

## **Chapter 10:**

# **GOVERNMENT FINANCE STATISTICS AND UNIFORM REPORTING FRAMEWORK**

**10.1 Introduction**

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## 10.1 INTRODUCTION

This chapter<sup>1</sup> presents financial aggregates for the General Government and Public Trading Enterprise Sectors according to internationally recognised statistical standards and in accordance with a revised uniform reporting framework agreed at the 1997 Premiers' Conference. The new, enhanced reporting arrangements involve, among other things, the provision of 4 year forward estimates for the General Government Sector.

The financial aggregates presented in this Budget Paper serve a number of purposes including -

- allowing interstate comparisons on a consistent basis;
- facilitating time series comparisons since they are relatively unaffected by changes in public sector administrative structures; and
- permitting an assessment of the impact of NSW public sector transactions on the economy by providing data classified by economic type.

Outlay and revenue data presented in this Chapter are provided on two separate bases. Section 10.3 provides information which excludes selected Commonwealth payments which pass through the State's accounts. While the exclusion of these payments is considered to provide a fairer representation of State finances, Section 10.4 provides information on a standard ABS basis in accordance with the requirements of the 1997 Premiers' Conference agreement. It should be noted that Treasury Corporation has recently been reclassified by the ABS as a Public Financial Enterprise (PFE) and is therefore now excluded from all statistics in this Chapter. The PFE sector will only be included in actual statistics produced after the end of the financial year.

Section 10.5 presents estimates of the State's Loan Council Allocation (LCA) for 1997-98 and 1998-99.

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<sup>1</sup> New South Wales Treasury acknowledges the assistance of the Sydney and Canberra offices of the Australian Bureau of Statistics in the preparation of this Chapter.

## **10.2 CLASSIFICATION FRAMEWORK**

### **Introduction**

The economic type classification adopted in this Budget Paper closely follows international conventions as outlined in the ABS publication, "Government Finance Statistics Australia - Concepts, Sources and Methods, 1994", Catalogue Number 5514.0.

### **Classification of Public Sector Entities**

Public sector entities in New South Wales can be classified as General Government Enterprises (GGEs), Public Trading Enterprises (PTEs) or Public Financial Enterprises (PFEs).

GGEs consist of those public sector entities which provide, in the main, goods and services outside the market mechanism as well as providing for the transfer of income for public policy purposes. The major form of financing of these goods and services is by taxation, imposed by the State or by the Commonwealth and subsequently on passed to the State. In New South Wales most government departments and a number of statutory authorities (for example Sydney Cove Authority) fit into this category.

In contrast, PTEs charge for services provided and hence have a broadly commercial orientation. They do not, however, necessarily operate in competitive markets. While PTEs are not required to be fully self funding, a substantial portion of their costs must be met by user charges. The PTE sector in New South Wales includes Pacific Power, Sydney Water Corporation and the State Rail Authority.

PFEs are the third category of authorities in the ABS framework. Treasury Corporation is the major entity in New South Wales operating in this sector. PFEs are not included in this Chapter as data is only published on an "actuals" basis for this sector.

### **Economic Type Classification**

Transactions of public entities can be placed into one of four major economic categories, these categories being subdivided into approximately 150 groups. The four major categories are current outlays, capital outlays, revenue and grants received and financing transactions.

### **Current Outlays**

Current outlays consist of final consumption expenditure and current transfer payments.

Final consumption expenditure is recorded only for the general government sector. This is due to the convention of valuing the services produced by general government on the basis of the costs incurred in providing these services, less any revenues from sales. In effect, the general government sector is treated as both a producer and a consumer of publicly provided goods and services on behalf of the community. For other sectors of the economy, consumption expenditure is allocated to the end user. In the case of the public trading enterprise sector, net receipts from the purchases and sales of goods and services are classified within the revenue and grants received category. The placement of these transactions in this category reflects these authorities being considered producers of goods and services, with consumption of these services recorded in the private sector.

Transfer payments cover transactions such as interest payments, subsidies, personal benefit payments and grants. In these cases there is no exchange of ownership of goods and services. While transfer payments are a very important part of Commonwealth Government current outlays, this is not the case at the State level.

### **Capital Outlays**

Capital outlays can be divided into capital expenditure and capital transfer payments.

Capital expenditure represents expenditure on durable goods intended to be employed in the production process and providing services for longer than one year, net purchases of land and intangible assets and increases in stocks. The sale of fixed assets is offset against expenditure.

Capital transfer payments are mainly in the form of grants. Prior to this Budget capital transfer payments also included net advances paid. However, the Australian Bureau of Statistics has now reclassified net advances paid to financing activities.

### **Revenue and Grants Received**

Within the revenue and grants category, an important distinction needs to be made between taxes, fees and fines and other forms of revenue.

Taxes are compulsory levies imposed by government in order to raise general revenue. As such, there is no linkage between the payment of tax and the provision of goods and services. Taxes should be distinguished from user charges in which there is a clear linkage between the provision of goods and services and the payment of the charge. Examples of user charges include electricity, water and public transport charges.

A major sub-category within revenue and grants received is the net operating surplus of public trading enterprises. It should be noted that interest paid is classified as a current outlay while interest received is classified to its own sub-category within revenue and grants received. As interest paid generally exceeds interest received, the net operating surplus of public trading enterprises is substantially higher than the operating surplus recorded by the authorities concerned in their annual reports. Furthermore subsidies received by public trading enterprises are recorded in this publication as operating revenue.

## **Financing Transactions**

In contrast to outlays and revenue, which can be termed 'above the line' items, financing transactions involve changes in financial assets and liabilities and, as such, can be considered 'below the line' items. Total financing transactions is defined as current and capital outlays less revenue and grants received.

Within this Budget Paper financing transactions have been divided into four categories -

- net advances received;
- net advances paid;
- net borrowings;
- increases in provisions; and
- other financing transactions.

The deficit is defined as the difference between outlays and revenues after deducting any increases in provisions. It represents the call on savings by the public sector (including the call on the savings of the Commonwealth).

Within the deficit a distinction can be made between that part which results from current outlays and revenues and that part which results from capital outlays and revenues. The operating deficit is calculated as current outlays less both current revenues and increases in provisions. The capital deficit is calculated as capital outlays less capital revenues (including Commonwealth capital grants).

