goods and services	2 446	2 481	2 494	2 610	2 926	3 082
Interest income	125	135	113	155	188	125
Dividend and income tax equivalent income	103	143	126	42	24	36
Other	326	447	476	466	572	611
<i>Total revenue</i>	10 707	11 343	11 807	12 321	13 634	14 360
<i>less</i>						
Expenses						
Employee expenses	4 070	4 382	4 808	5 108	5 450	5 944
Superannuation expenses						
Superannuation interest cost	354	351	344	316	276	383
Other superannuation expenses	426	445	499	525	568	605
Depreciation and amortisation	651	682	692	755	798	852
Interest expenses	315	333	310	290	322	290
Other property expenses	15	23	13	9	74	—
Other operating expenses	3 135	3 251	3 313	3 475	3 765	4 404
Grants	1 328	1 563	1 655	1 698	1 811	2 089
<i>Total expenses</i>	10 294	11 029	11 634	12 175	13 065	14 567
<i>equals</i>						
Net operating balance	413	314	172	147	569	-207
<i>plus</i>						
Other economic flows	59	286	3 172	2 278	1 044	682
<i>equals</i>						
Comprehensive result - total change in net worth	472	599	3 344	2 424	1 613	475
<i>less</i>						
Net operating balance	413	314	172	147	569	-207
<i>less</i>						
Net acquisition of non-financial assets						
Purchases of non-financial assets	898	1 040	1 127	1 145	1 399	2 328
<i>less</i> Sales of non-financial assets	211	234	381	217	298	304
<i>less</i> Depreciation	651	682	692	755	798	852
<i>plus</i> Change in inventories	- 3	1	—	—	—	76
<i>plus</i> Other movements in non-financial assets	—	—	—	—	—	—
<i>equals</i> Total net acquisition of non-financial assets	33	125	53	173	303	1 249
<i>equals</i>						
Net lending / borrowing	379	189	119	- 26	266	-1 456

Note: Totals may not add due to rounding.

Table D.12: Non-financial public sector balance sheet (\$million)

	As at 30 June	2004	2005	2006	2007	2008	2009
Assets							
Financial assets							
Cash and deposits		2 250	2 129	2 372	2 566	3 040	3 360
Advances paid		186	80	83	34	81	71
Investments, loans and placements		164	180	204	139	163	176
Receivables		314	318	436	522	521	520
Equity							
Investments in other public sector entities		481	507	562	723	- 279	- 619
Investments - other		137	177	199	58	693	727
Other financial assets		42	58	46	41	40	82
Total financial assets		3 574	3 450	3 902	4 084	4 259	4 316
Non-financial assets							
Land and fixed assets		25 285	27 338	29 564	30 917	34 202	39 059
Other non-financial assets		24	25	28	6	25	8
Total non-financial assets		25 309	27 363	29 592	30 922	34 227	39 067
Total assets		28 883	30 813	33 494	35 006	38 486	43 384
Liabilities							
Deposits held		122	155	147	159	166	174
Advances received		733	719	715	659	644	628
Borrowing		4 030	3 642	3 583	3 910	4 084	5 677
Superannuation		5 668	7 227	6 146	5 075	6 468	8 939
Other employee benefits		1 310	1 384	1 473	1 560	1 719	1 944
Payables		472	492	706	715	801	907
Other liabilities		788	836	1 020	801	862	969
Total liabilities		13 124	14 454	13 790	12 878	14 745	19 237
Net worth^(c)		15 760	16 359	19 703	22 128	23 741	24 146
Net financial worth ^{(b)(c)}		-9 550	-11 004	-9 889	-8 795	-10 487	-14 921
Net financial liabilities		10 031	11 511	10 451	9 518	10 208	14 302
Net debt^{(a)(b)}		2 285	2 126	1 786	1 989	1 611	2 872

Note: Totals may not add due to rounding.

- (a) There is a structural break in 2007 reflecting the amalgamation of SAFA and SAICORP on 1 July 2006. The transfer of SAICORP's assets and liabilities from the general government sector to the public financial corporations sector resulted in an increase in non-financial public sector net debt of \$99 million at 1 July 2006.
- (b) There is a structural break in 2008 reflecting the amalgamation of the South Australian Community Housing Authority (PFC) with the South Australian Housing Trust (PNFC). This results in an increase in net debt and a decrease in net financial worth of \$98 million in 2007-08, with no impact on net worth.
- (c) There is a structural break in 2008 reflecting the first time recognition on the general government balance sheet of South Australia's share of the net assets of the Murray-Darling Basin Commission. This results in increases in net financial worth and net worth of \$615 million in 2007-08, with no impact on net debt.

ADDENDUM TO FINAL BUDGET OUTCOME

Subsequent to finalisation of the 2008-09 Final Budget Outcome publication, the Australian Bureau of Statistics (ABS) released an updated timeseries for Gross State Product (GSP). This release impacts on the timeseries presented in tables D.1 and D.8 in Appendix D. The updated tables, reflecting the latest ABS release, are presented below.

Table D.1: General government key operating statement aggregates

	Revenue			Expenses			Net operating balance \$m	Net acquisition of non-financial assets \$m	Net lending \$m
	\$m	% real growth	% GSP	\$m	% real growth	% GSP			
	1998-99	7 290		16.4	7 505				
1999-2000	7 644	2.3	16.4	7 974	3.7	17.1	- 330	140	- 471
2000-01	8 108	3.0	16.4	8 406	2.4	17.0	- 297	102	- 399
2001-02	8 538	2.0	16.1	8 713	0.5	16.4	- 174	- 50	- 124
2002-03	9 346	5.2	16.6	8 898	-1.8	15.8	448	34	414
2003-04	9 955	3.4	16.7	9 570	4.4	16.0	385	- 38	424
2004-05	10 592	4.0	17.2	10 368	5.9	16.9	224	105	119
2005-06	11 242	2.9	17.2	11 040	3.2	16.8	202	119	83
2006-07	11 757	1.9	16.7	11 547	2.0	16.4	209	139	71
2007-08	12 879	6.1	16.8	12 414	4.1	16.2	464	242	222
2008-09	13 531	1.8	17.0	13 764	7.4	17.3	- 233	639	- 872

Table D.8: Non-financial public sector key operating statement aggregates

	Revenue			Expenses			Net operating balance \$m	Net acquisition of non-financial assets \$m	Net lending \$m
	\$m	% real growth	% GSP	\$m	% real growth	% GSP			
	1998-99	9 468		21.3	9 597				
1999-2000	9 206	-5.1	19.8	9 552	-2.9	20.5	- 346	-3 508	3 161
2000-01	9 051	-4.5	18.3	9 279	-5.7	18.7	- 228	-1 111	883
2001-02	9 367	0.3	17.6	9 487	-0.9	17.9	- 120	- 124	5
2002-03	10 172	4.4	18.0	9 696	-1.7	17.2	476	72	405
2003-04	10 707	2.2	17.9	10 294	3.1	17.2	413	33	379
2004-05	11 343	3.5	18.5	11 029	4.7	17.9	314	125	189
2005-06	11 807	0.9	18.0	11 634	2.3	17.8	172	53	119
2006-07	12 321	1.7	17.5	12 175	2.0	17.3	147	173	- 26
2007-08	13 634	7.1	17.8	13 065	3.9	17.0	569	303	266
2008-09	14 360	2.0	18.0	14 567	8.0	18.3	- 207	1 249	-1 456