



DEPUTY CHIEF MINISTER
TREASURER

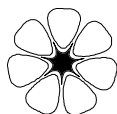
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TREASURER'S ANNUAL FINANCIAL REPORT
for the year ended 30 June 2000

The Treasurer's Annual Financial Report for 1999-00 has been compiled with the principal objective of providing reliable, meaningful and useful financial reports to the Territory community. It includes the Treasurer's Annual Financial Statement (Parts 1 to 5), prepared in accordance with section 9 of the *Financial Management Act*, and unaudited information (Parts 6 to 11). In order to distinguish between the audited schedules and the other material, all audited schedules appear on shaded pages.

MIKE REED



Northern Territory Government

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MINISTERIAL PORTFOLIO ARRANGEMENTS AT 30 JUNE 2000

THE HON D BURKE MLA	Auditor-General's Office Ombudsman's Office Department of the Chief Minister Department of the Legislative Assembly Office of the Director of Public Prosecutions Anti-Discrimination Commission Office of Courts Administration Northern Territory Attorney-General's Department Northern Territory Railway
THE HON M REED MLA	Northern Territory Treasury Northern Territory Treasury Corporation Northern Territory Tourist Commission Territory Discoveries Northern Territory Police, Fire and Emergency Services Parks and Wildlife Commission of the Northern Territory Territory Wildlife Parks Office of the Commissioner for Public Employment
THE HON T BALDWIN MLA	Department of Industries and Business TAB Aboriginal Areas Protection Authority Department of Lands, Planning and Environment
THE HON D MANZIE MLA	Trade Development Zone Authority Department of Asian Relations and Trade Department of Mines and Energy Northern Territory Correctional Services

MINISTERIAL PORTFOLIO ARRANGEMENTS AT 30 JUNE 2000

THE HON M PALMER
MLA

Department of Primary Industry and Fisheries
Department of Transport and Works
NT Fleet
Darwin Bus Service
Construction Agency
Darwin Port Corporation

THE HON S DUNHAM
MLA

Territory Health Services
Power and Water Authority

THE HON C LUGG MLA

Department of Education
Centralian College
Northern Territory Employment and Training Authority
Department of Sport and Recreation

THE HON P ADAMSON
MLA

Department of Corporate and Information Services:
General Services
Department of Corporate and Information Services:
Superannuation Office
Information Technology Management Services
Government Printing Office
Office of Communications, Science and Advanced
Technology
Department of Arts and Museums
Strehlow Research Centre

THE HON L BRAHAM
MLA

Department of Local Government
Territory Housing
Territory Housing: Business Services
Office of Aboriginal Development

OVERVIEW

INTRODUCTION

The Treasurer's Annual Financial Report provides a range of information on the 1999-00 year. The information takes several forms:

- gross data, showing actual outlays and receipts by each Government agency, corresponding to the way resources are allocated under the Appropriation Act;
- net data for the Northern Territory budget sector, which presents aggregate information for those agencies covered by the Appropriation Act to enable the effect of Northern Territory Government spending on the economy to be assessed;
- comprehensive data compiled according to the Uniform Presentation Framework as agreed by Australian Heads of Government, which allows comparisons to be made across jurisdictions on a consistent basis; and
- the stock of public sector assets and liabilities, including debt.

GROSS OUTLAYS AND RECEIPTS

Gross outlays (see Schedules 1.1 to 1.5) of the Northern Territory public sector in 1999-00 were \$3 027M, an increase of \$122M or 4.2% from 1998-99.

Recurrent expenditure decreased by \$9M but was offset by an increase in capital

expenditure of \$77M, reflecting the carryover of significant capital commitments from 1998-99 in which capital expenditure was low and the acquisition of some significant additional assets including new generating equipment for the Power and Water Authority.

Gross receipts of the Northern Territory public sector in 1999-00 were \$3 030M, an increase of 5.0% from 1998-99. This is largely due to additional borrowings to fund the significant capital growth.

NET EXPENDITURES AND REVENUES

Schedules 1.7 to 1.9 contain summary Northern Territory budget sector data of net expenditures and revenues.

The main adjustments to the gross presentation in Schedules 1.1 to 1.5 to produce the net presentation in Schedules 1.7 to 1.9 are:

- expenditures are dis-aggregated into current and capital components;
- elements of expenditure are reclassified between personnel costs, capital expenditure and grants and subsidies;
- transfers within the General Government sector are removed from both expenditure and receipts;
- personnel and operational costs, charges and miscellaneous receipts are netted out for Business Divisions so that only their

net impact on the Budget is recorded as their net operating surplus;

- expenditure is reduced by charges, recoveries and second hand asset sales so that only the net impact on the Budget is recorded; and
- borrowings and net advances are treated as financing transactions.

Total net expenditure by the Northern Territory public sector in 1999-00 was \$2 020M, representing a \$99M or 5.1% increase from 1998-99. This comprises \$1 799M in current expenditure and \$221M in capital expenditure.

Two changes in treatment occurred during 1999-00. Consistent with the Australian Bureau of Statistics treatment, the Taxes Fees and Fines classification was disaggregated with:

- Taxes shown separately;
- Fees are treated the same as Charges, and thus offset against Final Consumption Expenditure; and
- Fines are treated as Other Revenue.

Further, Miscellaneous Revenue, which was previously netted off Final Consumption Expenditure, is now shown separately as Other Revenue, except for Business Divisions, where it continues to form part of the Surplus of Business Divisions.

The net impact of these changes accounts for additional Final Consumption Expenditure and Other Revenue of approximately \$13M.

Total Territory revenue was \$447M in 1999-00. This was \$29M or 7.1% higher than in 1998-99 and is partially explained by the revised treatment of Miscellaneous Revenue. Increases in Business Division surpluses also occurred during the year.

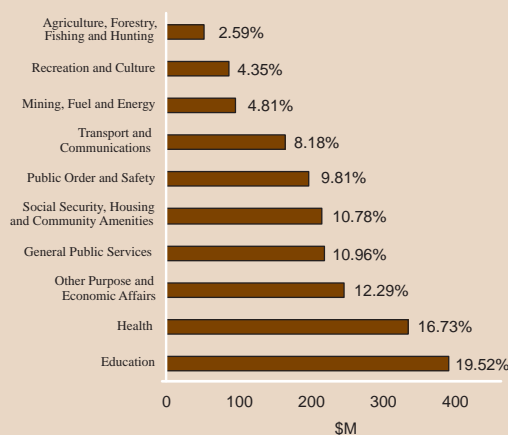
These increases in revenue combined with significantly higher capital expenditures are reflected in an increase in net debt (based on budget sector flows) of \$90.9M.

EXPENDITURE BY PURPOSE

Expenditure by purpose (General Purpose Classification – GPC) is calculated according to the criteria established by the Australian Bureau of Statistics and is in accordance with Uniform Presentation requirements. GPC splits were reviewed this year in conjunction with the Australian Bureau of Statistics during preparation of the Government Finance Estimates, with no material changes. The areas of Education, Health and General Public Services constitute the largest component of expenditure, which is consistent with previous years.

The establishment of the Department of Corporate and Information Services has tended to concentrate expenditure towards the General Public Service category, away from specific purposes. Work needs to be undertaken to allocate the expenditure back to the appropriate functional area.