## **10.3 DETAILED GOVERNMENT FINANCE STATISTICS RESULTS ON A TREASURY BASIS**

### **TREASURY BASIS**

The standards applied to produce estimates of outlays and revenues in this section are the same as those used by the ABS in its Government Financial Estimates publication (Catalogue No. 5501.0), but with two exceptions -

- Commonwealth payments where the State acts merely as an agent; and
- premiums on loans.

### **Treatment of Certain Commonwealth Payments**

For certain Commonwealth payments (eg non-government schools and local government tax sharing and road funding), the State essentially acts as an agent of the Commonwealth.

Despite the fact that the State has no control over these payments and is not involved in any negotiations concerning them, GFS conventions require their inclusion in the State sector.

While the inclusion of these payments does not distort the underlying financial position, the growth in expenditure in these areas can be significantly different than for the remainder of the State sector.

In light of these considerations, certain Commonwealth grants classified as passing through (rather than to) the State in the Commonwealth Budget are excluded from the tables in section 10.3.

### **Loan Premiums**

Current ABS statistical standards require a premium on a loan to be classified as a negative interest payment in the year the loan is raised. New South Wales disagrees with this approach since it results in an asymmetric treatment with discounts on loans which are treated as a balloon interest payment on the maturity of the loan.

The position put by New South Wales can be illustrated by considering a par loan to be made up of two loans, one at a discount and one at a premium. Under the ABS approach the transactions recorded under GFS standards result in a difference in the timing of interest payments between the par loan and the combined premium-discount loan. To avoid this problem, New South Wales has proposed recording the premium as a negative interest payment in the final year of the loan.

While strict accordance with GFS standards requires the ABS approach to be adopted for the estimates in this section, the ABS has recognised the accounting difficulties of this approach. Given this, a compromise has been reached on this issue which involves all jurisdictions and the ABS departing from GFS principles on this matter.

## CONSERVATIVE BIAS IN PUBLIC TRADING ENTERPRISE RESULTS

There is evidence of a conservative bias in estimates of the PTE sector financial results. Table 10.1 indicates that the financial result of PTE sector has been conservatively forecast in each of the past 6 years. Given this, the actual result for this sector in 1998-99 may well be better than projected.

**Table 10.1: Comparison of Estimated and Actual Financial Results <sup>(1)</sup>**

|                        | Estimated <sup>(2)</sup><br>\$m | Actual<br>\$m         | Forecast Error<br>\$m |
|------------------------|---------------------------------|-----------------------|-----------------------|
| 1992-93                | 31                              | 448                   | 417                   |
| 1993-94                | 442                             | 442                   | ...                   |
| 1994-95                | (-) 41                          | 318                   | 359                   |
| 1995-96                | (-) 86                          | 495                   | 581                   |
| 1996-97 <sup>(3)</sup> | 465                             | 1,191                 | 726                   |
| 1997-98                | (-) 136                         | (-) 54 <sup>(4)</sup> | 82                    |

(1) A positive number represents a surplus.

(2) The estimated results have been adjusted for a number of reclassification changes.

(3) The 1996-97 outcome is affected by the decision to provide substantial increases in funding to the rail sector of around \$200 million.

(4) Revised estimate as at May 1998.

**DETAILED GOVERNMENT FINANCE STATISTICS ESTIMATES - 1993-94 TO 1998-99**  
**Table 10.2: General Government Sector - Outlays, Revenue and Financing Transactions**

| <b>ECONOMIC TYPE CLASSIFICATION</b>                     | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98<br>Revised | 1998-99<br>Estimate |
|---|---------|---------|---------|---------|--------------------|---------------------|
|   | \$m     | \$m     | \$m     | \$m     | \$m                | \$m                 |
| <b>Current Outlays</b>                                  | 17,330  | 18,112  | 18,621  | 20,073  | 21,290             | 21,845              |
| General government final consumption expenditure        | 12,372  | 13,210  | 13,922  | 15,180  | 15,875             | 16,731              |
| Current transfer payments                               | 4,958   | 4,902   | 4,699   | 4,894   | 5,414              | 5,114               |
| Interest payments                                       | 1,739   | 1,721   | 1,729   | 1,420   | 1,513              | 1,276               |
| - On Commonwealth advances                              | 507     | 463     | 381     | 328     | 266                | 109                 |
| - Other   | 1,232   | 1,258   | 1,348   | 1,092   | 1,247              | 1,167               |
| Subsidies paid to enterprises                           | 1,366   | 1,226   | 923     | 1,246   | 1,297              | 1,164               |
| - Subsidies paid to public trading enterprises          | 646     | 582     | 494     | 933     | 979                | 875                 |
| - Subsidies paid to other enterprises                   | 720     | 645     | 429     | 314     | 318                | 290                 |
| Personal benefit payments                               | 883     | 1,001   | 1,029   | 997     | 1,233              | 1,255               |
| Current grants to local government                      | 76      | 48      | 52      | 52      | 62                 | 77                  |
| Other current transfer payments                         | 893     | 906     | 966     | 1,178   | 1,309              | 1,342               |
| <b>Capital Outlays</b>                                  | 3,316   | 2,942   | 3,176   | 3,315   | 3,487              | 3,112               |
| Gross fixed capital expenditure                         | 1,991   | 2,087   | -4,410  | 2,233   | 2,479              | 2,242               |
| - Expenditure on new fixed assets                       | 2,021   | 2,039   | 1,952   | 2,362   | 2,631              | 2,649               |
| - Sales of fixed assets and previously rented dwellings | -30     | 48      | -6,362  | -129    | -152               | -406                |
| Increase in stocks                                      | 1       | 4       | 3       | ...     | ...                | ...                 |
| Expenditure on land and intangible assets               | 14      | -411    | -1,848  | 90      | -69                | -147                |
| - Purchase of land and intangible assets                | 155     | 130     | 112     | 139     | 151                | 194                 |
| - Sales of land and intangible assets                   | 141     | 541     | 1,960   | 50      | 221                | 341                 |
| Capital transfer payments                               | 1,310   | 1,262   | 9,431   | 992     | 1,077              | 1,016               |
| - Capital grants to local government                    | 157     | 132     | 8,181   | 147     | 186                | 210                 |
| - Capital grants to state public trading enterprises    | 1,086   | 1,052   | 1,151   | 743     | 722                | 674                 |
| - Other capital grants and transfer payments            | 67      | 77      | 98      | 103     | 169                | 131                 |

