

Appendix B: 1996-97 Budget - Summary of Variations

Category/Agency	Budget	Revised	Variation	Comment on Major Variations
	\$m	\$m	\$m	
CURRENT OUTLAYS				
Interest Payments				
Roads and Traffic Authority	124.8	118.9	(-) 5.9	Restructuring of agency debt portfolio to take advantage of lower interest rates.
Crown Transactions	1,447.8	1,299.0	(-) 148.8	Interest prepaid in 1995-96 and reduction resulting from changes in interest rates and the maturity profile of the portfolio.
Other	3.2	4.4	1.2	
Total, Interest Payments	1,575.8	1,422.3	(-) 153.5	
Superannuation				
Roads and Traffic Authority	...	21.1	21.1	Reclassified from Departmental Payments - Other.
Other	1,272.4	1,268.8	(-) 3.6	
Total, Superannuation	1,272.4	1,289.9	17.5	
Subsidies to Non Budget Sector Agencies - Redundancies				
Department of Transport	70.0	27.3	(-) 42.7	Reduction in SRA redundancy costs.
Other	6.0	5.0	(-) 1.0	

Total, Subsidies to Non Budget Sector	76.0	32.3	(-) 43.7
Agencies - Redundancies			

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Subsidies to Non Budget Sector Agencies - Other				
Department of Transport	706.7	782.7	76.0	Additional funding for STA (\$12m), SRA (\$306m), Freight Corp (\$8m), National Rail Corporation for rail reforms (\$14m), offset by reclassification of School Student Transport Scheme and pensioner concessions to departmental payments (\$263m).
Payments for Water and Sewerage	0.3	14.1	13.8	Reclassified from Departmental Payments - Other.
Department of School Education	...	6.5	6.5	Reclassified from Departmental Payments - Other.
Department of Sport and Recreation	1.3	7.3	6.0	Reclassified from Departmental Payments - Other.
Department of Urban Affairs and Planning	65.4	59.1	(-) 6.3	Change of accounting treatment for costs of housing from recurrent to capital.
Department of Energy	...	12.6	12.6	Transitional payments to rural distributors.
Other	113.6	120.2	6.6	
Total, Subsidies to Non Budget Sector Agencies - Other	887.3	1,002.5	115.2	
Departmental Payments - Redundancies				
Department of School Education	...	5.0	5.0	Redundancy payments following organisational restructure.
Crown Transactions	10.0	...	(-) 10.0	Budget provision for redundancy costs now reflected in School Education and other agency expenditures.

Appendix B: 1996-97 Budget - Summary of Variations (cont)

Category/Agency	Budget	Revised	Variation	Comment on Major Variations
	\$m	\$m	\$m	
Departmental Payments - Redundancies (cont)				
Other	15.8	20.0	4.2	
Total, Departmental Payments - Redundancies	25.8	25.0	(-) 0.8	
Departmental Payments - Other				
Payments for Water and Sewerage	84.5	65.8	(-) 18.7	Reclassified from other aggregates (\$13m), reduction in number of pensioners claiming rebate.
Department of Health	5,133.9	5,364.0	230.1	Additional State funding for health services in growth areas and to maintain services in established areas (\$134m), higher insurance premiums (\$35m), Health service budget over-runs (\$30m), increase in Commonwealth funded programs (\$18m), Health and Research Employees Association and Nurses pay settlement (\$18m).
NSW Police Service	933.1	992.7	59.6	Mainly costs associated with the Gun Buyback Scheme.
Attorney General's Department	316.2	343.6	27.4	Additional compensation to victims of crime (\$23m) and increase in Crown Solicitor's Office fees (\$6m).
Department of Land and Water Conservation	360.8	315.5	(-) 45.3	Revised timing of expenditure on Forestry Industry Restructure Program (\$45.5m), including \$24.5m from Commonwealth sources.
Department of Gaming and Racing	34.6	26.9	(-) 7.7	Lower than projected expenditure by the Casino Community Benefit Fund.