EXPENDITURE BY GOVERNMENT PURPOSE CLASSIFICATION 1999-00



ASSETS AND LIABILITIES

The reporting of non current physical assets and financial assets and liabilities, in Parts 6 and 7 is consistent with prior periods. The progress made to date in relation to recording and valuing assets (Part 6 refers) continues to provide more comprehensive reporting of Agency assets at 30 June 2000.

GROSS AND NET DEBT

The 1999-00 financial year saw an increase in both gross and net debt for the Territory.

Gross debt at 30 June 2000 using the Public Account scope was \$2 051M (Schedule 4.1). This is \$66M higher than 1998-99 and reflects the need to borrow to fund emerging capital requirements after a significant period of debt reduction.

The gross debt reported in Part 9 of \$2 064M is compiled on the Uniform Presentation scope. This includes organisations external to the Public Account such as the Conditions of Service Trust, PAWA subsidiaries, Darnor

and Gasgo, and the Northern Territory Legal Aid Commission. The Territory's net debt also increased at 30 June 2000, reflecting the change in gross debt. At 30 June 2000 the Territory's net debt was \$1 294M, an increase of \$56M from 1998-99. Debt remains at sustainable levels relative to the levels of revenue and expenditure.

FISCAL STRATEGY

The Fiscal Strategy chapter details 1999-00 outcomes against the Fiscal Strategy and its targets. The Northern Territory Government first adopted a single fiscal target in 1993-94. However a more comprehensive set of targets has been implemented since 1994-95. The components of the Strategy primarily relate to current and capital expenditure requirements, debt and own source revenue levels. The Territory has largely met its fiscal targets in 1999-00. A more detailed overview of 1999-00 outcomes against the Fiscal Strategy is contained in Part 11.

PREFACE

LEGISLATIVE FRAMEWORK

The Treasurer's Annual Financial Statement is produced in accordance with section 9 of the Financial Management Act, which provides that the Treasurer shall, within the period of three months immediately following the end of each financial year, prepare, in such a form as the Treasurer thinks fit, a statement of:

- a) receipts, expenditure and balance of the Public Account for the financial year;
- b) cash and investments representing the balances in the Public Account and the Accountable Officer's Trust Accounts at the end of the financial year;
- c) material Territory and Agency investments in corporations, trusts, joint ventures or similar entities;
- d) material liabilities of the Territory and Agencies and material contingent liabilities of the Territory and Agencies, except if the event upon which the liability is contingent is unlikely to occur;
- e) other material financial obligations of the Territory or an Agency;
- f) waivers, postponements, write offs and gifts that the Treasurer has approved under section 35; and
- g) ex gratia payments that the Treasurer directs under section 37.

The Public Account, established pursuant to section 4 of the Financial Management Act, consists of the Consolidated Revenue

Account and Operating Accounts, and is central to the Territory's accountability framework.

Section 5 of the Act requires that all money received by or on behalf of the Territory or an Agency be credited to the Consolidated Revenue Account, except for money required or permitted by or under the Financial Management Act or any other Act to be credited to an Operating Account or to an Accountable Officer's Trust Account. Money may be withdrawn from the Consolidated Revenue Account only by transfer to an Operating Account.

Operating Accounts are established by section 6 of the Financial Management Act for Agencies and Government Business Divisions. Expenditure can only be incurred from an Operating Account.

Accountable Officer's Trust Accounts are external to the Public Account and are established by the Treasurer, under section 7 of the Act, for the receipt of money which is to be held in trust by the Territory or an Agency.

The audited schedules in Parts 1 to 5 of this Report fulfil the reporting requirements specified in the Financial Management Act. All schedules are prepared on the basis of the Northern Territory Public Account scope (ie those Agencies included in the Administrative Arrangements Order in effect as at 30 June 2000).

The Public Account closing balances reported in the 1998-99 Treasurer's Annual

Financial Statement have been adjusted for changes in administrative arrangements. All other balances reported for 1998-99 remain unchanged. Where there has been a change in accounting policy or material differences are identified in the 30 June 1999 data (due to improved data sources) the effect on the 1999 reported data is disclosed in the notes to the Schedule.

PART 1 - THE PUBLIC ACCOUNT

The Public Account is the vehicle for managing and accounting for public money collected and utilised in the manner approved by the Legislative Assembly. Receipts of public money are credited to the Public Account, either to the Consolidated Revenue Account, if in the nature of general government revenue (taxes, fees, fines, property income, proceeds from land sales and Commonwealth general purpose payments), or otherwise directly to the Operating Account of an Agency or Business Division.

Expenditure charged to the Public Account is authorised, in the form of Allocations to Activities, by an Appropriation Act passed in the Legislative Assembly. Any subsequent variations to Allocations are authorised through the Financial Management Act and reported, within six sitting days, to the Legislative Assembly. Certain Allocations from the Public Account (such as for debt charges, judges' pensions, and the salary of the Auditor-General) are authorised by other Acts passed by the Legislative Assembly.

Part 1 provides details of Allocations and gross outlays, receipts and balances of the Public Account.

Schedule 1.1 provides a consolidated summary of gross outlays, receipts and balances of the Public Account. Schedules 1.2 and 1.3 segregate this information into General Agencies and Business Divisions.

Schedule 1.4 provides gross outlays, receipts and balances for each Agency.

Schedule 1.5 provides details of variations to Allocations authorised during the year under the Financial Management Act, and compares actual outlays against final Allocations.

Schedule 1.6 restructures actual outlays for Activities changed by the 2000-01 Budget or recent Administrative Arrangements Orders, in order to facilitate analysis and comparison of the 2000-01 Budget with the 1999-00 outcome.

Schedule 1.7 provides a consolidated summary of the Public Account using the economic transactions framework. Schedules 1.8 and 1.9 segregate this information into General Agencies and Business Divisions.

Opening balances in these Schedules reflect the scope of the Public Account for the current period. Closing balances from the previous year's Report are adjusted to eliminate any organisations that have moved out of scope.

PART 2 - ACCOUNTABLE OFFICERS' TRUST ACCOUNTS

Schedule 2.1 records opening balances, receipts, payments and closing balances for Accountable Officer's Trust Accounts which, while not included in the Public Account, are invested along with Public Account balances.

Opening balances for this Schedule vary from the previous year's closing balances to the extent that any organisations moving out of Public Account scope continue to have funds in Official Government Bank accounts. These funds are treated as trust money in governing Agencies' Accountable Officer's Trust Accounts.

PART 3 - ASSET MANAGEMENT

Schedule 3.1 reconciles the combined balances of the Public Account and Accountable Officers' Trust Accounts at 30 June 2000 with cash and investments held at 30 June 2000, including approved advance holder accounts. Balances reported at 30 June 1999 have been adjusted for any changes in accounting treatments, but not for administrative arrangement changes.

Schedule 3.2 presents Advances Paid net of a provision for doubtful debts. Schedule 3.3 lists the Territory's material financial investments in the nature of equity holdings in corporations, trusts, joint ventures or similar entities. Schedule 3.4 reports write offs, postponements and waivers approved by the Treasurer and delegated officers. Details of ex gratia payments and gifts of public property approved by the Treasurer are also provided.

PART 4 - LIABILITY MANAGEMENT

Schedule 4.1 provides details of the Northern Territory public sector gross debt based on the Public Account scope.

The remaining schedules of this Part record the amounts of material non-debt liabilities of the Territory at 30 June 1999 and 30 June 2000. These reflect employee entitlements for which specific provisions have not been made. Schedule 4.2 details accrued superannuation liabilities. Schedule 4.3 shows workers compensation liabilities. Schedule 4.4 reports accrued recreation leave, leave loading and long service leave. The calculation of the entitlement for long service leave accords with Australian Accounting Standard 30.

