

STATEMENT 8: TRENDS IN PUBLIC SECTOR FINANCES

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STATEMENT 8: TRENDS IN PUBLIC SECTOR FINANCES

This Statement examines trends in finances for the Commonwealth and State/local levels of government and the consolidated public sector and, therefore, provides a broader context in which to consider developments in the Commonwealth's Budget.

Part I: Overview

The information in this Statement is consistent with the Australian Bureau of Statistics (ABS) Government Finance Statistics (GFS) reporting framework for the public sector.

Data are presented both by level of government and institutional sector. 'Level of government' refers to the distinction between the Commonwealth and State/local governments. When combined, the Commonwealth and State/local governments and universities are referred to as the 'consolidated public sector'. Institutional sectors – that is, general government, public non-financial corporations (PNFCs) and the non-financial public sector – are outlined in Figure 1 and *Statement 10, External Reporting Standards and Budget Concepts*.

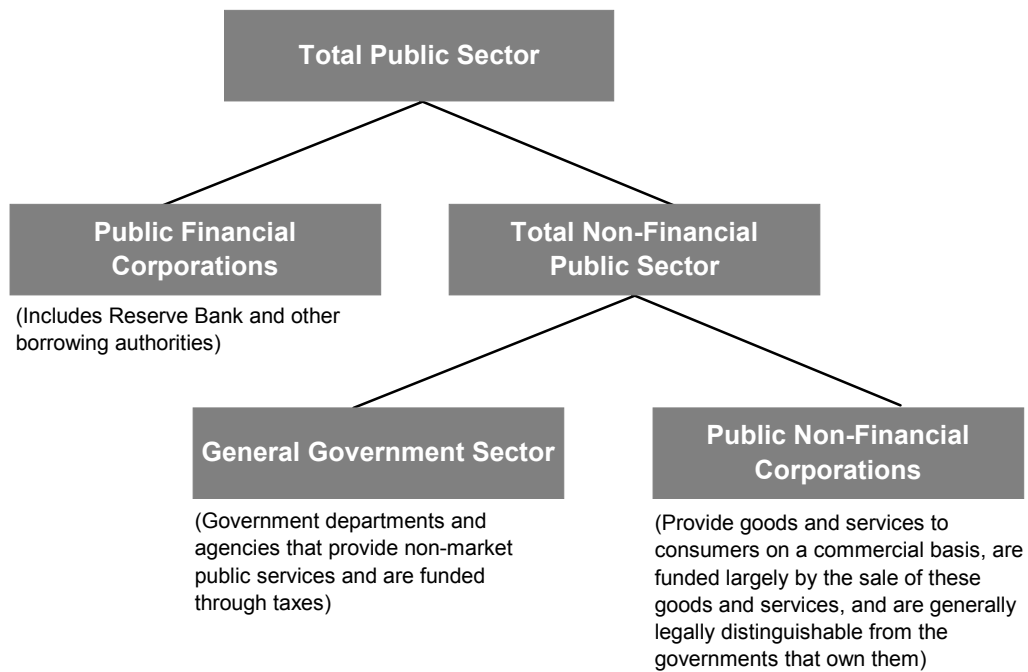
Commonwealth, State and Territory governments present common fiscal information in their budget reports as required by the *Accrual Uniform Presentation Framework* (UPF), agreed by the Australian Loan Council in March 2000. The majority of States and Territories now report on an accrual UPF basis, while Tasmania and the Northern Territory are expected to make the transition from cash UPF reporting in their 2002-03 budgets.

The Commonwealth revenue, receipts, expenses and payments measures included in this Statement differ from ABS GFS measures by treating goods and services tax (GST) collections by the Australian Taxation Office (ATO) as State tax revenue rather than Commonwealth tax revenue paid to the States as grants. This approach reflects the clear policy intent of the *Intergovernmental Agreement on the Reform of Commonwealth-State Financial Arrangements*, which is that the GST is a State tax collected by the Commonwealth in an agency capacity. The Commonwealth has no discretion over the expenditure of GST collections, as all revenue is passed to the States. However, because the GST is levied by the Commonwealth for constitutional reasons, the ABS regards it as Commonwealth revenue. The Commonwealth accrual UPF tables presented in *Statement 11, Government Finance Statistics Statements* are consistent with the ABS GFS standards, including the classification of GST revenue.

This Statement addresses recent trends in Commonwealth and State/local accrual measures (revenue, expenses and fiscal balance), cash measures (receipts, payments and cash surplus), and balance sheet measures (net debt, net worth and net interest payments). These measures are discussed in greater detail in *Statement 10, External Reporting Standards and Budget Concepts*.

Appendix A of this Statement outlines the size and structure of the non-financial public sector, including the relative contributions of the Commonwealth and State/local governments. Appendix B provides Commonwealth and State/local historical data on receipts, payments, cash surplus, net interest payments and net debt.

Figure 1: Institutional structure of the Public Sector



Part II: Fiscal balance

This section examines fiscal balance data for the Commonwealth and State/local non-financial public sectors, including medium term projections for the Commonwealth general government sector.

Data

As not all States and Territories have made the transition to accrual accounting, fiscal balance data for the consolidated public non-financial corporations and non-financial public sector are currently available for the period 1998-99 to 2001-02, while consolidated general government data is available to 2002-03. Tables 1, 2 and 3 show general government, public non-financial corporations and non-financial public fiscal balance data by level of government respectively.

Trends

The Commonwealth general government fiscal balance is expected to move from a deficit of 0.4 per cent of gross domestic product (GDP) in 2001-02, to be in balance in 2002-03, and to return to surplus in 2003-04.

The State/local general government sector is expected to move from a minor deficit of 0.1 per cent of GDP in 2001-02 to be in balance in 2002-03 (although the latter estimate should be treated with some caution as the majority of States and Territories have yet to bring down their 2002-03 budgets).

The consolidated PNFC sector is expected to be in a fiscal surplus position in 2001-02. The decrease in consolidated PNFC revenue and expenses as a share of GDP in recent years is partly attributable to the privatisation of PNFCs by both the Commonwealth and State/local governments.