Appendix B: 1996-97 Budget - Summary of Variations (cont)

Category/Agency	Budget	Revised	Variation	Comment on Major Variations
	\$m	\$m	\$m	
New South Wales Technical and Further Education Commission	949.9	986.1	36.2	Reclassification of minor plant purchases from capital to current outlays (\$16m), salaries agreement productivity offsets not achieved (\$16m), expenses funded by additional course revenue (\$4.2m).
Departmental Payments - Other (cont)				
Department of Training and Education Co-ordination	136.0	144.1	8.1	Expenditure funded by additional revenue (\$4.8m), recoupment of administrative costs lower than estimated (\$3.3m).
Rural Assistance Authority	62.4	56.9	(-) 5.5	Lower payments resulting from improved drought conditions.
NSW Fire Brigades	207.8	214.1	6.3	Higher level of overtime, sick leave and travel expenses.
Department of Community Services	460.6	493.0	32.4	Carry-forward of 1995-96 under-expenditure (\$6m), higher insurance premiums (\$2m) and increase in expenditure on various government initiatives (\$21m).
Department of Agriculture	176.7	169.2	(-) 7.5	Lower drought transport subsidies, dairy herd scheme privatisation and delays in recruitment.
Department of State and Regional Development	63.4	69.8	6.4	Additional grant funding for small business and industry assistance.
Department of Transport	350.1	606.8	256.7	Reclassification of School Student Transport Scheme and Pensioner Concessions.
Department of Local Government	74.7	80.4	5.7	Higher than anticipated Pensioner Rate Rebate claims.
New South Wales Film and Television Office	6.1	11.8	5.7	Use of cash balances to promote film development.
Sustainable Energy Development	17.2	6.6	(-) 10.6	Pacific Power payment given direct to Pacific Solar for research.

Appendix B: 1996-97 Budget - Summary of Variations (cont)

Category/Agency	Budget	Revised	Variation	Comment on Major Variations
	\$m	\$m	\$m	
Roads and Traffic Authority	937.1	911.4	(-) 25.7	Reclassification of superannuation payments (\$21.1m).
Ageing and Disability Department	610.9	629.3	18.4	Increase in disability transition grants (\$14m) and 1995-96 under-expenditure carried forward (\$5m).
Departmental Payments - Other (cont)				
Department of Corrective Services	316.8	336.3	19.5	Forecast decrease in inmate numbers not achieved (\$10m), introduction of home detention scheme (\$1.3m), insurance increases (\$2.2m), planning for new Metropolitan Remand and Reception Centre (\$1.5m), delay in achievement of corporate support savings (\$2.0m).
Other	5,377.3	5,392.1	14.8	Minor variations of less than \$5m per agency.
Total, Departmental Payments - Other	16,610.1	17,216.4	606.3	
Treasurer's Advance	100.0	20.0	(-) 80.0	Expenditure from Treasurer's Advance is shown in individual agency payments. The \$20 million shown as unspent covers the remainder of the 1996-97 year.
less User Charges				
Department of Health	635.9	627.7	(-) 8.2	Reduction in income from patient fees.
Department of Training and Education Co-ordination	4.7	9.9	5.2	Increase in revenue.
Crown Transactions	105.9	113.7	7.8	Increase in rent and lease income.

Appendix B: 1996-97 Budget - Summary of Variations (cont)

Category/Agency	Budget	Revised	Variation	Comment on Major Variations
	\$m	\$m	\$m	
Other	554.7	560.3	5.6	
Total, User Charges	1,301.2	1,311.6	10.4	
TOTAL, CURRENT OUTLAYS	19,246.4	19,696.8	450.4	

CURRENT RECEIPTS

Taxes, Fees and Fines

Stamp Duty -

Contracts and Conveyances	1,230.0	1,450.0	220.0	Stronger than expected activity in the residential and commercial property markets partly flowing from lower interest rates and reduced oversupply of commercial property.
Loan Securities	120.0	132.0	12.0	Stronger than expected credit growth and stronger performance of the property market.
First Home Purchase	29.0	22.0	(-) 7.0	Higher housing prices lowering the number of eligible properties.
Share Transfers	192.0	232.0	40.0	Lower interest rates and strength of overseas exchanges resulted in higher prices and volumes.
Motor Vehicle Registration	319.0	375.0	56.0	Primarily due to rate increase to 3%.