**Table 10.2: General Government Sector - Outlays, Revenue and Financing Transactions (cont)**

| <b>ECONOMIC TYPE CLASSIFICATION</b>               | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98        | 1998-99         |
|---|---------|---------|---------|---------|----------------|-----------------|
|   | \$m     | \$m     | \$m     | \$m     | Revised<br>\$m | Estimate<br>\$m |
| <b>Revenue and Grants Received</b>                | 19,741  | 20,456  | 21,646  | 23,478  | 24,361         | 25,001          |
| Taxes, fees and fines                             | 10,177  | 10,534  | 11,230  | 12,286  | 13,245         | 14,000          |
| Property income and other revenue                 | 1,845   | 2,004   | 2,157   | 2,610   | 2,429          | 2,251           |
| - Income from public trading enterprises          | 993     | 1,033   | 1,008   | 1,393   | 1,367          | 1,220           |
| - Income from public financial enterprises        | 71      | 25      | 67      | 48      | 61             | 29              |
| - Interest received                               | 323     | 461     | 555     | 577     | 413            | 389             |
| - Other property income and other current revenue | 448     | 464     | 509     | 585     | 581            | 603             |
| - Capital revenue                                 | 9       | 21      | 17      | 8       | 9              | 9               |
| Grants received                                   | 7,720   | 7,917   | 8,258   | 8,581   | 8,687          | 8,750           |
| - Current grants received                         | 6,419   | 6,890   | 7,339   | 7,503   | 7,684          | 7,962           |
| - From Commonwealth                               | 6,419   | 6,890   | 7,339   | 7,489   | 7,683          | 7,961           |
| - Other   | ...     | ...     | ...     | 14      | 1              | ...             |
| - Capital grants received                         | 1,301   | 1,027   | 919     | 1,078   | 1,003          | 789             |
| - From Commonwealth                               | 1,247   | 1,016   | 919     | 832     | 784            | 789             |
| - Other   | 54      | 12      | ...     | 246     | 219            | ...             |
| <b>Financing Transactions</b>                     | 904     | 596     | 150     | -90     | 416            | -45             |
| Net advances received                             | -394    | -673    | -388    | -458    | -1,699         | -445            |
| - From Commonwealth                               | -394    | -673    | -389    | -458    | -1,678         | -431            |
| - Other   | -1      | -1      | 1       | ...     | -20            | -14             |
| Net advances paid                                 | 333     | 527     | 1776    | 518     | 1,142          | -74             |
| Net domestic and overseas borrowings              | 1,273   | 851     | -887    | -103    | 612            | 377             |
| Other financing transactions                      | -308    | -108    | -351    | -47     | 361            | 97              |
| <b>Deficit (1)</b>                                | 904     | 596     | 150     | -90     | 416            | -45             |
| - Operating result                                | -1,101  | -1,297  | -2,089  | -2,319  | -2,060         | -2,358          |
| - Capital result                                  | 2,005   | 1,893   | 2,239   | 2,229   | 2,476          | 2,314           |

(1) Financing Transactions minus Increase in Provisions

(2) ... Nil or less than \$500,000

**DETAILED GOVERNMENT FINANCE STATISTICS ESTIMATES - 1993-94 TO 1998-99**

**Table 10.3: Public Trading Enterprise Sector - Outlays, Revenue and Financing Transactions**

| <b>ECONOMIC TYPE CLASSIFICATION</b>              | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98<br>Revised | 1998-99<br>Estimate |
|--|---------|---------|---------|---------|--------------------|---------------------|
|  | \$m     | \$m     | \$m     | \$m     | \$m                | \$m                 |
| <b>Current Outlays</b>                           | 2,143   | 2,144   | 2,075   | 2,461   | 2,331              | 2,050               |
| Current Transfer Payments                        | 2,143   | 2,144   | 2,075   | 2,461   | 2,331              | 2,050               |
| Interest payments                                | 1,013   | 965     | 922     | 942     | 895                | 818                 |
| Income transferred by public trading enterprises | 998     | 1,024   | 1,003   | 1,392   | 1,359              | 1,218               |
| Other current transfer payments                  | 132     | 154     | 149     | 127     | 77                 | 14                  |
| <b>Capital Outlays</b>                           | 2,438   | 2,453   | 2,072   | 1,212   | 1,956              | 1,989               |
| Gross fixed capital expenditure                  | 2,503   | 2,472   | 2,208   | 1,249   | 1,768              | 2,075               |
| - Expenditure on new fixed assets                | 2,652   | 2,671   | 2,401   | 1,942   | 2,027              | 2,389               |
| - Net expenditure on secondhand fixed assets     | -149    | -199    | -192    | -693    | -259               | -314                |
| Increase in stocks                               | 12      | 15      | -58     | -10     | 3                  | 43                  |
| Expenditure on land and intangible assets        | -152    | -70     | -105    | -283    | -39                | -132                |
| - Purchase of land and intangible assets         | 95      | 152     | 77      | 61      | 168                | 151                 |
| - Sales of land and intangible assets            | 247     | 222     | 182     | 344     | 207                | 283                 |
| Capital transfer payments                        | 75      | 36      | 27      | 257     | 223                | 2                   |
| - Capital grants to local government             | ...     | 4       | ...     | 10      | 5                  | 2                   |
| - Other capital grants and transfer payments     | 75      | 32      | 27      | 246     | 219                | ...                 |