Table 1: General government fiscal balance by level of government (per cent of GDP)^(a)

	Commonwealth			State/local			Consolidated ^(b)		
	Revenue	Expenses	Fiscal balance ^(c)	Revenue	Expenses	Fiscal balance ^(c)	Revenue	Expenses	Fiscal balance ^(c)
1996-97	26.7	27.5	-0.8	na	na	na	na	na	na
1997-98	26.2	26.5	-0.4	na	na	na	na	na	na
1998-99	25.7	24.8	0.7	17.5	16.7	0.3	37.5	35.7	1.0
1999-2000	26.5	24.5	2.1	17.2	16.3	0.3	38.1	35.2	2.5
2000-01	24.0	23.3	0.9	17.0	16.6	-0.1	37.8	36.5	0.7
2001-02 ^(e)	23.0	23.5	-0.4	17.8	17.2	-0.1	37.1	37.0	-0.5
2002-03^(e)	22.6	22.7	0.0	17.1	16.6	0.0	36.6	36.1	0.0
2003-04 ^(p)	22.6	22.3	0.3	na	na	na	na	na	na
2004-05 ^(p)	22.5	21.9	0.6	na	na	na	na	na	na
2005-06 ^(p)	22.3	21.5	0.9	na	na	na	na	na	na

(a) Source: ABS Cat. No. 5512.0, State and Territory 2001-02 mid-year reports and Treasury estimates.

(b) Consolidated government includes Commonwealth and State/local governments and universities.

(c) The fiscal balance is equal to revenue less expenses less net capital investment. Net capital investment is not shown in this table.

(e) Estimates.

(p) Projections.

na Data not available.

Table 2: Public non-financial corporations fiscal balance by level of government (per cent of GDP)^(a)

	Commonwealth			State/local			Consolidated(b)		
	Revenue	Expenses	Fiscal balance(c)	Revenue	Expenses	Fiscal balance(c)	Revenue	Expenses	Fiscal balance(c)
1996-97	5.2	4.9	-0.1	na	na	na	na	na	na
1997-98	5.3	4.8	0.4	na	na	na	na	na	na
1998-99	4.7	4.4	-0.1	6.1	6.1	-0.5	10.8	10.6	-0.6
1999-2000	4.0	3.7	0.2	5.8	5.6	0.3	9.8	9.3	0.5
2000-01	3.8	3.7	-0.1	5.3	5.1	0.2	9.1	8.7	0.1
2001-02(e)	3.8	3.2	0.5	4.6	4.5	-0.3	8.4	7.7	0.2
2002-03(e)	3.6	3.0	0.5	na	na	na	na	na	na

(a) Source: ABS Cat. No. 5512.0, State and Territory 2001-02 mid-year reports and Treasury estimates.

(b) Consolidated government includes Commonwealth and State/local governments and universities.

(c) The fiscal balance is equal to revenue less expenses less net capital investment. Net capital investment is not shown in this table.

(e) Estimates.

na Data not available.

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Table 3: Non-financial public sector fiscal balance by level of government (per cent of GDP)^(a)

	Commonwealth			State/local			Consolidated(b)		
	Revenue	Expenses	Fiscal balance(c)	Revenue	Expenses	Fiscal balance(c)	Revenue	Expenses	Fiscal balance(c)
1996-97	na	na	-0.9	na	na	na	na	na	na
1997-98	na	na	0.1	na	na	na	na	na	na
1998-99	29.7	28.5	0.5	21.3	20.5	-0.1	45.3	43.3	0.4
1999-2000	29.9	27.5	2.3	21.1	19.9	0.7	45.4	41.8	3.0
2000-01	27.2	26.4	0.8	20.5	19.8	0.0	44.4	42.8	0.8
2001-02(e)	26.2	26.1	0.1	20.2	19.6	-0.4	42.8	42.0	-0.3
2002-03(e)	25.7	25.1	0.5	na	na	na	na	na	na

(a) Source: ABS Cat. No. 5512.0, State and Territory 2001-02 mid-year reports and Treasury estimates.

(b) Consolidated government includes Commonwealth and State/local governments and universities.

(c) The fiscal balance is equal to revenue less expenses less net capital investment. Net capital investment is not shown in this table.

(e) Estimates.

na Data not available.

Part III: Cash surplus

This section examines trends in Commonwealth and State/local cash measures of receipts, payments and cash surplus.

Data

Data are sourced from the ABS 2000-01 *Government Finance Statistics* (Cat. No. 5512.0) and jurisdictions' 2001-02 mid-year reports. For those jurisdictions that have moved to accrual budget reporting, cash surplus data from their cash flow statements are used. For these jurisdictions, cash receipts are proxied by receipts from operating activities and sales of non-financial assets, and payments are proxied by payments for operating activities, purchases of non-financial assets and acquisitions of assets under finance leases.

Following changes to the Australian National Accounts standards, the general government surplus measures in this Statement, from 1998-99, incorporate net payments by the Commonwealth general government sector in respect of accumulated PNFC superannuation liabilities. Payments prior to 1998-99 do not incorporate these payments.

Trends in total non-financial public sector

The general government sector comprises the majority of the non-financial public sector. The PNFC sector tends to be more important at the State/local level where most PNFCs are concentrated.

Chart 1 shows movements in the consolidated non-financial public sector surplus as a share of GDP, and the relative contributions of the general government and PNFC sectors. Data for the consolidated PNFCs and non-financial public sector are only available to 2001-02, while general government data is available to 2004-05.

Chart 1 illustrates that the non-financial public sector was generally in a deficit position during the late 1980s and most of the 1990s. The deficit peaked at 4.4 per cent of GDP in 1992-93 before moving into a surplus position in 1997-98. The deficit in 1998-99 is the result of one-off increases in State funding of superannuation liabilities.

Chart 1 also shows the declining importance of PNFCs to the non-financial public sector surplus, with the privatisation of government businesses since the late 1980s. The consolidated PNFC sector is close to balance in 2000-01 but is expected to move into deficit in 2001-02 (the latest year for which data is currently available for this sector).