PART 5 - CONTINGENT LIABILITIES

The Treasurer has determined that, for the purpose of the Treasurer's Annual Financial Statement, material contingent liabilities of the Territory and Agencies will comprise contingent liabilities of \$5 million or more arising from guarantees and indemnities in financial agreements and legislation. Contingent liabilities (if any) arising from litigation and indemnities in the nature of public liability insurance are not reported.

Schedule 5.1 summarises all contingent liabilities of the Territory and Agencies arising under section 34 of the Financial Management Act above the materiality threshold, including those that cannot be quantified but are considered to be material.

Schedule 5.2 details material contingent liabilities arising under other legislation. These relate to statutory guarantees and undertakings contained in Territory legislation.

PART 1

THE PUBLIC ACCOUNT

PART 1 - THE PUBLIC ACCOUNT

**SCHEDULE 1.1: NORTHERN TERRITORY
PUBLIC SECTOR**

	\$000
OUTLAYS FROM PUBLIC ACCOUNT	3 027 423
General Agency Operating Accounts	2 278 998
Business Division Operating Accounts	748 425
RECEIPTS INTO PUBLIC ACCOUNT	3 030 264
Consolidated Revenue Account	1 784 828
General Agency Operating Accounts	528 972
Business Division Operating Accounts	716 464
RECEIPTS BY SOURCE	3 030 264
Taxes	225 955
Fees and Charges	625 148
Miscellaneous Receipts	46 481
Sale of Land	14 790
Capital Receipts	146 925
Property Income	28 426
Interest Received	28 873
Advances Received	40 262
General Purpose Commonwealth Grants	1 085 630
Commonwealth Revenue Replacement Payments	124 789
Other Commonwealth Grants	271 331
Territory Borrowing	140 560
Intrasector Receipts	251 094
USE OF PUBLIC ACCOUNT BALANCE (a)	- 2 841
Consolidated Revenue Account	- 30 397
General Agency Operating Accounts	- 4 405
Business Division Operating Accounts	31 961
(a) OPENING BALANCE 1 JULY 1999	233 602
Consolidated Revenue Account	8 332
General Agency Operating Accounts	89 583
Business Division Operating Accounts	135 687
less CLOSING BALANCE 30 JUNE 2000	236 443
Consolidated Revenue Account	38 729
General Agency Operating Accounts	93 988
Business Division Operating Accounts	103 726

PART 1 - THE PUBLIC ACCOUNT

SCHEDULE 1.2: GENERAL AGENCIES

	\$000
OUTLAYS FROM PUBLIC ACCOUNT	2 278 998
General Agency Operating Accounts	2 278 998
RECEIPTS INTO PUBLIC ACCOUNT	2 313 800
Consolidated Revenue Account	1 784 828
General Agency Operating Accounts	528 972
RECEIPTS BY SOURCE	2 313 800
Taxes	225 955
Fees and Charges	73 836
Miscellaneous Receipts	31 022
Sale of Land	14 790
Capital Receipts	71 149
Property Income	28 426
Interest Received	9 722
Advances Received	4 864
General Purpose Commonwealth Grants	1 085 630
Commonwealth Revenue Replacement Payments	124 789
Other Commonwealth Grants	271 331
Territory Borrowing	140 560
Intrasector Receipts	231 726
USE OF PUBLIC ACCOUNT BALANCE	- 34 802
Consolidated Revenue Account	- 30 397
General Agency Operating Accounts (a)	- 4 405
<hr/>	
(a) OPENING BALANCE 1 JULY 1999	89 583
less CLOSING BALANCE 30 JUNE 2000	93 988

PART 1 - THE PUBLIC ACCOUNT

SCHEDULE 1.3: BUSINESS DIVISIONS

	\$000
OUTLAYS FROM PUBLIC ACCOUNT	748 425
Business Division Operating Accounts	748 425
RECEIPTS INTO PUBLIC ACCOUNT	716 464
Business Division Operating Accounts	716 464
RECEIPTS BY SOURCE	716 464
Charges	551 312
Miscellaneous Receipts	15 459
Capital Receipts	75 776
Interest Received	19 151
Advances Received	35 398
Intrasector Receipts	19 368
USE OF PUBLIC ACCOUNT BALANCE	31 961
Consolidated Revenue Account	
Business Division Operating Accounts (a)	31 961
<hr/>	
(a) OPENING BALANCE 1 JULY 1999	135 687
less CLOSING BALANCE 30 JUNE 2000	103 726

PART 1 - THE PUBLIC ACCOUNT

**SCHEDULE 1.4: ABORIGINAL AREAS
PROTECTION AUTHORITY**

	\$000
OUTLAYS BY ACTIVITY	2 445
Protection of Sacred Sites	2 445
OUTLAYS FROM PUBLIC ACCOUNT	2 445
Aboriginal Areas Protection Authority Operating Account	2 445
RECEIPTS INTO PUBLIC ACCOUNT	291
Consolidated Revenue Account	11
Aboriginal Areas Protection Authority Operating Account	280
RECEIPTS BY SOURCE	291
Taxes	
Fees and Charges	237
Miscellaneous Receipts	- 1
Sale of Land	
Capital Receipts	
Property Income	
Interest Received	
Advances Received	
General Purpose Commonwealth Grants	
Other Commonwealth Grants	50
Territory Borrowing	
Intrasector Receipts	5
USE OF PUBLIC ACCOUNT BALANCE	2 154
Consolidated Revenue Account	2 001
Aboriginal Areas Protection Authority Operating Account (a)	153
<hr/>	
(a) OPENING BALANCE 1 JULY 1999	164
less CLOSING BALANCE 30 JUNE 2000	11

PART 1 - THE PUBLIC ACCOUNT

**SCHEDULE 1.4: ANTI-DISCRIMINATION
COMMISSION**

	\$000
OUTLAYS BY ACTIVITY	1 097
Anti-Discrimination Commission	1 097
OUTLAYS FROM PUBLIC ACCOUNT	1 097
Anti-Discrimination Commission Operating Account	1 097
RECEIPTS INTO PUBLIC ACCOUNT	21
Consolidated Revenue Account	
Anti-Discrimination Commission Operating Account	21
RECEIPTS BY SOURCE	21
Taxes	
Fees and Charges	13
Miscellaneous Receipts	8
Sale of Land	
Capital Receipts	
Property Income	
Interest Received	
Advances Received	
General Purpose Commonwealth Grants	
Other Commonwealth Grants	
Territory Borrowing	
Intrasector Receipts	
USE OF PUBLIC ACCOUNT BALANCE	1 076
Consolidated Revenue Account	1 087
Anti-Discrimination Commission Operating Account (a)	- 11
<hr/>	
(a) OPENING BALANCE 1 JULY 1999	1
less CLOSING BALANCE 30 JUNE 2000	12