**Table 10.3: Public Trading Enterprise Sector - Outlays, Revenue and Financing Transactions (cont)**

| ECONOMIC TYPE CLASSIFICATION                      | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98        | 1998-99         |
|---|---------|---------|---------|---------|----------------|-----------------|
|   | \$m     | \$m     | \$m     | \$m     | Revised<br>\$m | Estimate<br>\$m |
| <b>Revenue and Grants Received</b>                | 3,513   | 3,232   | 2,697   | 3,455   | 2,687          | 2,209           |
| Net operating surplus of PTEs                     | 2,086   | 1,593   | 1,173   | 2,387   | 1,631          | 1,294           |
| - Operating revenue                               | 12,472  | 12,377  | 12,180  | 13,766  | 13,193         | 12,464          |
| - Charges for goods and services                  | 11,824  | 11,807  | 11,685  | 12,841  | 12,207         | 11,584          |
| - Subsidies received                              | 648     | 570     | 495     | 925     | 986            | 880             |
| - Operating expenditure                           | 10,386  | 10,785  | 11,007  | 11,379  | 11,562         | 11,170          |
| - Depreciation charges                            | 1,682   | 1,868   | 1,753   | 1,418   | 1,474          | 1,494           |
| - Other operating expenditure                     | 8,704   | 8,917   | 9,254   | 9,961   | 10,088         | 9,676           |
| Property income and other revenue                 | 280     | 518     | 364     | 335     | 341            | 241             |
| - Interest received                               | 90      | 186     | 200     | 202     | 127            | 84              |
| - Other property income and other current revenue | 2       | 2       | 1       | 1       | ...            | ...             |
| - Capital revenue                                 | 188     | 330     | 162     | 133     | 214            | 158             |
| Grants received                                   | 1,147   | 1,122   | 1,160   | 733     | 715            | 674             |
| - Capital grants received                         | 1,147   | 1,122   | 1,160   | 733     | 715            | 674             |
| - From state general government sector            | 1,090   | 1,059   | 1,151   | 733     | 715            | 674             |
| - Other   | 57      | 64      | 10      | ...     | ...            | ...             |
| <b>Financing Transactions</b>                     | 1,068   | 1,365   | 1,450   | 219     | 1,600          | 1,830           |
| Net advances received                             | -123    | -5      | -1,698  | -345    | -188           | -25             |
| - From state general government sector            | -122    | -5      | -1,698  | -345    | -188           | -25             |
| - Other   | -1      | ...     | ...     | ...     | ...            | ...             |
| Net advances paid                                 | 1       | ...     | ...     | ...     | ...            | ...             |
| Net domestic and overseas borrowings              | -114    | -412    | 1,487   | -617    | -593           | -225            |
| Increase in provisions (net)                      | 1,510   | 1,683   | 1,945   | 1,409   | 1,546          | 1,799           |
| Other financing transactions                      | -207    | 99      | -284    | -228    | 835            | 280             |
| <b>Deficit <sup>(1)</sup></b>                     | -442    | -318    | -495    | -1,191  | 54             | 30              |
| - Operating Result                                | -1,545  | -1,319  | -1,245  | -1,537  | -974           | -1,127          |
| - Capital Result                                  | 1,103   | 1,001   | 750     | 347     | 1,027          | 1,157           |

(1) Financing Transactions minus Increase in Provisions

(2) ... Nil or less than \$500,000

**DETAILED GOVERNMENT FINANCE STATISTICS ESTIMATES - 1993-94 TO 1998-99**

**Table 10.4: Total Non Financial Sector - Outlays, Revenue and Financing Transactions**

| <b>ECONOMIC TYPE CLASSIFICATION</b>              | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98<br>Revised | 1998-99<br>Estimate |
|--|---------|---------|---------|---------|--------------------|---------------------|
|  | \$m     | \$m     | \$m     | \$m     | \$m                | \$m                 |
| <b>Current Outlays</b>                           | 18,389  | 19,149  | 19,611  | 21,068  | 22,195             | 22,611              |
| General government final consumption expenditure | 12,372  | 13,210  | 13,922  | 15,180  | 15,875             | 16,731              |
| Current transfer payments                        | 6,017   | 5,939   | 5,689   | 5,889   | 6,320              | 5,880               |
| Interest payments                                | 2,667   | 2,603   | 2,570   | 2,292   | 2,341              | 2,028               |
| - On Commonwealth advances                       | 507     | 463     | 381     | 328     | 266                | 109                 |
| - Other  | 2,159   | 2,140   | 2,188   | 1,965   | 2,075              | 1,920               |
| Subsidies paid to enterprises                    | 1,366   | 1,226   | 923     | 1,246   | 1,297              | 1,164               |
| Personal benefit payments                        | 883     | 1,001   | 1,029   | 997     | 1,233              | 1,255               |
| Current grants to local government               | 76      | 48      | 52      | 52      | 62                 | 77                  |
| Other current transfer payments                  | 1,025   | 1,060   | 1,115   | 1,301   | 1,386              | 1,356               |
| <b>Capital Outlays</b>                           | 4,616   | 4,332   | 4,095   | 3,537   | 4,503              | 4,426               |
| Gross fixed capital expenditure                  | 4,494   | 4,559   | -2,202  | 3,482   | 4,247              | 4,318               |
| - Expenditure on new fixed assets                | 4,673   | 4,710   | 4,353   | 4,304   | 4,658              | 5,038               |
| - Net expenditure on secondhand fixed assets     | -179    | -152    | -6,555  | -822    | -410               | -720                |
| Increase in stocks                               | 13      | 19      | -56     | -10     | 3                  | 43                  |
| Expenditure on land and intangible assets        | -138    | -481    | -1,953  | -194    | -108               | -279                |
| - Purchase of land and intangible assets         | 250     | 282     | 189     | 201     | 320                | 345                 |
| - Sales of land and intangible assets            | 388     | 764     | 2,142   | 395     | 427                | 624                 |
| Capital transfer payments                        | 247     | 235     | 8,306   | 260     | 360                | 344                 |
| - Capital grants to local government             | 157     | 136     | 8,181   | 157     | 191                | 212                 |
| - Other capital grants and transfer payments     | 90      | 98      | 125     | 103     | 169                | 131                 |