Chart 1: Consolidated non-financial public sector cash surplus by sector

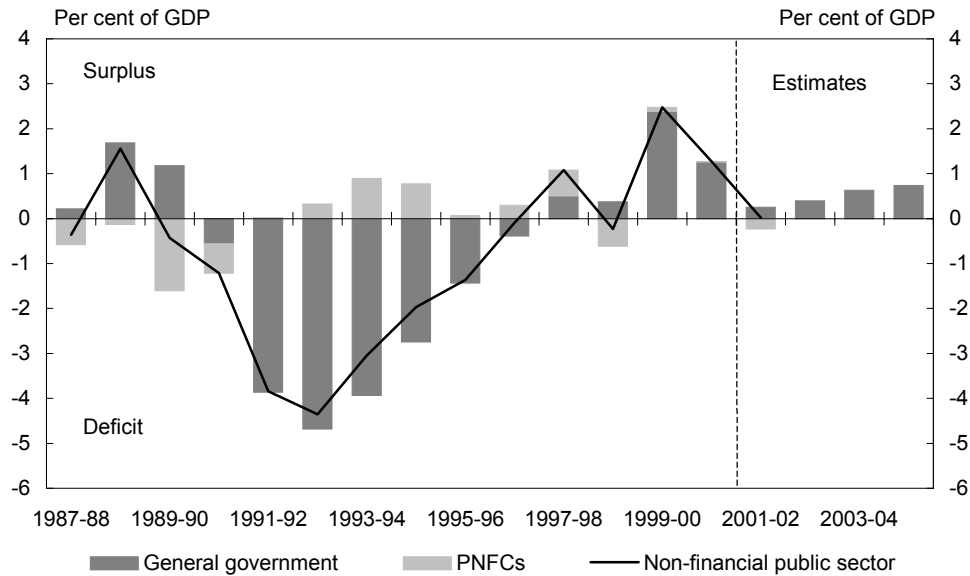
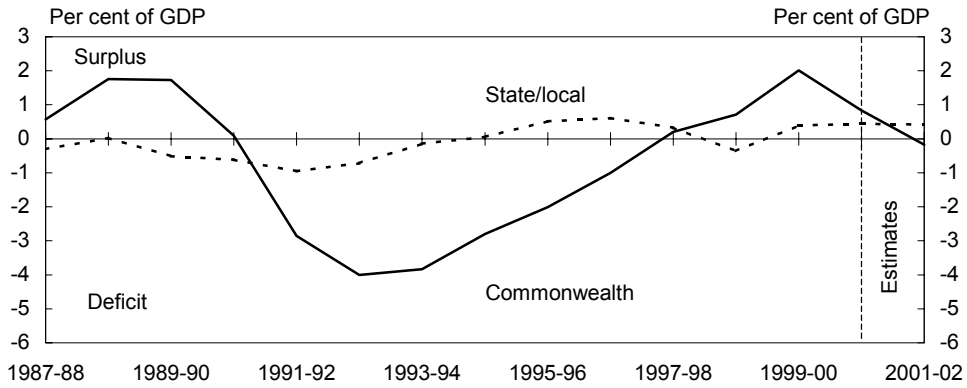


Chart 2 disaggregates by level of government the sectoral surpluses presented in Chart 1. It shows the large contribution of past Commonwealth general government cash deficits to the non-financial public sector cash deficit. It also illustrates the improvement in the Commonwealth general government sector balance since 1992-93.

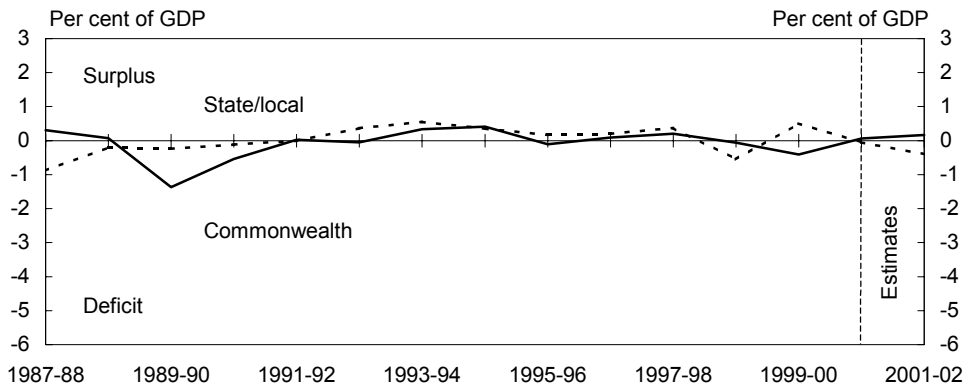
Chart 2 also shows that the State/local general government sector fell into deficit in 1998-99, primarily because several jurisdictions took steps to fund previously unfunded superannuation liabilities in the year.

Chart 2: Cash surplus by sector and level of government

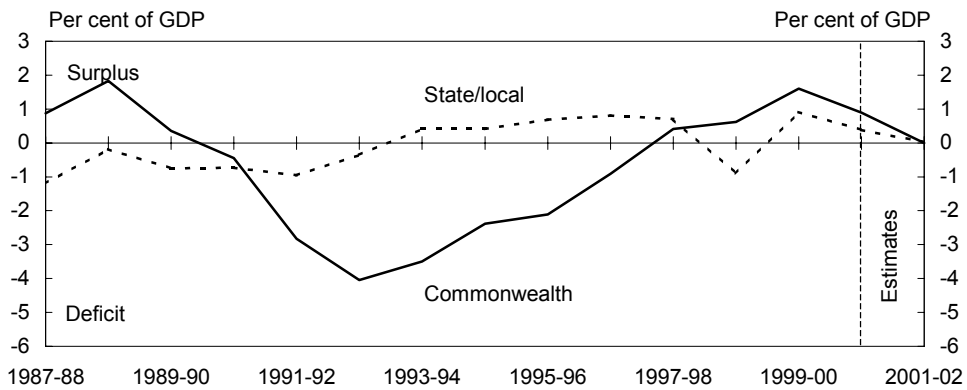
A: General government



B: Public non-financial corporations



C: Non-financial public sector



Trends in general government sector

Due to its size, the general government sector is the appropriate focus for an assessment of public sector receipts and payments. It is also the sector through which governments primarily affect the level of private sector activity.