PART 1 - THE PUBLIC ACCOUNT

SCHEDULE 1.4: AUDITOR-GENERAL'S OFFICE

	\$000
OUTLAYS BY ACTIVITY	2 133
Audit Services	2 133
OUTLAYS FROM PUBLIC ACCOUNT	2 133
Auditor-General's Office Operating Account	2 133
RECEIPTS INTO PUBLIC ACCOUNT	151
Consolidated Revenue Account	
Auditor-General's Office Operating Account	151
RECEIPTS BY SOURCE	151
Taxes	
Fees and Charges	151
Miscellaneous Receipts	
Sale of Land	
Capital Receipts	
Property Income	
Interest Received	
Advances Received	
General Purpose Commonwealth Grants	
Other Commonwealth Grants	
Territory Borrowing	
Intrasector Receipts	
USE OF PUBLIC ACCOUNT BALANCE	1 982
Consolidated Revenue Account	1 982
Auditor-General's Office Operating Account (a)	
<hr/>	
(a) OPENING BALANCE 1 JULY 1999	63
less CLOSING BALANCE 30 JUNE 2000	63

PART 1 - THE PUBLIC ACCOUNT

SCHEDULE 1.4: CENTRALIAN COLLEGE

	\$000
OUTLAYS BY ACTIVITY	14 364
Corporate Services	5 456
Vocational Education and Training	4 550
Secondary Education	2 450
Enterprise Programs	1 908
OUTLAYS FROM PUBLIC ACCOUNT	14 364
Centralian College Operating Account	14 364
RECEIPTS INTO PUBLIC ACCOUNT	16 003
Consolidated Revenue Account	33
Centralian College Operating Account	15 970
RECEIPTS BY SOURCE	16 003
Taxes	
Fees and Charges	1 995
Miscellaneous Receipts	41
Sale of Land	
Capital Receipts	39
Property Income	
Interest Received	
Advances Received	
General Purpose Commonwealth Grants	
Other Commonwealth Grants	260
Territory Borrowing	
Intrasector Receipts	13 668
USE OF PUBLIC ACCOUNT BALANCE	- 1 639
Consolidated Revenue Account	- 33
Centralian College Operating Account (a)	- 1 606
<hr/>	
(a) OPENING BALANCE 1 JULY 1999	985
less CLOSING BALANCE 30 JUNE 2000	2 591

PART 1 - THE PUBLIC ACCOUNT

**SCHEDULE 1.4: DEPARTMENT OF ARTS
AND MUSEUMS**

	\$000
OUTLAYS BY ACTIVITY	13 184
Organisational Support	1 530
Museums and Art Galleries of the Northern Territory	6 163
Cultural Development	3 411
Alice Springs Cultural Precinct	2 080
OUTLAYS FROM PUBLIC ACCOUNT	13 184
Department of Arts and Museums Operating Account	13 184
RECEIPTS INTO PUBLIC ACCOUNT	1 383
Consolidated Revenue Account	
Department of Arts and Museums Operating Account	1 383
RECEIPTS BY SOURCE	1 383
Taxes	
Fees and Charges	1 007
Miscellaneous Receipts	63
Sale of Land	
Capital Receipts	1
Property Income	
Interest Received	
Advances Received	
General Purpose Commonwealth Grants	
Other Commonwealth Grants	309
Territory Borrowing	
Intrasector Receipts	3
USE OF PUBLIC ACCOUNT BALANCE	11 801
Consolidated Revenue Account	11 587
Department of Arts and Museums Operating Account (a)	214
<hr/>	
(a) OPENING BALANCE 1 JULY 1999	421
less CLOSING BALANCE 30 JUNE 2000	207

PART 1 - THE PUBLIC ACCOUNT

**SCHEDULE 1.4: DEPARTMENT OF ASIAN
RELATIONS AND TRADE**

	\$000
OUTLAYS BY ACTIVITY	5 076
Asian Relations and Trade	5 076
OUTLAYS FROM PUBLIC ACCOUNT	5 076
Department of Asian Relations and Trade Operating Account	5 076
RECEIPTS INTO PUBLIC ACCOUNT	143
Consolidated Revenue Account	94
Department of Asian Relations and Trade Operating Account	49
RECEIPTS BY SOURCE	143
Taxes	
Fees and Charges	
Miscellaneous Receipts	143
Sale of Land	
Capital Receipts	
Property Income	
Interest Received	
Advances Received	
General Purpose Commonwealth Grants	
Other Commonwealth Grants	
Territory Borrowing	
Intrasector Receipts	
USE OF PUBLIC ACCOUNT BALANCE	4 933
Consolidated Revenue Account	4 701
Department of Asian Relations and Trade Operating Account (a)	232
<hr/>	
(a) <i>OPENING BALANCE 1 JULY 1999</i>	1 553
less <i>CLOSING BALANCE 30 JUNE 2000</i>	1 321

PART 1 - THE PUBLIC ACCOUNT

**SCHEDULE 1.4: DEPARTMENT OF CORPORATE AND
INFORMATION SERVICES: GENERAL SERVICES**

	\$000
OUTLAYS BY ACTIVITY	63 752
Executive and Secretariat	3 278
Human Resource Services	20 826
Financial Services	22 011
Information Services	17 637
OUTLAYS FROM PUBLIC ACCOUNT	63 752
Department of Corporate and Information Services Operating Account	63 752
RECEIPTS INTO PUBLIC ACCOUNT	8 066
Consolidated Revenue Account	
Department of Corporate and Information Services Operating Account	8 066
RECEIPTS BY SOURCE	8 066
Taxes	
Fees and Charges	7 842
Miscellaneous Receipts	71
Sale of Land	
Capital Receipts	8
Property Income	
Interest Received	
Advances Received	
General Purpose Commonwealth Grants	
Other Commonwealth Grants	
Territory Borrowing	
Intrasector Receipts	145
USE OF PUBLIC ACCOUNT BALANCE	55 686
Consolidated Revenue Account	56 671
Department of Corporate and Information Services Operating Account (a)	- 985
<hr/>	
(a) OPENING BALANCE 1 JULY 1999	1 042
less CLOSING BALANCE 30 JUNE 2000	2 027

PART 1 - THE PUBLIC ACCOUNT

**SCHEDULE 1.4: DEPARTMENT OF CORPORATE AND
INFORMATION SERVICES: SUPERANNUATION
OFFICE**

	\$000
OUTLAYS BY ACTIVITY	70 458
Administration	1 815
Conditions of Service Provisions	68 643
OUTLAYS FROM PUBLIC ACCOUNT	70 458
DCIS: Superannuation Office Operating Account	70 458
RECEIPTS INTO PUBLIC ACCOUNT	8 163
Consolidated Revenue Account	
DCIS: Superannuation Office Operating Account	8 163
RECEIPTS BY SOURCE	8 163
Taxes	
Fees and Charges	1 838
Miscellaneous Receipts	6 325
Sale of Land	
Capital Receipts	
Property Income	
Interest Received	
Advances Received	
General Purpose Commonwealth Grants	
Other Commonwealth Grants	
Territory Borrowing	
Intrasector Receipts	
USE OF PUBLIC ACCOUNT BALANCE	62 295
Consolidated Revenue Account	56 631
DCIS: Superannuation Office Operating Account (a)	5 664
<hr/>	
(a) OPENING BALANCE 1 JULY 1999	8 120
less CLOSING BALANCE 30 JUNE 2000	2 456