Appendix B: 1996-97 Budget - Summary of Variations (cont)

Category/Agency	Budget	Revised	Variation	Comment on Major Variations
	\$m	\$m	\$m	
Financial Institutions Duty	526.0	515.0	(-) 11.0	Expected legislative changes to reduce leakage and extend tax base rejected by Legislative Council. Cost estimated at \$10.5m.
Land Tax	576.0	625.0	49.0	Primarily due to rate increase from 1.5% to 1.65%.
Weight Tax	634.0	641.0	7.0	Increased registrations of heavy vehicles in NSW.
Debits Tax	327.0	320.0	(-) 7.0	Higher than expected movement away from accounts with cheque facilities.
Club Gaming Device Duty	472.0	480.0	8.0	More buoyant growth than expected.
Taxes, Fees and Fines (cont)				
Hotel Gaming Device Duty	62.0	52.0	(-) 10.0	Primarily due to declining popularity of this form of gambling.
Petroleum Licence Fee	571.0	562.0	(-) 9.0	Due to reduced fuel consumption and an increase in off-road diesel exemptions.
Liquor Licence Fees	305.0	296.0	(-) 9.0	Assessments for 1997 were lower than expected.
Tobacco Licence Fees	874.0	940.0	66.0	Increase in Queensland franchise fee and greater compliance effort reduced revenue lost through avoidance and evasion.
Off-Course Betting	272.0	266.0	(-) 6.0	Lower than expected number of race meetings scheduled for this year.
NSW Police Service - motor traffic fines	125.6	131.2	5.6	Mainly increase in fines from speed cameras.
Payroll Tax	3,016.1	3,146.4	130.3	Inclusion of superannuation into payroll tax base (\$104m), in conjunction with a reduction in the rate of tax and higher than expected wage growth.
Other minor variations	1,633.0	1,639.2	6.2	

Appendix B: 1996-97 Budget - Summary of Variations (cont)

Category/Agency	Budget	Revised	Variation	Comment on Major Variations
	\$m	\$m	\$m	
Total, Taxes, Fees and Fines	11,283.7	11,824.8	541.1	
Income from Government Trading Enterprises				
Electricity Generation Sector - Dividend	316.0	459.7	143.7	Mainly from inclusion of revenue from cross border lease. In 1996-97 Budget included under Other Crown Receipts.
Electricity Generation Sector - Tax Equivalent	167.0	213.5	46.5	Mainly from inclusion of revenue from cross border lease. In 1996-97 Budget included under Other Crown Receipts.
Income from Government Trading Enterprises (cont)				
Sydney Water Corporation - Dividend	26.0	40.0	14.0	Higher than expected improvement in efficiency and greater return from asset sales.
Sydney Water Corporation - Tax equivalent	108.5	120.3	11.8	Higher than expected improvement in efficiency and greater return from asset sales.
Landcom - Dividend	107.7	1.1	(-) 106.6	Lower sales and the reclassification of revenue (\$97.0m) from the accelerated sale of landbank assets to "Advances Repaid".
NSW Lotteries - Dividends	24.5	35.9	11.4	Special dividend as a consequence of corporatisation.
Great Southern Energy - Tax Equivalent	1.5	8.6	7.1	Lower than expected electricity generation prices.
Energy Australia - Dividend	88.4	41.1	(-) 47.3	Timing of interim dividend payment moved back to August 1997 from June 1997.