Chart 3 shows trends in general government cash receipts and payments at the Commonwealth and State/local levels to 2001-02. Panel A shows the counter cyclical relationship between Commonwealth receipts and cash payments. During economic downturns, such as in the early 1990s, transfer payments rise and taxation receipts fall, with the reverse happening during periods of strong economic growth. However, during the cyclical upturn following the early 1990s, Commonwealth payments were maintained at a high level of GDP while the low inflation environment depressed the growth in receipts, resulting in significant deficits.

As shown in Panel A of Chart 2, the Commonwealth general government sector has been in surplus from 1997-98, however a minor cash deficit of 0.2 per cent of GDP is expected in 2001-02. Commonwealth receipts and payments estimates in Chart 3 are net of GST revenue, and show a decline in 2000-01 with the introduction of *The New Tax System*.

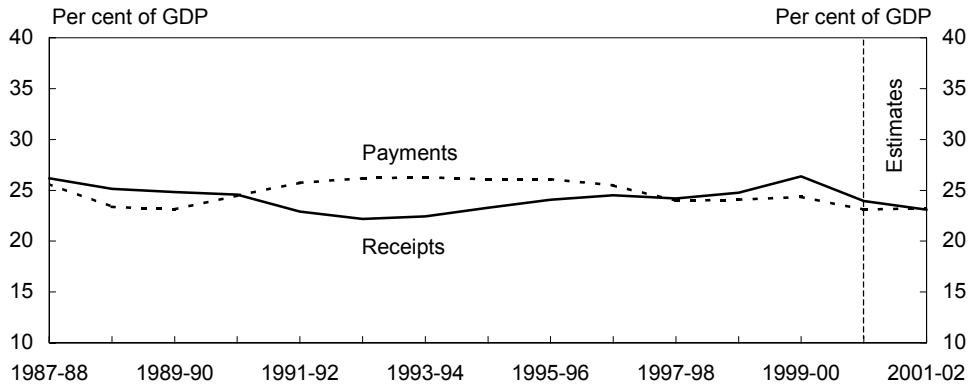
State/local governments predominantly provide payments in the form of services (such as health and education) rather than income support, and are less sensitive to the economic cycle than Commonwealth finances. Panel A of Chart 2 shows the sustained improvement in State/local general government balances over the period 1991-92 to 1996-97, from a deficit of 1.0 per cent of GDP to a cash surplus of 0.6 per cent of GDP. As shown in Panel B of Chart 3, this improvement largely reflected payments' restraint, helped by lower debt servicing charges, with State/local receipts broadly stable as a share of GDP.

In 1998-99 the State/local general government sector recorded a cash deficit of 0.4 per cent of GDP. This reflected the allocation by New South Wales and Victoria of an additional \$3.3 billion and \$2.6 billion, respectively, to meeting their unfunded superannuation liabilities. These augmented superannuation contributions increased the States' levels of current expenditure (and thus decreased their budget surpluses for the year) by a corresponding amount.

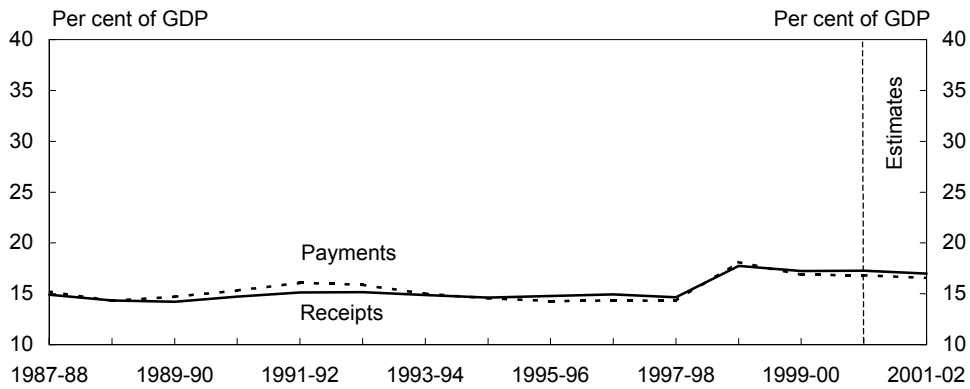
The State/local general government sector is expected to be in surplus in 2001-02.

Chart 3: General government receipts and payments by level of government

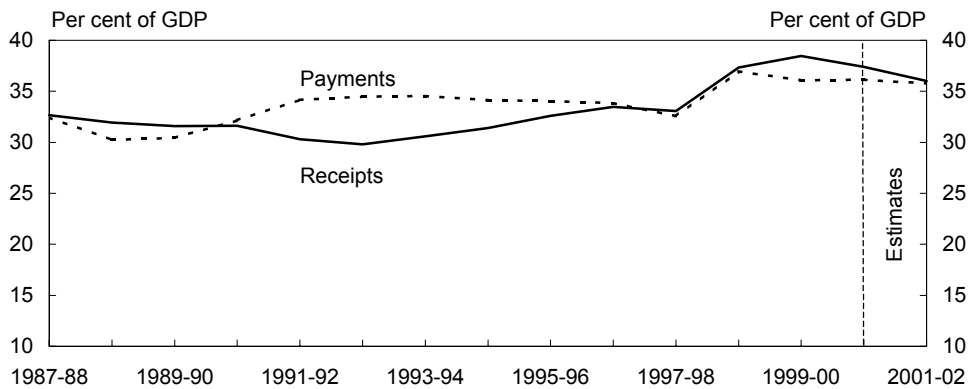
A: Commonwealth



B: State/local



C: Consolidated general government^(a)



(a) Consolidated government includes Commonwealth and State/local governments and universities.

Trends in public non-financial corporations

The PNFC sector is an important provider of economic infrastructure and contributes significant revenue to the general government sector, mainly in the form of dividends. State/local governments account for the majority of total PNFC sector payments, reflecting State responsibility for infrastructure and service provision in areas such as electricity, gas, water and public transport.

During the 1980s the PNFC sector incurred significant deficits, with associated growth in debt levels and interest costs. However, since the late 1980s, there has been greater emphasis on PNFC operating efficiency, profitability and market orientation and governments have re-evaluated the appropriateness of continued public ownership of many business enterprises.