PART 1 - THE PUBLIC ACCOUNT

SCHEDULE 1.4: DEPARTMENT OF EDUCATION

	\$000
OUTLAYS BY ACTIVITY	327 181
Corporate Management	28 155
Urban Pre and Primary Schools	78 406
Remote Schools	50 893
Secondary Schools	50 353
Open Learning	13 052
Non-Government Education	47 066
Student and School Support Services	59 256
OUTLAYS FROM PUBLIC ACCOUNT	327 181
Department of Education Operating Account	327 181
RECEIPTS INTO PUBLIC ACCOUNT	62 376
Consolidated Revenue Account	1 590
Department of Education Operating Account	60 786
RECEIPTS BY SOURCE	62 376
Taxes	
Fees and Charges	2 347
Miscellaneous Receipts	1 068
Sale of Land	
Capital Receipts	38
Property Income	
Interest Received	
Advances Received	
General Purpose Commonwealth Grants	
Other Commonwealth Grants	56 635
Territory Borrowing	
Intrasector Receipts	2 288
USE OF PUBLIC ACCOUNT BALANCE	264 805
Consolidated Revenue Account	262 880
Department of Education Operating Account (a)	1 925
<hr/>	
(a) OPENING BALANCE 1 JULY 1999	3 665
less CLOSING BALANCE 30 JUNE 2000	1 740

PART 1 - THE PUBLIC ACCOUNT

**SCHEDULE 1.4: DEPARTMENT OF INDUSTRIES
AND BUSINESS**

	\$000
OUTLAYS BY ACTIVITY	49 279
Corporate Management	5 654
Business Practices	6 226
Industry Development	6 413
Regional Operations	877
Racing, Gaming and Licensing	30 109
OUTLAYS FROM PUBLIC ACCOUNT	49 279
Department of Industries and Business Operating Account	49 279
RECEIPTS INTO PUBLIC ACCOUNT	39 414
Consolidated Revenue Account	19 007
Department of Industries and Business Operating Account	20 407
RECEIPTS BY SOURCE	39 414
Taxes	32 706
Fees and Charges	971
Miscellaneous Receipts	302
Sale of Land	
Capital Receipts	20
Property Income	
Interest Received	10
Advances Received	457
General Purpose Commonwealth Grants	
Other Commonwealth Grants	2 027
Territory Borrowing	
Intrasector Receipts	2 921
USE OF PUBLIC ACCOUNT BALANCE	9 865
Consolidated Revenue Account	6 869
Department of Industries and Business Operating Account (a)	2 996
<hr/>	
(a) <i>OPENING BALANCE 1 JULY 1999</i>	11 367
less <i>CLOSING BALANCE 30 JUNE 2000</i>	8 371

PART 1 - THE PUBLIC ACCOUNT

**SCHEDULE 1.4: DEPARTMENT OF LANDS,
PLANNING AND ENVIRONMENT**

	\$000
OUTLAYS BY ACTIVITY	50 739
Corporate Support	3 404
Land Administration	11 818
Land Information	11 976
Natural Resources and Environment	23 541
OUTLAYS FROM PUBLIC ACCOUNT	50 739
Department of Lands, Planning and Environment Operating Account	50 739
RECEIPTS INTO PUBLIC ACCOUNT	22 949
Consolidated Revenue Account	13 399
Department of Lands, Planning and Environment Operating Account	9 550
RECEIPTS BY SOURCE	22 949
Taxes	
Fees and Charges	1 995
Miscellaneous Receipts	145
Sale of Land	11 008
Capital Receipts	1
Property Income	1 779
Interest Received	3
Advances Received	4
General Purpose Commonwealth Grants	
Other Commonwealth Grants	8 014
Territory Borrowing	
Intrasector Receipts	
USE OF PUBLIC ACCOUNT BALANCE	27 790
Consolidated Revenue Account	31 154
Department of Lands, Planning and Environment Operating Account (a)	- 3 364
<hr/>	
(a) OPENING BALANCE 1 JULY 1999	901
less CLOSING BALANCE 30 JUNE 2000	4 265

PART 1 - THE PUBLIC ACCOUNT

**SCHEDULE 1.4: DEPARTMENT OF LOCAL
GOVERNMENT**

	\$000
OUTLAYS BY ACTIVITY	48 448
Local Government Funding	40 536
Development Support and Monitoring	7 912
OUTLAYS FROM PUBLIC ACCOUNT	48 448
Department of Local Government Operating Account	48 448
RECEIPTS INTO PUBLIC ACCOUNT	19 412
Consolidated Revenue Account	
Department of Local Government Operating Account	19 412
RECEIPTS BY SOURCE	19 412
Taxes	
Fees and Charges	1 366
Miscellaneous Receipts	4
Sale of Land	
Capital Receipts	3
Property Income	
Interest Received	
Advances Received	
General Purpose Commonwealth Grants	
Other Commonwealth Grants	18 039
Territory Borrowing	
Intrasector Receipts	
USE OF PUBLIC ACCOUNT BALANCE	29 036
Consolidated Revenue Account	27 597
Department of Local Government Operating Account (a)	1 439
<hr/>	
(a) OPENING BALANCE 1 JULY 1999	2 566
less CLOSING BALANCE 30 JUNE 2000	1 127

PART 1 - THE PUBLIC ACCOUNT

**SCHEDULE 1.4: DEPARTMENT OF MINES
AND ENERGY**

	\$000
OUTLAYS BY ACTIVITY	21 837
Corporate Management	4 310
Office of Resource Development	3 412
Industry Services	14 115
OUTLAYS FROM PUBLIC ACCOUNT	21 837
Department of Mines and Energy Operating Account	21 837
RECEIPTS INTO PUBLIC ACCOUNT	2 934
Consolidated Revenue Account	2 539
Department of Mines and Energy Operating Account	395
RECEIPTS BY SOURCE	2 934
Taxes	
Fees and Charges	1 151
Miscellaneous Receipts	2
Sale of Land	
Capital Receipts	5
Property Income	1 684
Interest Received	
Advances Received	
General Purpose Commonwealth Grants	
Other Commonwealth Grants	92
Territory Borrowing	
Intrasector Receipts	
USE OF PUBLIC ACCOUNT BALANCE	18 903
Consolidated Revenue Account	17 843
Department of Mines and Energy Operating Account (a)	1 060
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(a) OPENING BALANCE 1 JULY 1999	1 401
less CLOSING BALANCE 30 JUNE 2000	341

PART 1 - THE PUBLIC ACCOUNT

**SCHEDULE 1.4: DEPARTMENT OF PRIMARY
INDUSTRY AND FISHERIES**

	\$000
OUTLAYS BY ACTIVITY	41 202
Corporate Management	5 438
Horticulture	3 238
Pastoral	13 812
Fisheries	5 948
Industry Services	12 766
OUTLAYS FROM PUBLIC ACCOUNT	41 202
Department of Primary Industry and Fisheries Operating Account	41 202
RECEIPTS INTO PUBLIC ACCOUNT	10 635
Consolidated Revenue Account	352
Department of Primary Industry and Fisheries Operating Account	10 283
RECEIPTS BY SOURCE	10 635
Taxes	
Fees and Charges	2 334
Miscellaneous Receipts	1 526
Sale of Land	
Capital Receipts	3
Property Income	
Interest Received	137
Advances Received	827
General Purpose Commonwealth Grants	
Other Commonwealth Grants	5 416
Territory Borrowing	
Intrasector Receipts	392
USE OF PUBLIC ACCOUNT BALANCE	30 567
Consolidated Revenue Account	31 179
Department of Primary Industry and Fisheries Operating Account (a)	- 612
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(a) OPENING BALANCE 1 JULY 1999	1 720
less CLOSING BALANCE 30 JUNE 2000	2 332