Appendix B: 1996-97 Budget - Summary of Variations (cont)

Category/Agency	Budget	Revised	Variation	Comment on Major Variations
	\$m	\$m	\$m	
Freight Rail Corporation - Dividend	...	10.6	10.6	Newly corporatised entity. Benefited from State's largest wheat harvest during 1996-97.
Freight Rail Corporation - Tax Equivalent	...	14.4	14.4	Newly corporatised entity. Benefited from State's largest wheat harvest during 1996-97.
Rail Access Corporation - Dividend	...	54.0	54.0	Newly corporatised entity. Benefited from revenues of commercial lines.
Transgrid - Tax Equivalent	20.4	30.4	10.0	Change in pricing arrangements and depreciation lives of assets.
Integral Energy - Dividend	84.4	22.0	(-) 62.4	Timing of interim dividend payment moved to August 1997 from June 1997.
Income from Government Trading Enterprises (cont)				
Integral Energy - Tax Equivalent	22.6	5.4	(-) 17.2	Full implementation of tax equivalent regime.
GTE asset sales	145.0	...	(-) 145.0	Reclassified to negative capital outlays.
Other minor variations	382.3	398.7	16.4	
Total, Income from Government Trading Enterprises	1,494.3	1,455.7	(-) 38.6	
Commonwealth Grants				
Medical Specialty Centres	1.0	10.0	9.0	Additional funding transferred from the Hospital Funding Grant.

Appendix B: 1996-97 Budget - Summary of Variations (cont)

Category/Agency	Budget	Revised	Variation	Comment on Major Variations
	\$m	\$m	\$m	
Hospital Funding Grant	1,549.3	1,524.4	(-) 24.9	Penalty for shifting costs onto Medicare (\$33.4m) offset by increased bonus pool funds and Special Purpose Payments.
Schools	394.0	409.4	15.4	Additional Commonwealth assistance and cost escalation.
Financial Assistance Grants	4,727.0	4,670.1	(-) 56.9	Due to lower CPI forecast.
Urban Water - National Land Care	12.1	6.6	(-) 5.5	Delays in Murray Land and Water Management Plans.
Forestry Development	33.0	8.5	(-) 24.5	Revised timing of expenditure on Forestry Industry Restructure Program.
National Mental Health	6.8	...	(-) 6.8	Special Purpose Payment transferred to the Hospital Funding Grant.
Gun Buyback Scheme	...	50.0	50.0	Commonwealth reimbursement for surrendered firearms.
Commonwealth Grants (cont)				
Dental Program	37.5	17.6	(-) 19.9	Abolition of program by the Commonwealth from 1 January 1997.
Interstate Roads	1.0	8.3	7.3	Heavy road vehicle registrations under uniform National Road Transport legislation.
High Cost Drugs	32.7	62.0	29.3	Increased costs and usage primarily related to AIDS/ HIV drugs.
State Fiscal Contribution	...	(-) 209.5	(-) 209.5	Unbudgeted contribution to Commonwealth debt reduction. (Treated as a negative Commonwealth receipt.)
Other minor variations	814.9	816.0	1.1	
Total, Commonwealth Grants	7,609.3	7,373.4	(-) 235.9	

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Category/Agency	Budget	Revised	Variation	Comment on Major Variations
	\$m	\$m	\$m	
Other Current Receipts				
Cross Border Lease	200.0	...	(-) 200.0	Reclassified as Income from Trading Enterprises.
Agency Receipts -				
Department of Health	149.9	175.9	26.0	Lease income received in advance for new private facilities.
Environment Protection Authority	60.0	37.0	(-) 23.0	Reduced receipts from Environmental Trusts arising from lower than budgeted expenditure.
Sustainable Energy Development	10.2	0.1	(-) 10.1	Pacific Power payment given direct to Pacific Solar for research on photovoltaics.
Department of Mineral Resources	173.4	180.9	7.5	Increased mining royalties from greater than expected coal sales.
Other Current Receipts (cont)				
Department of Land and Water Conservation	53.8	45.9	(-) 7.9	Mainly reclassification of developer contributions from councils for country towns water supply and sewerage schemes.(\$12m) as an offset to capital grants.
Department of Fair Trading	38.3	24.4	(-) 13.9	Rental Bond Board reclassified as a separate off budget agency.
Waterways Authority	0.8	5.8	5.0	Capital restructure payment received from Marine Ministerial Holding Corporation.
Crown	181.2	161.7	(-) 19.5	Crown Land Homesites program revised downwards (\$27m).