**Table 10.4: Total Non Financial Sector - Outlays, Revenue and Financing Transactions (cont)**

| ECONOMIC TYPE CLASSIFICATION                      | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98        | 1998-99         |
|---|---------|---------|---------|---------|----------------|-----------------|
|   | \$m     | \$m     | \$m     | \$m     | Revised<br>\$m | Estimate<br>\$m |
| <b>Revenue and Grants Received</b>                | 21,032  | 21,503  | 22,103  | 24,485  | 24,667         | 25,250          |
| Taxes, fees and fines                             | 10,177  | 10,534  | 11,230  | 12,286  | 13,245         | 14,000          |
| Net operating surplus                             | 2,086   | 1,593   | 1,173   | 2,387   | 1,631          | 1,294           |
| Property income and other revenue                 | 1,046   | 1,406   | 1,432   | 1,480   | 1,323          | 1,206           |
| - Income from public financial enterprises        | 71      | 25      | 67      | 48      | 61             | 29              |
| - Interest received                               | 328     | 564     | 675     | 712     | 475            | 408             |
| - Other property income and other current revenue | 450     | 466     | 511     | 580     | 565            | 602             |
| - Capital revenue                                 | 197     | 352     | 180     | 141     | 223            | 167             |
| Grants received                                   | 7,723   | 7,970   | 8,268   | 8,332   | 8,468          | 8,750           |
| - Current grants received                         | 6,419   | 6,890   | 7,339   | 7,501   | 7,684          | 7,962           |
| - From Commonwealth                               | 6,419   | 6,890   | 7,339   | 7,489   | 7,683          | 7,961           |
| - Other   | ...     | ...     | ...     | 11      | 1              | ...             |
| - Capital grants received                         | 1,305   | 1,080   | 929     | 831     | 784            | 789             |
| - From Commonwealth                               | 1,305   | 1,079   | 929     | 832     | 784            | 789             |
| - Other   | ...     | ...     | ...     | -1      | ...            | ...             |
| <b>Financing Transactions</b>                     | 1,973   | 1,978   | 1,603   | 120     | 2,030          | 1,787           |
| Net advances received                             | -394    | -673    | -389    | -458    | -1,699         | -445            |
| - From Commonwealth                               | -394    | -673    | -389    | -458    | -1,678         | -431            |
| - Other   | ...     | -1      | ...     | ...     | -20            | -14             |
| Net advances paid (net)                           | 210     | 522     | 75      | 173     | 956            | -99             |
| Net domestic and overseas borrowings              | 1,159   | 439     | 600     | -720    | 19             | 152             |
| Increase in provisions                            | 1,510   | 1,683   | 1,945   | 1,409   | 1,546          | 1,799           |
| Other financing transactions                      | -513    | 6       | -628    | -284    | 1,206          | 379             |
| <b>Deficit<sup>(1)</sup></b>                      | 463     | 295     | -342    | -1,289  | 484            | -13             |
| - Operating result                                | -2,651  | -2,605  | -3,328  | -3,854  | -3,012         | -3,483          |
| - Capital Result                                  | 3,114   | 2,900   | 2,986   | 2,565   | 3,496          | 3,470           |

(1) Financing Transactions minus Increase in Provisions

(2) ... Nil or less than \$500,000

## 10.4 UNIFORM REPORTING FRAMEWORK REQUIREMENTS

In accordance with the revised Uniform Reporting Framework agreed by the 1997 Premiers' Conference, Tables 10.5 through to 10.11 of this Section provide estimates on a comparable basis to that published by the ABS.

**Table 10.5: General Government Sector - Outlays, Revenue and Financing Transactions (ABS basis)**

|  | 1997-98<br>Revised<br>\$m | 1998-99<br>Estimated<br>\$m | 1999-00<br>Estimated<br>\$m | 2000-01<br>Estimated<br>\$m | 2001-02<br>Estimated<br>\$m |
|--|---------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>Current Outlays</b>                   |                           |                             |                             |                             |                             |
| Final Consumption Expenditure            | 15,875                    | 16,731                      | 17,206                      | 17,984                      | 18,357                      |
| Interest Payments                        | 1,513                     | 1,276                       | 1,300                       | 1,116                       | 1,035                       |
| Subsidies Paid to PTEs and PFEs          | 979                       | 875                         | 818                         | 793                         | 782                         |
| Current Grants                           | 2,304                     | 2,420                       | 2,449                       | 2,533                       | 2,595                       |
| Other Current Payments                   | 1,634                     | 1,582                       | 1,552                       | 1,564                       | 1,582                       |
| <b>Total Current Outlays</b>             | <b>22,304</b>             | <b>22,883</b>               | <b>23,324</b>               | <b>23,991</b>               | <b>24,350</b>               |
| <b>Capital Outlays</b>                   |                           |                             |                             |                             |                             |
| Gross Capital Expenditure                | 2,479                     | 2,242                       | 2,515                       | 2,377                       | 2,373                       |
| New Fixed Capital Expenditure            | 2,631                     | 2,649                       | 2,557                       | 2,451                       | 2,419                       |
| Expenditure on Secondhand Assets (net)   | -152                      | -406                        | -42                         | -75                         | -46                         |
| Capital Grants                           | 1,111                     | 1,050                       | 997                         | 1,042                       | 1,003                       |
| Other Capital Outlays                    | -69                       | -147                        | -236                        | -24                         | -54                         |
| <b>Total Capital Outlays</b>             | <b>3,521</b>              | <b>3,146</b>                | <b>3,275</b>                | <b>3,394</b>                | <b>3,322</b>                |
| <b>Total Outlays</b>                     | <b>25,826</b>             | <b>26,029</b>               | <b>26,600</b>               | <b>27,385</b>               | <b>27,672</b>               |
| <b>Revenue</b>                           |                           |                             |                             |                             |                             |
| Taxes, Fees and Fines                    | 13,245                    | 14,000                      | 14,375                      | 15,108                      | 15,586                      |
| Interest Received                        | 413                       | 389                         | 398                         | 407                         | 418                         |
| Grants Received                          | 9,772                     | 9,852                       | 10,232                      | 10,565                      | 10,871                      |
| Dividends Received from PTEs and PFEs    | 1,391                     | 1,221                       | 1,208                       | 1,130                       | 1,119                       |
| Other Revenue                            | 589                       | 612                         | 601                         | 625                         | 630                         |
| <b>Total Revenue and Grants Received</b> | <b>25,409</b>             | <b>26,073</b>               | <b>26,814</b>               | <b>27,835</b>               | <b>28,624</b>               |
| <b>Financing Transactions</b>            |                           |                             |                             |                             |                             |
| Net Advances Received                    | -1,699                    | -445                        | -633                        | -610                        | -132                        |
| Net Advance Paid                         | 1,142                     | -74                         | -4                          | 35                          | 73                          |
| Net Domestic and Overseas Borrowings     | 612                       | 377                         | 544                         | 596                         | -50                         |
| Increase in Provisions (net)             | -                         | -                           | -                           | -                           | -                           |
| Other Financing Transactions             | 361                       | 97                          | -122                        | -471                        | -843                        |
| <b>Total Financing Transactions</b>      | <b>416</b>                | <b>-45</b>                  | <b>-215</b>                 | <b>-450</b>                 | <b>-952</b>                 |
| less Increase in Provisions              |                           |                             |                             |                             |                             |
| <b>Deficit</b>                           | <b>416</b>                | <b>-45</b>                  | <b>-215</b>                 | <b>-450</b>                 | <b>-952</b>                 |

|                 |        |        |        |       |       |
|-----------------|--------|--------|--------|-------|-------|
| <b>Net Debt</b> | 10,202 | 10,225 | 10,040 | 9,581 | 8,595 |
|-----------------|--------|--------|--------|-------|-------|