PNFC privatisations over the last decade have occurred in two main sectors – electricity and gas (such as Victoria's and South Australia's electricity assets), and transport and communications (such as the partial sale of Telstra). Proceeds of asset sales have largely been used to reduce, or contain the growth of, government net debt, resulting in ongoing savings in public debt interest.

As shown in Chart 1 of this Statement, the PNFC sector has maintained a cash surplus position through much of the 1990s. Following small surpluses in 1999-2000 and 2000-01, the sector is projected to return to deficit in 2001-02, mainly due to relatively large deficits in the New South Wales and Queensland PNFC sectors.

Part IV: Net debt and net worth

NET DEBT

Data

In this section, net debt data are sourced from the ABS 1998 *Public Sector Financial Assets and Liabilities* (ABS Cat. No. 5513.0), the ABS *Government Finance Estimates* (ABS Cat. No. 5501.0), the ABS 2000-01 *Government Finance Statistics* (ABS Cat. No. 5512.0) and Commonwealth Final Budget Outcomes. Net debt numbers from 2001-02 are derived from jurisdictions' 2001-02 mid-year reports and Treasury estimates.

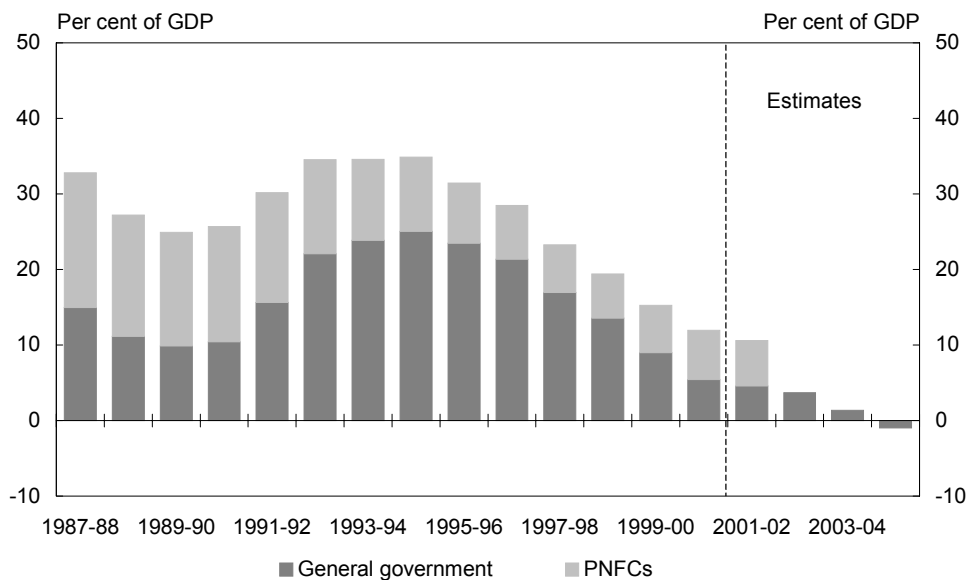
Trends

Chart 4 shows non-financial public sector net debt as a percentage of GDP, and the respective contributions of the general government and PNFC sectors since the late 1980s. Data for the consolidated public non-financial corporations and non-financial public sector are only available to 2001-02, while general government data is available to 2005-06 (general government data for 2001-02 to 2005-06 is provided in Table B4 in Appendix B).

Looking at Charts 1 and 4 together indicates the broad relationship between cash deficits and net debt levels. The financing of Commonwealth cash deficits resulted in a substantial increase in general government net debt as a share of GDP over the early 1990s. Chart 4 also shows the decline in PNFC sector net debt as a share of GDP since the late 1980s, reflecting lower levels of capital expenditure, improved efficiency and privatisations. This decline moderated the increase in non-financial public sector net debt as a share of GDP in the first half of the 1990s.

The subsequent improvement in non-financial public sector net debt mainly reflects lower net borrowing requirements for the Commonwealth and the application of privatisation proceeds to debt retirement at both the Commonwealth and State/local levels.

Chart 4: Consolidated government non-financial public sector net debt by sector (as at end of financial year)



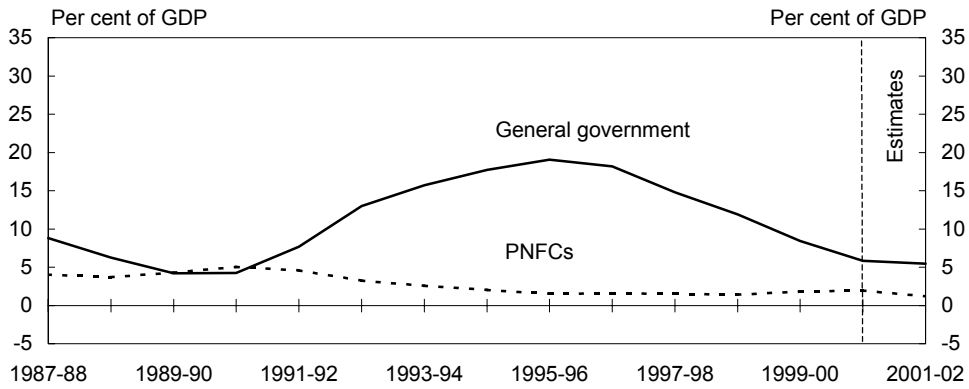
General government net debt as a share of GDP is expected to decline further over the estimates period. Consolidated non-financial public sector net debt is estimated to be 10.6 per cent of GDP in 2001-02, compared with the most recent peak of 34.9 per cent in 1994-95.

Chart 5 shows trends in net debt by sector and level of government. Most Commonwealth net debt is held by the general government sector whereas almost all State/local net debt is held in the PNFC sector.