PART 1 - THE PUBLIC ACCOUNT

**SCHEDULE 1.4: DEPARTMENT OF SPORT
AND RECREATION**

	\$000
OUTLAYS BY ACTIVITY	12 696
Sport and Recreation	12 696
OUTLAYS FROM PUBLIC ACCOUNT	12 696
Department of Sport and Recreation Operating Account	12 696
RECEIPTS INTO PUBLIC ACCOUNT	8 273
Consolidated Revenue Account	
Department of Sport and Recreation Operating Account	8 273
RECEIPTS BY SOURCE	8 273
Taxes	
Fees and Charges	109
Miscellaneous Receipts	735
Sale of Land	
Capital Receipts	
Property Income	
Interest Received	
Advances Received	
General Purpose Commonwealth Grants	
Other Commonwealth Grants	484
Territory Borrowing	
Intrasector Receipts	6 945
USE OF PUBLIC ACCOUNT BALANCE	4 423
Consolidated Revenue Account	4 545
Department of Sport and Recreation Operating Account (a)	- 122
<hr/>	
(a) OPENING BALANCE 1 JULY 1999	894
less CLOSING BALANCE 30 JUNE 2000	1 016

PART 1 - THE PUBLIC ACCOUNT

**SCHEDULE 1.4: DEPARTMENT OF THE CHIEF
MINISTER**

	\$000
OUTLAYS BY ACTIVITY	32 146
Corporate Management	9 544
Specialist Services	11 346
Executive Government	10 103
Ethnic Affairs	1 153
OUTLAYS FROM PUBLIC ACCOUNT	32 146
Department of the Chief Minister Operating Account	32 146
RECEIPTS INTO PUBLIC ACCOUNT	814
Consolidated Revenue Account	
Department of the Chief Minister Operating Account	814
RECEIPTS BY SOURCE	814
Taxes	
Fees and Charges	274
Miscellaneous Receipts	105
Sale of Land	
Capital Receipts	
Property Income	
Interest Received	
Advances Received	
General Purpose Commonwealth Grants	
Other Commonwealth Grants	380
Territory Borrowing	
Intrasector Receipts	55
USE OF PUBLIC ACCOUNT BALANCE	31 332
Consolidated Revenue Account	32 084
Department of the Chief Minister Operating Account (a)	- 752
<hr/>	
(a) OPENING BALANCE 1 JULY 1999	338
less CLOSING BALANCE 30 JUNE 2000	1 090

PART 1 - THE PUBLIC ACCOUNT

**SCHEDULE 1.4: DEPARTMENT OF THE
LEGISLATIVE ASSEMBLY**

	\$000
OUTLAYS BY ACTIVITY	11 964
Assembly Services	5 019
Members' Services	6 945
OUTLAYS FROM PUBLIC ACCOUNT	11 964
Department of the Legislative Assembly Operating Account	11 964
RECEIPTS INTO PUBLIC ACCOUNT	111
Consolidated Revenue Account	
Department of the Legislative Assembly Operating Account	111
RECEIPTS BY SOURCE	111
Taxes	
Fees and Charges	26
Miscellaneous Receipts	4
Sale of Land	
Capital Receipts	14
Property Income	
Interest Received	
Advances Received	
General Purpose Commonwealth Grants	
Other Commonwealth Grants	67
Territory Borrowing	
Intrasector Receipts	
USE OF PUBLIC ACCOUNT BALANCE	11 853
Consolidated Revenue Account	11 908
Department of the Legislative Assembly Operating Account (a)	- 55
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(a) OPENING BALANCE 1 JULY 1999	113
less CLOSING BALANCE 30 JUNE 2000	168

PART 1 - THE PUBLIC ACCOUNT

**SCHEDULE 1.4: DEPARTMENT OF TRANSPORT
AND WORKS**

	\$000
OUTLAYS BY ACTIVITY	266 071
Corporate Support	17 113
Infrastructure Development and Services	118 960
Transport Policy and Regulation	22 543
Territory Public Transport Services	16 833
Roads Development	90 622
OUTLAYS FROM PUBLIC ACCOUNT	266 071
Department of Transport and Works Operating Account	266 071
RECEIPTS INTO PUBLIC ACCOUNT	59 771
Consolidated Revenue Account	21 702
Department of Transport and Works Operating Account	38 069
RECEIPTS BY SOURCE	59 771
Taxes	16 768
Fees and Charges	11 330
Miscellaneous Receipts	1 209
Sale of Land	
Capital Receipts	26
Property Income	
Interest Received	
Advances Received	
General Purpose Commonwealth Grants	
Other Commonwealth Grants	28 387
Territory Borrowing	
Intrasector Receipts	2 051
USE OF PUBLIC ACCOUNT BALANCE	206 300
Consolidated Revenue Account	206 414
Department of Transport and Works Operating Account (a)	- 114

(a) OPENING BALANCE 1 JULY 1999	2 761
less CLOSING BALANCE 30 JUNE 2000	2 875

PART 1 - THE PUBLIC ACCOUNT

**SCHEDULE 1.4: NORTHERN TERRITORY ATTORNEY-
GENERAL'S DEPARTMENT**

	\$000
OUTLAYS BY ACTIVITY	18 001
Executive	4 646
Solicitor-General	400
Legal Services	10 419
Community Services	2 536
OUTLAYS FROM PUBLIC ACCOUNT	18 001
NT Attorney-General's Department Operating Account	18 001
RECEIPTS INTO PUBLIC ACCOUNT	5 194
Consolidated Revenue Account	133
NT Attorney-General's Department Operating Account	5 061
RECEIPTS BY SOURCE	5 194
Taxes	
Fees and Charges	3 884
Miscellaneous Receipts	369
Sale of Land	
Capital Receipts	1
Property Income	
Interest Received	815
Advances Received	
General Purpose Commonwealth Grants	
Other Commonwealth Grants	
Territory Borrowing	
Intrasector Receipts	125
USE OF PUBLIC ACCOUNT BALANCE	12 807
Consolidated Revenue Account	14 066
NT Attorney-General's Department Operating Account (a)	- 1 259
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(a) OPENING BALANCE 1 JULY 1999	41
less CLOSING BALANCE 30 JUNE 2000	1 300

PART 1 - THE PUBLIC ACCOUNT

**SCHEDULE 1.4: NORTHERN TERRITORY
CORRECTIONAL SERVICES**

	\$000
OUTLAYS BY ACTIVITY	43 702
Corporate Management	3 358
Custodial Operations	35 964
Community Corrections	4 380
OUTLAYS FROM PUBLIC ACCOUNT	43 702
NT Correctional Services Operating Account	43 702
RECEIPTS INTO PUBLIC ACCOUNT	1 113
Consolidated Revenue Account	
NT Correctional Services Operating Account	1 113
RECEIPTS BY SOURCE	1 113
Taxes	
Fees and Charges	411
Miscellaneous Receipts	- 11
Sale of Land	
Capital Receipts	1
Property Income	
Interest Received	
Advances Received	
General Purpose Commonwealth Grants	
Other Commonwealth Grants	557
Territory Borrowing	
Intrasector Receipts	155
USE OF PUBLIC ACCOUNT BALANCE	42 589
Consolidated Revenue Account	42 950
NT Correctional Services Operating Account (a)	- 361
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(a) OPENING BALANCE 1 JULY 1999	92
less CLOSING BALANCE 30 JUNE 2000	453

