

2002-03 BUDGET PAPER No. 1

**BUDGET STRATEGY  
AND OUTLOOK  
2002-03**

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FOR THE INFORMATION OF HONOURABLE MEMBERS  
ON THE OCCASION OF THE BUDGET 2002-03  
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# GUIDE TO THE 2002-03 BUDGET PAPERS

<p><b>Budget Paper No. 1</b></p> <p><b>Budget Strategy and Outlook 2002-03</b></p> <p>Budget Paper No. 1 is comprised of 13 Statements.</p>	<p><b>Statement 7</b></p> <ul style="list-style-type: none"> <li>▪ Details of the Commonwealth's budget funding programme.</li> <li>▪ Debt issue and conversion programmes.</li> </ul>
<p><b>Statement 1</b></p> <ul style="list-style-type: none"> <li>▪ Overview of budget and economic forecasts.</li> <li>▪ Discussion of the Government's medium-term fiscal strategy.</li> <li>▪ The Government's key Budget priorities.</li> </ul>	<p><b>Statement 8</b></p> <ul style="list-style-type: none"> <li>▪ Trends in the finances of the Commonwealth, State and Local levels of government.</li> <li>▪ Size and structure of the Australian public sector.</li> </ul>
<p><b>Statement 2</b></p> <ul style="list-style-type: none"> <li>▪ Changes to the budget estimates since the 2001-02 <i>Mid-Year Economic and Fiscal Outlook (MYEFO)</i>.</li> <li>▪ Summary of revenue, expenses, net debt and net worth estimates.</li> <li>▪ Budget financial statements.</li> </ul>	<p><b>Statement 9</b></p> <ul style="list-style-type: none"> <li>▪ Analysis of the sensitivity of the budget estimates to changes in key economic parameters.</li> <li>▪ Statement of financial risks.</li> </ul>
<p><b>Statement 3</b></p> <ul style="list-style-type: none"> <li>▪ Economic developments since MYEFO.</li> <li>▪ The outlook for the domestic and international economies.</li> <li>▪ Revised economic parameter forecasts.</li> </ul>	<p><b>Statement 10</b></p> <ul style="list-style-type: none"> <li>▪ Discussion of budget accounting standards.</li> <li>▪ Explanation of major budget aggregates and concepts.</li> </ul>
<p><b>Statement 4</b></p> <ul style="list-style-type: none"> <li>▪ An improving and less volatile terms of trade.</li> <li>▪ History of Australia's terms of trade over the 20th century.</li> <li>▪ Key drivers of the terms of trade, including the international experience.</li> <li>▪ Implications for the current account deficit.</li> </ul>	<p><b>Statement 11</b></p> <ul style="list-style-type: none"> <li>▪ Government Finance Statistics financial statements for Commonwealth government sectors.</li> </ul>
<p><b>Statement 5</b></p> <ul style="list-style-type: none"> <li>▪ Developments in taxation and non-taxation revenue since MYEFO.</li> <li>▪ Forward estimates of revenue.</li> <li>▪ Summary of revenue policy measures.</li> <li>▪ Revenue statistics.</li> </ul>	<p><b>Statement 12</b></p> <ul style="list-style-type: none"> <li>▪ Australian Accounting Standard financial statements for the Commonwealth general government sector.</li> <li>▪ Notes to the accounting standard financial statements.</li> <li>▪ Additional Commonwealth Government agency statistics.</li> </ul>
<p><b>Statement 6</b></p> <ul style="list-style-type: none"> <li>▪ Developments in expenses and net capital investment since MYEFO.</li> <li>▪ Forward estimates of expenses and net capital investment, presented by government function.</li> <li>▪ Summary of expenses and net capital investment policy decisions.</li> <li>▪ Expenses statistics.</li> </ul>	<p><b>Statement 13</b></p> <p>Historical data for the Commonwealth's key fiscal aggregates.</p>

# GUIDE TO THE 2002-03 BUDGET PAPERS

## Budget Paper No. 2

### Budget Measures

Provides a comprehensive statement on the budget expense, revenue and capital measures in the 2002-03 Budget.

## Budget Paper No. 3

### Federal Financial Relations

Provides information on the Commonwealth's financial relations with the State, Territory and Local Governments.

## Budget Paper No. 4

### Agency Resourcing

Contains information on resourcing for Commonwealth agencies (including the Appropriation Bills Nos. 1 and 2 and the Appropriation (Parliamentary Departments) Bill No.1).

## Budget Paper No. 5

### Intergenerational Report

An assessment of the long-term sustainability of government finances over the next 40 years.

## Budget Speech

A transcript of the Treasurer's budget speech.

## Budget Overview

An overview of the 2002-03 Budget, providing summary information on the Government's:

- current and forecast budget position;
- economic forecasts; and
- budget priorities and strategy.

## Budget Related Papers

### Portfolio Budget Statements

Detailed information on the expected financial position of each Commonwealth government agency.

## Intergenerational Report In brief

An overview of the Intergenerational Report.

## Internet

The Commonwealth budget papers and budget related information are available on the central Budget website at: [www.budget.gov.au](http://www.budget.gov.au)

2002-2003  
BUDGET

## NOTES

- (a) The following definitions are used in this Budget Paper:
- 'real' means adjusted for the effect of inflation;
  - real growth in expenses is measured by the non-farm Gross Domestic Product deflator;
  - Budget year refers to 2002-03, while the forward years refer to 2003-04, 2004-05 and 2005-06; and
  - one billion is equal to one thousand million.
- (b) Figures in tables and generally in the text have been rounded. Discrepancies in tables between totals and sums of components are due to rounding:
- estimates under \$100,000 are rounded to the nearest thousand;
  - estimates \$100,000 and over are generally rounded to the nearest tenth of a million;
  - estimates midway between rounding points are rounded up; and
  - the percentage changes in statistical tables are calculated using unrounded data.
- (c) For the budget balance, a negative sign indicates a deficit while no sign indicates a surplus.
- (d) The following notations are used:
- |         |                                  |
|---------|----------------------------------|
| NEC/nec | not elsewhere classified         |
| AEST    | Australian Eastern Standard Time |
| -       | nil                              |
| ..      | not zero, but rounded to zero    |
| na      | not available                    |
| nfp     | not for publication              |
| \$m     | \$ million                       |

- (e) References to the 'States' or 'each State' include the Territories, because from 1993-94 onwards, general purpose funding has been on the same basis for all jurisdictions. The Australian Capital Territory and the Northern Territory are referred to as 'the Territories'. The following abbreviations are used for the names of the States, where appropriate:

NSW	New South Wales
VIC/Vic	Victoria
QLD/Qld	Queensland
WA	Western Australia
SA	South Australia
TAS/Tas	Tasmania
ACT	Australian Capital Territory
NT	Northern Territory

*Budget Strategy and Outlook 2002-03* is one of a series of Budget Papers, the purpose of which is to provide information supplementary to that in the Budget Speech. A guide to the series is printed on pages iii and iv of this Paper.

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