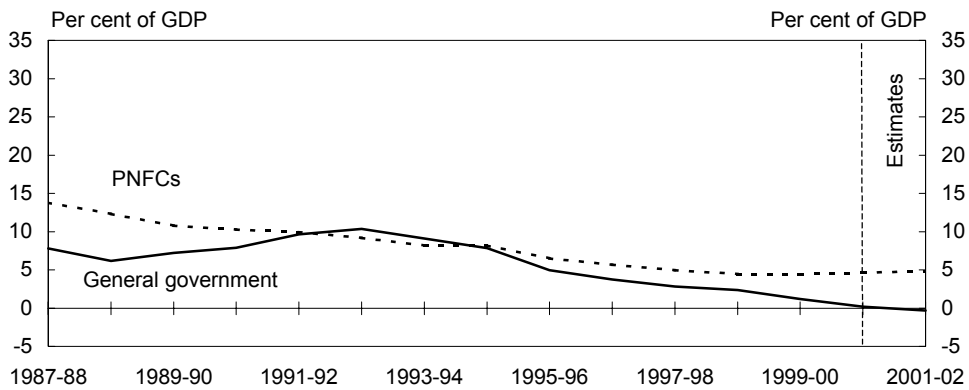
As shown in Panel A of Chart 5, Commonwealth general government net debt as a share of GDP grew from low levels in the late 1980s to a peak of 19.1 per cent in 1995-96. Successive cash surpluses and asset sales (most notably the partial sale of Telstra) have reduced Commonwealth general government sector net debt to an expected 5.5 per cent of GDP in 2001-02.

Chart 5: Non-financial public sector net debt by level of government and sector (as at end of financial year)

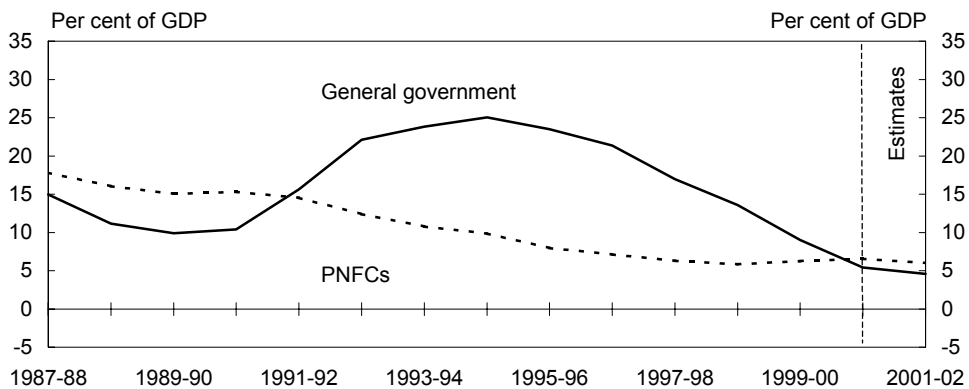
A: Commonwealth



B: State/local



C: Consolidated non-financial public sector^(a)



(a) Consolidated government includes Commonwealth and State/local governments and universities.

In contrast, State/local general government net debt grew only modestly in the early 1990s, and has since declined from a peak of 10.3 per cent in 1992-93 to around -0.3 per cent in 2001-02, as shown in Panel B. This improvement within the State/local general government sector reflects both the impact of asset sales, and fiscal consolidation during the second half of the 1990s. However, some individual States continue to face substantial net debt burdens (see *Budget Paper No. 3 – Federal Financial Relations* for more information).

NET WORTH

Data

As there are unresolved methodological issues involved in consolidating non-financial public sector data and with some jurisdictions yet to make the transition to accrual accounting, this section presents only consolidated general government net worth data to 2002-03. Table 4 shows general government net worth data by level of government.

Trends

The State/local general government sector has an estimated positive net worth of 57.9 per cent of GDP in 2002-03. The Commonwealth general government sector has historically recorded negative net worth. This difference primarily reflects the significant funding provided by the Commonwealth to the States for capital works, with the resultant assets recorded in the States' balance sheets.

Table 4: General government net worth by level of government (as at end of financial year)^(a)

	Commonwealth		State/local		Consolidated ^(b)	
	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP
1996-97	-74,354	-14.0	na	na	na	na
1997-98	-68,544	-12.2	na	na	na	na
1998-99	-76,150	-12.9	364,147	61.6	306,061	51.7
1999-2000	-36,130	-5.7	391,033	62.1	373,969	59.4
2000-01	-41,210	-6.1	405,579	60.3	384,295	57.2
2001-02(e)	-42,491	-6.0	418,326	58.9	396,887	55.9
2002-03(e)	-43,641	-5.8	433,946	57.9	412,542	55.0
2003-04(p)	-42,451	-5.3	na	na	na	na
2004-05(p)	-38,987	-4.6	na	na	na	na
2005-06(p)	-32,832	-3.7	na	na	na	na

(a) Source: ABS Cat. No. 5512.0, State and Territory 2001-02 mid-year reports and Treasury estimates.

(b) Consolidated government includes Commonwealth and State/local governments and universities.

(e) Estimates.

(p) Projections.

na Data not available.

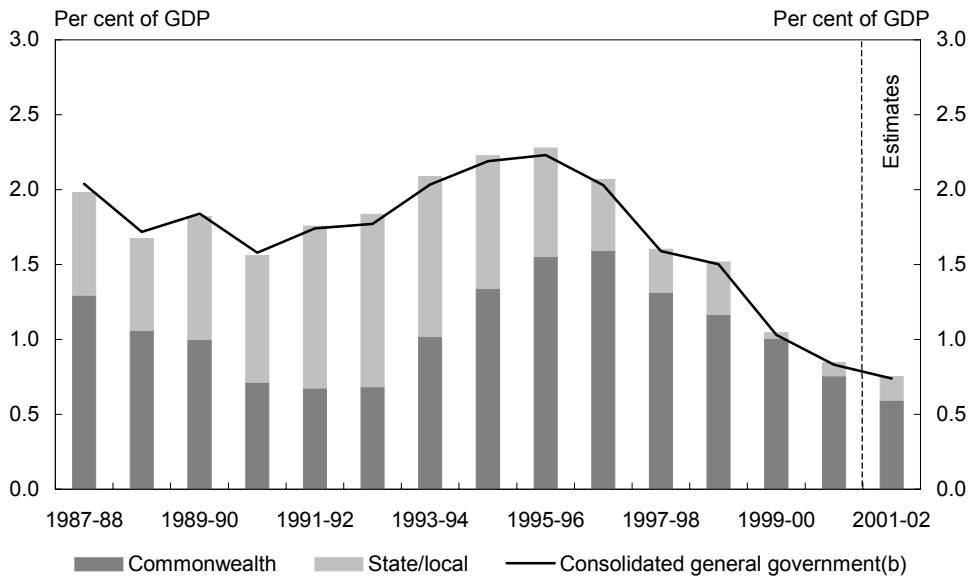
NET INTEREST PAYMENTS

Trends

Chart 6 shows the trend in general government net interest payments by level of government. Total general government net interest payments peaked in 1995-96 at 2.2 per cent of GDP due to the increased level of Commonwealth general government net debt. Net interest payments have since decreased to an expected 0.7 per cent in 2001-02 due to lower interest rates and reduced Commonwealth and State/local general government net debt.