**Table 10.6: Public Trading Enterprises - Outlays, Revenue and Financing Transactions (ABS basis)**

|  | 1997-98<br>Revised<br>\$m | 1998-99<br>Estimated<br>\$m |
|--|---------------------------|-----------------------------|
| <b>Current Outlays</b>                   |                           |                             |
| Interest Payments                        | 895                       | 818                         |
| Other Current Payments                   | 1,436                     | 1,232                       |
| <b>Total Current Outlays</b>             | <b>2,331</b>              | <b>2,050</b>                |
| <b>Capital Outlays</b>                   |                           |                             |
| Gross Capital Expenditure                | 1,768                     | 2,075                       |
| New Fixed Capital Expenditure            | 2,027                     | 2,389                       |
| Expenditure on Secondhand Assets (net)   | -259                      | -314                        |
| Capital Grants                           | 223                       | 2                           |
| Other Capital Outlays                    | -35                       | -89                         |
| <b>Total Capital Outlays</b>             | <b>1,956</b>              | <b>1,989</b>                |
| <b>Total Outlays</b>                     | <b>4,287</b>              | <b>4,038</b>                |
| <b>Revenue</b>                           |                           |                             |
| Net Operating Surplus of PTEs            | 1,631                     | 1,294                       |
| Interest Received                        | 127                       | 84                          |
| Grants Received                          | 715                       | 674                         |
| Other Revenue                            | 214                       | 158                         |
| <b>Total Revenue and Grants Received</b> | <b>2,687</b>              | <b>2,209</b>                |
| <b>Financing Transactions</b>            |                           |                             |
| Net Advances Received                    | -188                      | -25                         |
| Net Advances Paid                        | ...                       | ...                         |
| Net Domestic and Overseas Borrowings     | -593                      | -225                        |
| Increase in Provisions (net)             | 1,546                     | 1,799                       |
| Other Financing Transactions             | 835                       | 280                         |
| <b>Total Financing Transactions</b>      | <b>1,600</b>              | <b>1,830</b>                |
| less Increase in Provisions (net)        | 1,546                     | 1,799                       |
| <b>Deficit</b>                           | <b>54</b>                 | <b>30</b>                   |
| <b>Net Debt</b>                          | <b>7,815</b>              | <b>7,879</b>                |

**Table 10.7: Total Non Financial Public Sector - Outlays, Revenue and Financing Transactions (ABS basis)**

|  | 1997-98<br>Revised<br>\$m | 1998-99<br>Estimated<br>\$m |
|--|---------------------------|-----------------------------|
| <b>Current Outlays</b>                   |                           |                             |
| Final Consumption Expenditure            | 15,875                    | 16,731                      |
| Interest Payments                        | 2,341                     | 2,028                       |
| Current Grants                           | 2,381                     | 2,434                       |
| Other Current Payments                   | 2,613                     | 2,456                       |
| <b>Total Current Outlays</b>             | <b>23,209</b>             | <b>23,649</b>               |
| <b>Capital Outlays</b>                   |                           |                             |
| Gross Capital Expenditure                | 4,247                     | 4,318                       |
| New Fixed Capital Expenditure            | 4,658                     | 5,038                       |
| Expenditure on Secondhand Assets (net)   | -410                      | -720                        |
| Capital Grants                           | 394                       | 378                         |
| Other Capital Outlays                    | -104                      | -236                        |
| <b>Total Capital Outlays</b>             | <b>4,537</b>              | <b>4,460</b>                |
| <b>Total Outlays</b>                     | <b>27,746</b>             | <b>28,109</b>               |
| <b>Revenue</b>                           |                           |                             |
| Taxes, Fees and Fines                    | 13,245                    | 14,000                      |
| Net Operating Surplus of PTEs            | 1,631                     | 1,294                       |
| Interest Received                        | 475                       | 408                         |
| Grants Received                          | 9,553                     | 9,852                       |
| Other Revenue                            | 812                       | 769                         |
| <b>Total Revenue and Grants Received</b> | <b>25,716</b>             | <b>26,322</b>               |
| <b>Financing Transactions</b>            |                           |                             |
| Net Advances Received                    | -1,699                    | -445                        |
| Net Advances Paid                        | 956                       | -99                         |
| Net Domestic and Overseas Borrowings     | 19                        | 152                         |
| Increase in Provisions (net)             | 1,546                     | 1,799                       |
| Other Financing Transactions             | 1,208                     | 380                         |
| <b>Total Financing Transactions</b>      | <b>2,030</b>              | <b>1,787</b>                |
| less Increase in Provisions (net)        | 1,546                     | 1,799                       |
| <b>Deficit</b>                           | <b>484</b>                | <b>-13</b>                  |
| <b>Net Debt</b>                          | <b>18,017</b>             | <b>18,104</b>               |

**Table 10.8: Total Non-Financial Sector Current Outlays by Function**

| FUNCTION                                   | 1997-98<br>Revised<br>\$m | 1998-99<br>Estimated<br>\$m |
|--|---------------------------|-----------------------------|
| General Public Services                    | 1,787                     | 1,583                       |
| Public Order and Safety                    | 2,087                     | 2,082                       |
| Education                                  | 6,091                     | 6,453                       |
| Health                                     | 5,118                     | 5,349                       |
| Social Security and Welfare                | 1,716                     | 1,780                       |
| Housing and Community Amenities            | 517                       | 529                         |
| Recreation and Culture                     | 470                       | 447                         |
| Fuel and Energy                            | 70                        | 63                          |
| Agriculture, Forestry, Fishing and Hunting | 360                       | 368                         |
| Mining Manufacturing and Construction      | 49                        | 57                          |
| Transport and Communication                | 1,742                     | 1,691                       |
| Other Economic Affairs                     | 476                       | 449                         |
| Other Purposes                             | 2,729                     | 2,799                       |
| <b>Total Current Outlays</b>               | <b>23,209</b>             | <b>23,649</b>               |