PART 1 - THE PUBLIC ACCOUNT

**SCHEDULE 1.4: NORTHERN TERRITORY
EMPLOYMENT AND TRAINING AUTHORITY**

	\$000
OUTLAYS BY ACTIVITY	67 383
Vocational Education and Training	7 471
Service Providers	59 912
OUTLAYS FROM PUBLIC ACCOUNT	67 383
NT Employment and Training Authority Operating Account	67 383
RECEIPTS INTO PUBLIC ACCOUNT	13 576
Consolidated Revenue Account	
NT Employment and Training Authority Operating Account	13 576
RECEIPTS BY SOURCE	13 576
Taxes	
Fees and Charges	32
Miscellaneous Receipts	- 30
Sale of Land	
Capital Receipts	
Property Income	
Interest Received	
Advances Received	
General Purpose Commonwealth Grants	
Other Commonwealth Grants	13 574
Territory Borrowing	
Intrasector Receipts	
USE OF PUBLIC ACCOUNT BALANCE	53 807
Consolidated Revenue Account	55 188
NT Employment and Training Authority Operating Account (a)	- 1 381
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(a) OPENING BALANCE 1 JULY 1999	470
less CLOSING BALANCE 30 JUNE 2000	1 851

PART 1 - THE PUBLIC ACCOUNT

**SCHEDULE 1.4: NORTHERN TERRITORY POLICE,
FIRE AND EMERGENCY SERVICES**

	\$000
OUTLAYS BY ACTIVITY	127 338
Police Operations	52 242
Crime Operations	18 262
Emergency Management	15 391
Operational Support Services	35 007
Tri-Service Support	6 436
OUTLAYS FROM PUBLIC ACCOUNT	127 338
NT Police, Fire and Emergency Services Operating Account	127 338
RECEIPTS INTO PUBLIC ACCOUNT	5 502
Consolidated Revenue Account	470
NT Police, Fire and Emergency Services Operating Account	5 032
RECEIPTS BY SOURCE	5 502
Taxes	
Fees and Charges	1 502
Miscellaneous Receipts	77
Sale of Land	
Capital Receipts	3 298
Property Income	
Interest Received	
Advances Received	
General Purpose Commonwealth Grants	
Other Commonwealth Grants	325
Territory Borrowing	
Intrasector Receipts	300
USE OF PUBLIC ACCOUNT BALANCE	121 836
Consolidated Revenue Account	120 267
NT Police, Fire and Emergency Services Operating Account (a)	1 569
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(a) OPENING BALANCE 1 JULY 1999	2 307
less CLOSING BALANCE 30 JUNE 2000	738

PART 1 - THE PUBLIC ACCOUNT

SCHEDULE 1.4: NORTHERN TERRITORY RAILWAY

	\$000
OUTLAYS BY ACTIVITY	7 084
Development of the Railway	7 084
OUTLAYS FROM PUBLIC ACCOUNT	7 084
NT Railway Operating Account	7 084
RECEIPTS INTO PUBLIC ACCOUNT	
<i>Consolidated Revenue Account</i>	
<i>NT Railway Operating Account</i>	
RECEIPTS BY SOURCE	
<i>Taxes</i>	
<i>Fees and Charges</i>	
<i>Miscellaneous Receipts</i>	
<i>Sale of Land</i>	
<i>Capital Receipts</i>	
<i>Property Income</i>	
<i>Interest Received</i>	
<i>Advances Received</i>	
<i>General Purpose Commonwealth Grants</i>	
<i>Other Commonwealth Grants</i>	
<i>Territory Borrowing</i>	
<i>Intrasector Receipts</i>	
USE OF PUBLIC ACCOUNT BALANCE	7 084
Consolidated Revenue Account	3 541
NT Railway Operating Account (a)	3 543
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(a) OPENING BALANCE 1 JULY 1999	4 667
less CLOSING BALANCE 30 JUNE 2000	1 124

PART 1 - THE PUBLIC ACCOUNT

**SCHEDULE 1.4: NORTHERN TERRITORY TOURIST
COMMISSION**

	\$000
OUTLAYS BY ACTIVITY	28 355
Corporate Communications	2 706
Marketing	23 788
Regional Tourism Associations	1 861
OUTLAYS FROM PUBLIC ACCOUNT	28 355
NT Tourist Commission Operating Account	28 355
RECEIPTS INTO PUBLIC ACCOUNT	8 921
Consolidated Revenue Account	
NT Tourist Commission Operating Account	8 921
RECEIPTS BY SOURCE	8 921
Taxes	7 743
Fees and Charges	1 124
Miscellaneous Receipts	45
Sale of Land	
Capital Receipts	
Property Income	
Interest Received	
Advances Received	
General Purpose Commonwealth Grants	
Other Commonwealth Grants	9
Territory Borrowing	
Intrasector Receipts	
USE OF PUBLIC ACCOUNT BALANCE	19 434
Consolidated Revenue Account	18 445
NT Tourist Commission Operating Account (a)	989
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(a) <i>OPENING BALANCE 1 JULY 1999</i>	1 013
less <i>CLOSING BALANCE 30 JUNE 2000</i>	24

PART 1 - THE PUBLIC ACCOUNT

SCHEDULE 1.4: NORTHERN TERRITORY TREASURY

	\$000
OUTLAYS BY ACTIVITY	96 331
Corporate Management	15 876
Budgets, Finance and Economic Services	7 186
Territory Revenue Management	16 166
Community Service Obligations	56 655
Utilities Commission	448
OUTLAYS FROM PUBLIC ACCOUNT	96 331
NT Treasury Operating Account	96 331
RECEIPTS INTO PUBLIC ACCOUNT	1 709 445
Consolidated Revenue Account	1 707 527
NT Treasury Operating Account	1 918
RECEIPTS BY SOURCE	1 709 445
Taxes	168 738
Fees and Charges	1 096
Miscellaneous Receipts	13 076
Sale of Land	
Capital Receipts	67 675
Property Income	24 948
Interest Received	
Advances Received	
General Purpose Commonwealth Grants	1 085 630
Commonwealth Revenue Replacement Payments	124 789
Other Commonwealth Grants	
Territory Borrowing	100 000
Intrasector Receipts	123 493
USE OF PUBLIC ACCOUNT BALANCE	-1 613 114
Consolidated Revenue Account	-1 611 351
NT Treasury Operating Account (a)	- 1 763
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(a) OPENING BALANCE 1 JULY 1999	1 542
less CLOSING BALANCE 30 JUNE 2000	3 305

PART 1 - THE PUBLIC ACCOUNT

SCHEDULE 1.4: NORTHERN TERRITORY TREASURY CORPORATION

	\$000
OUTLAYS BY ACTIVITY	252 446
Administration	5 624
External Debt Management	221 960
Internal Funds Management	24 862
OUTLAYS FROM PUBLIC ACCOUNT	252 446
NT Treasury Corporation Operating Account	252 446
RECEIPTS INTO PUBLIC ACCOUNT	137 014
Consolidated Revenue Account	7 236
NT Treasury Corporation Operating Account	129 778
RECEIPTS BY SOURCE	137 014
Taxes	
Fees and Charges	262
Miscellaneous Receipts	23
Sale of Land	
Capital Receipts	
Property Income	
Interest Received	8 757
Advances Received	3 576
General Purpose Commonwealth Grants	
Other Commonwealth Grants	5 096
Territory Borrowing	40 560
Intrasector Receipts	78 740
USE OF PUBLIC ACCOUNT BALANCE	115 432
Consolidated Revenue Account	122 681
NT Treasury Corporation Operating Account (a)	- 7 249
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(a) OPENING BALANCE 1 JULY 1999	34 195
less CLOSING BALANCE 30 JUNE 2000	41 444