The contribution of the PNFC sector to non-financial public sector net interest payments has decreased significantly in recent years, as reduced capital payments, improved PNFC performance and privatisations have reduced PNFC sector net debt as a share of GDP.

Chart 6: General government net interest payments^(a)

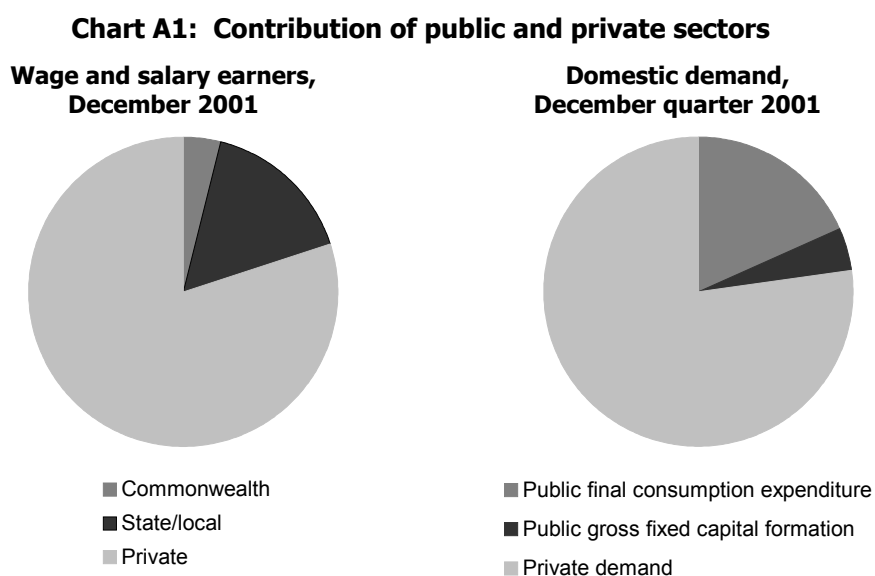


(a) Source: ABS Cat. No. 5512.0 and Treasury estimates.

(b) Consolidated government includes Commonwealth and State/local governments and universities.

Appendix A: Size and structure of the public sector

This Appendix provides an overview of the size and structure of Australia's public sector to assist in interpreting the trends discussed elsewhere in this statement.



Source: ABS Cat. No. 6248.0.

As shown in Chart A1, the public sector directly accounts for around 20 per cent of wage and salary earners and 23 per cent of final domestic demand.¹ The State/local level accounts for 81 per cent of total public sector wage and salary earners and 16 per cent of total wage and salary earners, reflecting its major responsibilities for service delivery in the areas of education, health, transport, and public order and safety.

There are significant differences in the roles and responsibilities of the two main levels of government. Major Commonwealth expenses include transfer payments in relation to social security, welfare and health and defence expenditure. The Commonwealth also has an important role in funding education and health services provided by the States and the private sector.

¹ Transfer payments by the Commonwealth – for example, income support – are not included in public final demand.

Appendix B: Non-financial public sector — supplementary cash tables

Table B1: Consolidated cash receipts, payments and cash surplus by institutional sector as a percentage of GDP^{(a)(c)}

	General government ^(b)			Public non-financial corporations			Non-financial public sector		
	Receipts	Payments	Cash surplus	Receipts	Payments	Cash surplus	Receipts	Payments	Cash surplus
1987-88	32.7	32.4	0.2	4.0	5.9	-0.6	35.6	37.2	-0.4
1988-89	31.9	30.3	1.7	3.8	5.4	-0.1	34.8	34.7	1.6
1989-90	31.6	30.4	1.2	3.7	6.7	-1.6	34.2	36.0	-0.4
1990-91	31.6	32.2	-0.6	3.8	5.9	-0.7	34.2	36.8	-1.2
1991-92	30.3	34.2	-3.9	3.6	5.5	0.0	32.5	38.2	-3.8
1992-93	29.8	34.5	-4.7	3.6	5.0	0.3	32.0	38.2	-4.4
1993-94	30.6	34.5	-3.9	3.8	4.4	0.9	32.8	37.3	-3.0
1994-95	31.4	34.1	-2.7	3.4	4.5	0.8	33.3	37.2	-2.0
1995-96	32.6	34.0	-1.4	3.0	4.5	0.1	33.9	36.9	-1.4
1996-97	33.5	33.9	-0.4	3.1	4.2	0.3	34.4	35.9	-0.1
1997-98	33.1	32.6	0.5	3.0	3.7	0.6	34.4	34.7	1.1
1998-99	37.3	37.0	0.4	na	na	-0.6	na	na	-0.2
1999-00	38.5	36.1	2.4	na	na	0.1	na	na	2.5
2000-01	37.4	36.1	1.3	na	na	0.0	na	na	1.3
2001-02 ^(e)	36.0	35.8	0.3	na	na	-0.2	na	na	0.0
2002-03^(e)	35.5	35.1	0.4	na	na	na	na	na	na
2003-04 ^(p)	35.0	34.3	0.6	na	na	na	na	na	na
2004-05 ^(p)	34.5	33.8	0.7	na	na	na	na	na	na

(a) Source: ABS Cat. No. 5512.0, State and Territory 2001-02 mid-year reports and Treasury estimates.

(b) Following recent changes to the Australian National Accounts standards, the general government surplus measures in this table, from 1998-99 onwards, incorporate payments by the Commonwealth general government sector in respect of accumulated PNFC superannuation liabilities. Prior to 1998-99 these payments are not incorporated.