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Category/Agency	Budget	Revised	Variation	Comment on Major Variations
	\$m	\$m	\$m	
Department of Training and Education Co-ordination	18.7	31.7	13.0	Additional payments by the Commonwealth for contracted training.
Other	216.0	225.6	9.6	
Total, Other Current Receipts	1,102.3	889.0	(-) 213.3	
TOTAL, CURRENT RECEIPTS	21,489.6	21,542.9	53.3	
CURRENT FINANCIAL RESULT	2,243.2	1,846.0	(-) 397.2	
CAPITAL OUTLAYS				
Gross Fixed Capital Payments				
Olympic Co-ordination Authority	442.1	429.8	(-) 12.3	Deferral of expenditure on various Olympic projects.
Attorney General's Department	17.5	22.8	5.3	Mainly carry forward of 1995-96 under-expenditure on various projects.
Gross Fixed Capital Payments (cont)				
Department of Land and Water Conservation	30.4	35.7	5.3	Carry-forward 1995-96 under-expenditure on various projects.
Department of Training and Education Co-ordination	3.2	8.9	5.7	Fitout costs resulting from merger with TAFE (\$4m), carry over from 1995-96 program (\$1.7m).
Department of Community Services	17.1	26.9	9.8	Purchase of housing for additional supported accommodation places (funded from Ageing and Disability Department).

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	\$m	\$m	\$m	
New South Wales Technical and Further Education Commission	143.6	112.1	(-) 31.5	Reclassification of plant expenditure from capital to recurrent outlays(\$16m), and reduced expenditure on Commonwealth funded capital programs(\$15.6m).
Department of Juvenile Justice	11.5	6.0	(-) 5.5	Project delays.
Department of Fair Trading	0.7	9.4	8.7	Amalgamation costs associated with the merger of former agencies into the department, (partly funded by \$6m asset sales).
Department of Corrective services	40.9	47.6	6.7	Increased cost of Metropolitan Remand and Reception Centre (\$3.3m), installation of perimeter security and duress alarm systems for staff.
Department of Transport	19.4	13.0	(-) 6.4	Delay in projects in Public Transport Infrastructure Program.
Roads and Traffic Authority	842.5	788.4	(-) 54.1	Reduced expenditure on Commonwealth supported projects (\$87m), increase in road programs funded by increases in revenues, use of cash and reclassification of payments.
National Parks and Wildlife Service	40.0	45.2	5.2	Primarily compensation to Landcom and Pacific Power for acquisition of land for new national parks.
Gross Fixed Capital Payments (cont)				
Other	802.9	824.9	22.0	
Total, Gross Fixed Capital Payments	2,411.8	2,370.7	(-) 41.1	
Movements in Inventories	0.9	1.2	0.3	
Capital Grants				

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	\$m	\$m	\$m	\$m	
Department of Land and Water Conservation	105.9	84.3	(-) 21.6		Cutbacks in Commonwealth funding for floodplain works (\$8m), country towns water supply and sewerage schemes (\$5m); and reclassification of developer contributions (\$12m) from capital receipts as an offset to capital grants payments.
Payments for Water and Sewerage	...	8.0	8.0		Funding for backlog sewerage infrastructure projects.
Department of State and Regional Development	20.0	6.0	(-) 14.0		Delays in rehabilitation works at Moore Park Showground.
Department of Transport	382.1	383.6	1.5		Reclassification to recurrent outlays.
Department of Health	13.7	9.0	(-) 4.7		Reduced grants to Third Schedule Hospitals.
Other	636.5	629.4	(-) 7.1		
Total, Capital Grants	1,158.2	1,120.3	(-) 37.9		