**Table 10.9: Total Non-Financial Sector Capital Outlays by Function**

| FUNCTION                                      | 1997-98<br>Revised<br>\$m | 1998-99<br>Estimated<br>\$m |
|---|---------------------------|-----------------------------|
| General Public Services                       | 8                         | 56                          |
| Public Order and Safety                       | 171                       | 230                         |
| Education                                     | 290                       | 324                         |
| Health  | 410                       | 287                         |
| Social Security and Welfare                   | 68                        | 19                          |
| Housing and Community amenities               | 723                       | 731                         |
| Recreation and Culture                        | 746                       | 484                         |
| Fuel and Energy                               | 437                       | 645                         |
| Agriculture, Forestry and Fishing and Hunting | 74                        | 76                          |
| Mining, Manufacturing and Construction        | 5                         | 3                           |
| Transport and Communications                  | 1,629                     | 1,654                       |
| Other Economic Affairs                        | 12                        | -14                         |
| Other Purposes                                | -37                       | -35                         |
| <b>Total Capital Outlays</b>                  | <b>4,537</b>              | <b>4,460</b>                |

**Table 10.10: Total Non-Financial Public Sector Total Outlays by Function**

| FUNCTION                               | 1997-98<br>Revised<br>\$m | 1998-99<br>Estimated<br>\$m |
|--|---------------------------|-----------------------------|
| General Public Services                | 1,796                     | 1,639                       |
| Public Order and Safety                | 2,258                     | 2,312                       |
| Education                              | 6,381                     | 6,777                       |
| Health                                 | 5,528                     | 5,636                       |
| Social Security and Welfare            | 1,784                     | 1,799                       |
| Housing and Community amenities        | 1,239                     | 1,260                       |
| Recreation and Culture                 | 1,216                     | 931                         |
| Fuel and Energy                        | 507                       | 708                         |
| Agriculture, Forestry and Fishing      | 434                       | 443                         |
| Mining, Manufacturing and Construction | 53                        | 60                          |
| Transport and Communication            | 3,370                     | 3,345                       |
| Other Economic Affairs                 | 488                       | 435                         |
| Other Purposes                         | 2,692                     | 2,765                       |
| <b>Total Outlays</b>                   | <b>27,746</b>             | <b>28,109</b>               |

**Table 10.11: Taxes, Fees and Fines**

| TAXES, FEES AND FINES CLASSIFICATION                        | 1997-98<br>Revised<br>\$m | 1998-99<br>Estimated<br>\$m |
|---|---------------------------|-----------------------------|
| Payroll Tax   | 3,392                     | 3,621                       |
| Taxes on Property   | 4,135                     | 4,017                       |
| Land Tax  | 839                       | 945                         |
| Stamp Duties on Financial and Capital Transactions          | 2,399                     | 2,159                       |
| Financial Institutions Transaction Taxes                    | 878                       | 893                         |
| Other   | 19                        | 19                          |
| Taxes on Provision of Goods and Services                    | 2,108                     | 2,252                       |
| Excises and Levies  | 34                        | 25                          |
| Taxes on Gambling   | 1,337                     | 1,440                       |
| Taxes on Insurance  | 737                       | 787                         |
| Taxes on the Use of Goods and the Performance of Activities | 3,016                     | 3,526                       |
| Motor Vehicle Taxes   | 1,351                     | 1,411                       |
| Franchise Taxes   | 1,500                     | 1,882                       |
| Other   | 165                       | 233                         |
| Fees  | 406                       | 373                         |
| Fines   | 187                       | 211                         |
| <b>Total Taxes, Fees and Fines</b>                          | <b>13,245</b>             | <b>14,000</b>               |

## 10.5 LOAN COUNCIL REPORTING REQUIREMENTS

Table 10.12 presents estimates of the State's Loan Council Allocation (LCA) for 1997-98 and 1998-99.

As confirmed at the 1997 Loan Council meeting, States are to report their full contingent exposure to infrastructure projects with private sector involvement. Exposure is to be measured by the government's termination liabilities and disclosed as a footnote to, rather than a component of, LCAs.

Overall, there is a negative Loan Council Allocation requirement of \$1,295 million for New South Wales for 1998-99.

**Table 10.12: Loan Council Allocation Estimates**

|  | 1997-98<br>Current<br>Estimate | 1998-99<br>Bid | 1998-99<br>Budget<br>Estimate |
|--|--------------------------------|----------------|-------------------------------|
|  | \$m                            | \$m            | \$m                           |
| <b>Non Financial Public Sector<br/>Deficit(+)/Surplus(-)</b>       | 484                            | -195           | -13                           |
| <b>Memorandum Items</b>  |                                |                |                               |
| • Operating Leases   | 66                             | 16             | 10                            |
| • University Borrowings <sup>(1)</sup>                             | 10                             | 10             | 10                            |
| • Recourse asset sales   | ...                            | ...            | ...                           |
| • Local government financing<br>requirement                        | 226                            | 226            | 226                           |
| • Superannuation   | -1,207                         | -1,425         | -1,425                        |
| • Net financing requirement for statutory<br>marketing authorities | ...                            | ...            | ...                           |
| • Home Finance Schemes   | -230                           | -110           | -103                          |
| <b>Loan Council Allocation</b>                                     | <b>-651</b>                    | <b>-1,478</b>  | <b>-1,295</b>                 |

(1) Universities have been reclassified to a multi jurisdictional sector by the Australian Bureau of Statistics and therefore do not form part of the State's Non Financial Sector deficit result.

## PRIVATE SECTOR INFRASTRUCTURE PROJECTS

### 1997-98

#### Randwick Hospital Car Park

The contract for Randwick Hospital Car Park was signed late in June 1997, too late to be reported in the normal Budget Paper No 6 presentation. For completeness of reporting it is included with the items for which contracts were signed in 1997-98.

The private sector has been invited to build, own and operate and transfer back (BOOT) a 271 space multi story car park on the Randwick Campus of the South Eastern Sydney Area Health Service (SESAHS) over a licence period of 20 years. The preferred proponent has been offered the management of car parking for the whole campus for the term of the licence. The total cost of the project is \$23.4 million, of which \$4.15 million is for the construction of new car park spaces.

The developer will pay \$18.5 million to SESAHS as an upfront licence fee payment for the exclusive right to operate the 2150 car parking spaces including the 271 new spaces. In addition, the developer proposes to share revenue with SESAHS on the basis of 35% of revenue in excess of the base revenue of \$6.2 million, indexed.

The project will be 100% debt funded by the developer. Assuming a worst case view of operator default, Treasury has estimated the termination liability to be \$18.5 million.

|                                 |                |
|---------------------------------|----------------|
| Government Contingent Liability | \$18.5 million |
|---------------------------------|----------------|

#### Eastern Distributor

The consortium Airport Motorway Limited was selected for the financing, design, construction, operation and maintenance of a twin tunnel tollway passing under Taylor Square connecting the Cahill Expressway at Woolloomooloo to Southern Cross Drive, Zetland.