(c) Between 1997-98 and 1999-00 there is a structural shift in the series as jurisdictions moved from a cash to an accrual reporting framework. Due to associated methodological and data-source changes, time series data which encompasses measures derived under both cash and accrual accounting should be used with caution.

(e) Estimates.

(p) Projections.

na Data not available.

Table B2: Non-financial public sector cash surplus by level of government as a percentage of GDP^(a)

	Commonwealth	State/local	Consolidated ^(b)
1987-88	0.9	-1.2	-0.4
1988-89	1.8	-0.2	1.6
1989-90	0.4	-0.8	-0.4
1990-91	-0.4	-0.7	-1.2
1991-92	-2.8	-1.0	-3.8
1992-93	-4.0	-0.4	-4.4
1993-94	-3.5	0.4	-3.0
1994-95	-2.4	0.4	-2.0
1995-96	-2.1	0.7	-1.4
1996-97	-0.9	0.8	-0.1
1997-98	0.4	0.7	1.1
1998-99	0.6	-0.9	-0.2
1999-00	1.6	0.9	2.5
2000-01	0.9	0.4	1.3
2001-02 ^(e)	0.0	0.0	0.0
2002-03^(e)	0.5	na	na

(a) Source: ABS Cat. No. 5512.0, State and Territory 2001-02 mid-year reports and Treasury estimates.

(b) Consolidated government includes Commonwealth and State/local governments and universities.

(e) Estimates.

na Data not available.

Table B3: General government net interest payments by level of government^(a)

	Commonwealth		State/local	
	\$m	Per cent of GDP	\$m	Per cent of GDP
1972-73	-266	-0.6	449	1.0
1973-74	-306	-0.5	451	0.8
1974-75	-267	-0.4	474	0.7
1975-76	-389	-0.5	526	0.7
1976-77	-161	-0.2	555	0.6
1977-78	-106	-0.1	582	0.6
1978-79	126	0.1	609	0.5
1979-80	290	0.2	634	0.5
1980-81	444	0.3	801	0.5
1981-82	475	0.3	785	0.5
1982-83	654	0.4	1,034	0.6
1983-84	1,327	0.7	1,347	0.7
1984-85	2,462	1.1	1,405	0.6
1985-86	3,626	1.5	1,159	0.5
1986-87	4,387	1.6	1,493	0.5
1987-88	4,019	1.3	2,127	0.7
1988-89	3,722	1.1	2,158	0.6
1989-90	3,848	1.0	3,153	0.8
1990-91	2,834	0.7	3,364	0.8
1991-92	2,739	0.7	4,397	1.1
1992-93	2,912	0.7	4,901	1.2
1993-94	4,549	1.0	4,771	1.1
1994-95	6,310	1.3	4,182	0.9
1995-96	7,812	1.6	3,636	0.7
1996-97	8,449	1.6	2,515	0.5
1997-98	7,381	1.3	1,617	0.3
1998-99	6,901	1.2	2,077	0.4
1999-00	6,326	1.0	248	0.0
2000-01	5,082	0.8	598	0.1
2001-02(e)	4,212	0.6	1,130	0.2
2002-03(e)	3,748	0.5	na	na
2003-04(p)	3,259	0.4	na	na
2004-05(p)	2,279	0.3	na	na
2005-06(p)	2,588	0.3	na	na

(a) Source: ABS Cat. No. 5512.0, State and Territory 2001-02 mid-year reports and Treasury estimates.

(e) Estimates.

(p) Projections.

na Data not available.

Table B4: Non-financial public sector net debt^(a)

	General government						PNFCs		Non-financial public sector	
	Commonwealth		State/local		Consolidated(b)		Consolidated(b)		Consolidated(b)	
	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP
1987-88	27,359	8.8	24,201	7.8	46,410	15.0	55,293	17.8	101,703	32.8
1988-89	21,982	6.3	21,683	6.2	39,232	11.2	56,363	16.0	95,595	27.2
1989-90	16,121	4.2	27,672	7.2	37,989	9.9	57,794	15.0	95,783	24.9
1990-91	16,936	4.3	31,322	7.9	41,380	10.4	60,745	15.3	102,125	25.7
1991-92	31,132	7.7	39,167	9.6	63,525	15.6	59,011	14.5	122,536	30.2
1992-93	55,218	13.0	44,020	10.3	94,048	22.1	52,878	12.4	146,926	34.5
1993-94	70,223	15.7	40,693	9.1	106,439	23.8	48,021	10.8	154,460	34.6
1994-95	83,492	17.7	37,039	7.9	117,973	25.0	46,482	9.9	164,455	34.9
1995-96	95,831	19.1	24,981	5.0	118,053	23.5	40,135	8.0	158,188	31.5
1996-97	96,281	18.2	19,757	3.7	113,236	21.4	37,748	7.1	150,984	28.5
1997-98	82,935	14.8	15,937	2.8	95,122	16.9	35,371	6.3	130,493	23.3
1998-99	70,402	11.9	13,902	2.3	80,327	13.6	34,434	5.8	114,761	19.4
1999-00	53,106	8.4	7,519	1.2	56,624	9.0	39,335	6.3	95,959	15.3
2000-01	39,258	5.8	1,155	0.2	36,365	5.4	43,903	6.5	80,268	11.9
2001-02(e)	38,845	5.5	-2,293	-0.3	32,469	4.6	42,716	6.0	75,185	10.6
2002-03(e)	34,474	4.6	-2,561	-0.3	27,793	3.7	na	na	na	na
2003-04(p)	18,964	2.4	-4,056	-0.5	10,750	1.4	na	na	na	na
2004-05(p)	1,759	0.2	-5,794	-0.7	-8,235	-1.0	na	na	na	na
2005-06(p)	-18,857	-2.1	na	na	na	na	na	na	na	na

(a) Source: ABS Cat. No. 5513.0, 5512.0, State and Territory 2001-02 mid-year reports and Treasury estimates.

(b) Consolidated government includes Commonwealth and State/local governments and universities.

(e) Estimates.

(p) Projections.

na Data not available.