Advances Made to the Non Budget Sector

Department of Transport	...	28.5	28.5		Equity injection for National Rail Corporation.
Crown Transactions	...	26.0	26.0		Advance to Axiom Funds Management (\$25m) and Audit Office (\$1m).
Other	14.1	14.6	0.5		

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	\$m	\$m	\$m	
Advances Made to the Non Budget Sector - Total	14.1	69.1	55.0	
TOTAL, CAPITAL PAYMENTS	3,583.2	3,558.8	(-) 24.4	
Less Advances repaid to the Budget Sector				
Crown Transactions	(-) 19.8	(-) 31.7	-) 11.9	Mainly increase in former State Bank loan loss indemnity claims.
Olympic Co-ordination Authority	...	28.5	28.5	Early repayment of advances by Sydney Organising Committee for the Olympic Games.
NSW Lotteries	...	24.5	24.5	Additional equity restructure payment on corporatisation.
Landcom	...	96.9	96.9	Reclassified from Income from Government Trading Enterprises.
Asset sales	...	200.0	200.0	Reclassified from Income from Government Trading Enterprises (\$145m) and increase in asset sales.
Roads and Traffic Authority	...	110.0	110.0	Repayment of advances by M5 consortium.
Less Advances repaid to the Budget Sector (cont)				
Other	158.8	167.7	8.9	
Total, Advances repaid	139.0	595.9	456.9	
Less Asset Sales				

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	\$m	\$m	\$m	
Department of Fair Trading	0.1	6.1	6.0	Sale of Building Services Corporation building.
Department of Agriculture	15.4	...	(-) 15.4	Proceeds from sale of part of Biological and Chemical Research Institute (BCRI) to be received in later years; sale of remainder of BCRI and Seven Hills property delayed until 1997-98.
Department of Health	165.0	124.5	(-) 40.5	Deferral of asset sales including some sites required for the Olympics.
Crown Transactions	123.7	76.6	(-) 47.1	Delay in finalising sale of St James Centre.
Department of School Education	17.0	43.2	26.2	Largely delayed property settlements from 1995-96.
Roads and Traffic Authority	30.0	52.9	22.9	Sale of RTA car fleet (\$30m) offset by reduction in other asset sales.
Other	57.6	60.7	3.1	
Total, Asset Sales	408.8	364.0	(-) 44.8	
TOTAL, CAPITAL OUTLAYS	3,035.3	2,598.9	(-) 436.4	

CAPITAL RECEIPTS

Commonwealth Grants

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	\$m	\$m	\$m	
Department of Land and Water Conservation	14.0	1.0	(-) 13.0	Cutbacks in Commonwealth funding for floodplain works (\$8m) and country towns water supply and sewerage schemes.
Olympic 2000	...	32.0	32.0	Grant toward relocation of the Royal Agricultural Society and for redevelopment of the Fox Studio site carried forward from 1995-96.
Roads and Traffic Authority	406.2	315.8	(-) 90.4	Commonwealth National Roads Program project approvals significantly down on preliminary funding indications.
Other	510.6	512.4	1.8	
Total, Commonwealth Grants	930.8	861.2	(-) 69.6	
Other Capital Receipts	6.3	11.0	4.7	
TOTAL, CAPITAL RECEIPTS	937.1	872.1	(-) 65.0	
CAPITAL FINANCIAL RESULT	2,098.2	1,726.7	(-) 371.5	
TOTAL FINANCIAL RESULT	145.0	119.3	(-) 25.7	