The estimated direct cost of the project is \$699.7 million and is made up of a Government contribution of \$20 million, a private equity contribution of \$173.9 million, project debt of \$497.4 million and other private sector revenues of \$8.4 million. The Government contribution of \$20 million will meet about half the cost of a canopy over the Cahill Expressway to reunite the Domain, the Royal Botanic Gardens and Woolloomooloo.

The construction period is 36 months from August 1997. The term of private tollway operation is 48 years. A \$3 toll on opening, increased by the greater of 4 per cent per annum or a composite of the AWE and CPI indices, will be charged one way (northbound).

In the event of default by the Airport Motorway Limited or the Trustee, the RTA may terminate the deed after complying with certain requirements of the project documents. Termination may be suspended by Airport Motorway or the Trustee by up to 12 months in order to rectify the default. The suspension period may be further extended by up to 12 months.

The RTA has no liability under the contract documents to Airport Motorway, the Trustee or the project financiers upon termination arising from default by Airport Motorway or the Trustee. The RTA would complete the project if necessary and seek to recover damages from Airport Motorway and the Trustee.

|                                 |     |
|---------------------------------|-----|
| Government Contingent Liability | nil |
|---------------------------------|-----|

### **Olympic Multi Use Indoor Arena**

The construction, financing and operation by the private sector of a permanent 15,000 seat Olympic Multi Use Indoor Arena at Homebush Bay will be undertaken by the Millennium Consortium, six special purpose companies in partnership, all wholly owned by Abigroup Ltd.

The venue will have a flexible seating capacity and be available for international standard concerts and sporting contests after the Games. The package includes an adjoining eight storey, 3365 space car park costing \$63 million.

The estimated direct cost of the project is \$277.2 million and is made up of a government contribution of \$223.8 million, a private equity contribution of \$14.9 million, project debt of \$33.2 million and other underwritten private sector revenues of \$5.3 million.

Construction is expected to be completed by December 1999. The project agreement provides for the Consortium to transfer the Multi Use Arena (MUA) to the Olympic Coordination Authority (OCA) on 31 January 2031.

The Consortium will be responsible for operating, maintaining and repairing the MUA until January 2031. OCA will be responsible for operating, maintaining and repairing the Car Park and the Public Domain. OCA has a right to terminate the project in certain circumstances but no compensation is payable by OCA if the Consortium is in default. After the Games period, the Millennium has limited rights to terminate the project for OCA breaches in which case OCA would be obliged to compensate the Consortium and its financiers for –

- their contract break costs;
- to repay outstanding debt; and
- the net present value of forecast equity returns.

Should OCA terminate the project prior to completion of the MUA, OCA should pay to the partnership's debt financiers 70 per cent of the then outstanding debt and subsequently pay the remaining 30 per cent of the debt from the operating revenues earned by OCA.

|                                 |     |
|---------------------------------|-----|
| Government Contingent Liability | nil |
|---------------------------------|-----|

## 1998-99

### St George Hospital Car Park

The private sector has been invited to build, own and operate and transfer back (BOOT) a 580 space multi storey car park at St George Hospital campus. The contract period is 25 years. The anticipated total construction cost for the project, including capitalised interest is \$13 million. The successful consortium's car park operator will manage and operate under licence or lease the whole campus car parking of 1148 spaces, including the 580 new spaces.

At this time no government liability is anticipated under the proposed termination provisions of the contract to be negotiated. However, based on previous experience with items of this sort, a conservative estimate of the Government liability, equal to the debt carried on the project, has been included.

|                                 |              |
|---------------------------------|--------------|
| Government Contingent Liability | \$13 million |
|---------------------------------|--------------|

### Royal Prince Alfred Hospital Car Park

It is proposed to invite the private sector to fund and build an 800 space car park on the Royal Prince Alfred Hospital campus over a contract period of 25 years. The anticipated total construction cost for the project, including capitalised interest is \$8.4 million. The successful consortium's car park operator will manage and operate under licence or lease the whole campus car parking of 900 spaces including the 800 new spaces.

A conservative estimate of the Government liability, equal to the debt carried on the project, has been included as for the St George Hospital Car Park.

|                                 |               |
|---------------------------------|---------------|
| Government Contingent Liability | \$8.4 million |
|---------------------------------|---------------|

### Central Sydney and Inner West Light Rail Extension

The Ultimo Pyrmont Light Rail Transit system (UPLRT) operates between Central Railway Station and Wentworth Park to serve the growing residential, commercial and recreational areas of the Ultimo-Pyrmont peninsula.

The Government has received a proposal submitted by the Sydney Light Rail Company Limited (SLRC) to design, construct and operate two extensions to the UPLRT. SLRC and the Government have co-funded feasibility studies of both extensions including detailed construction and operational costs.

The Government has agreed in principle to the concept of the extensions and has also approved the commencement of the necessary planning approval process, including the preparation of an EIS, which was on public exhibition from 29 October to 8 December 1997. The representations received are currently being considered.

|                                 |                  |
|---------------------------------|------------------|
| Government Contingent Liability | To Be Determined |
|---------------------------------|------------------|

### **Picton and Gerringong Sewerage Treatment Plants**

Sydney Water Corporation has invited tenders from six prequalified tenderers for the delivery of sewerage services to the communities of Picton and Gerringong. The successful tenderer will finance, design and construct a system which it will then operate and maintain for 20 years.

Tenders were called in January 1998 and the responses are under assessment. The estimated construction costs for the Picton scheme is \$60 million, for Gerringong, \$20 million.

|                                 |                  |
|---------------------------------|------------------|
| Government Contingent Liability | To Be Determined |
|---------------------------------|------------------|

### **Bondi Beach Rail Extension**

The environmental impacts of a 3km extension of the Eastern Suburbs Railway to Bondi Beach are under investigation. The cost of the project is estimated to be about \$100 million.

|                                 |                  |
|---------------------------------|------------------|
| Government Contingent Liability | To Be Determined |
|---------------------------------|------------------|

### **Sydney – Canberra Very High Speed Train**

The evaluation of proposals for a high speed rail link between Sydney and Canberra is underway. The estimated cost of the project is expected to lie between \$3 and \$4 billion.

|                                 |                  |
|---------------------------------|------------------|
| Government Contingent Liability | To Be Determined |
|---------------------------------|------------------|