PART 1 - THE PUBLIC ACCOUNT

**SCHEDULE 1.4: OFFICE OF ABORIGINAL
DEVELOPMENT**

	\$000
OUTLAYS BY ACTIVITY	2 546
Aboriginal Development	2 546
OUTLAYS FROM PUBLIC ACCOUNT	2 546
Office of Aboriginal Development Operating Account	2 546
RECEIPTS INTO PUBLIC ACCOUNT	203
Consolidated Revenue Account	
Office of Aboriginal Development Operating Account	203
RECEIPTS BY SOURCE	203
Taxes	
Fees and Charges	204
Miscellaneous Receipts	- 1
Sale of Land	
Capital Receipts	
Property Income	
Interest Received	
Advances Received	
General Purpose Commonwealth Grants	
Other Commonwealth Grants	
Territory Borrowing	
Intrasector Receipts	
USE OF PUBLIC ACCOUNT BALANCE	2 343
Consolidated Revenue Account	2 340
Office of Aboriginal Development Operating Account (a)	3
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(a) OPENING BALANCE 1 JULY 1999	202
less CLOSING BALANCE 30 JUNE 2000	199

PART 1 - THE PUBLIC ACCOUNT

**SCHEDULE 1.4: OFFICE OF COMMUNICATIONS,
SCIENCE AND ADVANCED TECHNOLOGY**

	\$000
OUTLAYS BY ACTIVITY	3 118
Office of Communications, Science and Advanced Technology	3 118
OUTLAYS FROM PUBLIC ACCOUNT	3 118
Office of Communications, Science and Advanced Technology Operating Account	3 118
RECEIPTS INTO PUBLIC ACCOUNT	1 245
Consolidated Revenue Account Office of Communications, Science and Advanced Technology Operating Account	1 245
RECEIPTS BY SOURCE	1 245
Taxes	
Fees and Charges	
Miscellaneous Receipts	3
Sale of Land	
Capital Receipts	
Property Income	
Interest Received	
Advances Received	
General Purpose Commonwealth Grants	
Other Commonwealth Grants	1 241
Territory Borrowing	
Intrasector Receipts	1
USE OF PUBLIC ACCOUNT BALANCE	1 873
Consolidated Revenue Account	2 662
Office of Communications, Science and Advanced Technology Operating Account (a)	- 789
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(a) OPENING BALANCE 1 JULY 1999	563
less CLOSING BALANCE 30 JUNE 2000	1 352

PART 1 - THE PUBLIC ACCOUNT

**SCHEDULE 1.4: OFFICE OF COURTS
ADMINISTRATION**

	\$000
OUTLAYS BY ACTIVITY	16 426
Corporate Management	3 335
Supreme Court	6 360
Magistrates Courts	6 568
Tribunals	163
OUTLAYS FROM PUBLIC ACCOUNT	16 426
Office of Courts Administration Operating Account	16 426
RECEIPTS INTO PUBLIC ACCOUNT	5 769
Consolidated Revenue Account	5 574
Office of Courts Administration Operating Account	195
RECEIPTS BY SOURCE	5 769
Taxes	
Fees and Charges	1 439
Miscellaneous Receipts	3 937
Sale of Land	393
Capital Receipts	
Property Income	
Interest Received	
Advances Received	
General Purpose Commonwealth Grants	
Other Commonwealth Grants	
Territory Borrowing	
Intrasector Receipts	
USE OF PUBLIC ACCOUNT BALANCE	10 657
Consolidated Revenue Account	11 000
Office of Courts Administration Operating Account (a)	- 343
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(a) OPENING BALANCE 1 JULY 1999	30
less CLOSING BALANCE 30 JUNE 2000	373

PART 1 - THE PUBLIC ACCOUNT

**SCHEDULE 1.4: OFFICE OF THE COMMISSIONER
FOR PUBLIC EMPLOYMENT**

	\$000
OUTLAYS BY ACTIVITY	42 440
Corporate Management	2 218
Employee Relations	1 953
Employee Development	3 660
Property Management	34 609
OUTLAYS FROM PUBLIC ACCOUNT	42 440
Office of the Commissioner for Public Employment Operating Account	42 440
RECEIPTS INTO PUBLIC ACCOUNT	6 172
Consolidated Revenue Account	
Office of the Commissioner for Public Employment Operating Account	6 172
RECEIPTS BY SOURCE	6 172
Taxes	
Fees and Charges	5 845
Miscellaneous Receipts	- 105
Sale of Land	
Capital Receipts	
Property Income	
Interest Received	
Advances Received	
General Purpose Commonwealth Grants	
Other Commonwealth Grants	295
Territory Borrowing	
Intrasector Receipts	137
USE OF PUBLIC ACCOUNT BALANCE	36 268
Consolidated Revenue Account	37 961
Office of the Commissioner for Public Employment Operating Account (a)	- 1 693
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(a) <i>OPENING BALANCE 1 JULY 1999</i>	711
less <i>CLOSING BALANCE 30 JUNE 2000</i>	2 404

PART 1 - THE PUBLIC ACCOUNT

**SCHEDULE 1.4: OFFICE OF THE DIRECTOR OF
PUBLIC PROSECUTIONS**

	\$000
OUTLAYS BY ACTIVITY	4 621
Director of Public Prosecutions	4 621
OUTLAYS FROM PUBLIC ACCOUNT	4 621
Office of the Director of Public Prosecutions Operating Account	4 621
RECEIPTS INTO PUBLIC ACCOUNT	
<i>Consolidated Revenue Account</i>	
<i>Office of the Director of Public Prosecutions Operating Account</i>	
RECEIPTS BY SOURCE	
<i>Taxes</i>	
<i>Fees and Charges</i>	
<i>Miscellaneous Receipts</i>	- 1
<i>Sale of Land</i>	
<i>Capital Receipts</i>	1
<i>Property Income</i>	
<i>Interest Received</i>	
<i>Advances Received</i>	
<i>General Purpose Commonwealth Grants</i>	
<i>Other Commonwealth Grants</i>	
<i>Territory Borrowing</i>	
<i>Intrasector Receipts</i>	
USE OF PUBLIC ACCOUNT BALANCE	4 621
Consolidated Revenue Account	4 619
Office of the Director of Public Prosecutions Operating Account (a)	2
<hr/>	
(a) <i>OPENING BALANCE 1 JULY 1999</i>	2
less <i>CLOSING BALANCE 30 JUNE 2000</i>	

PART 1 - THE PUBLIC ACCOUNT

SCHEDULE 1.4: OMBUDSMAN'S OFFICE

	\$000
OUTLAYS BY ACTIVITY	1 501
Ombudsman	1 182
Health and Community Services Complaints Commission	319
OUTLAYS FROM PUBLIC ACCOUNT	1 501
Ombudsman's Office Operating Account	1 501
RECEIPTS INTO PUBLIC ACCOUNT	28
Consolidated Revenue Account	
Ombudsman's Office Operating Account	28
RECEIPTS BY SOURCE	28
Taxes	
Fees and Charges	
Miscellaneous Receipts	3
Sale of Land	
Capital Receipts	
Property Income	
Interest Received	
Advances Received	
General Purpose Commonwealth Grants	
Other Commonwealth Grants	25
Territory Borrowing	
Intrasector Receipts	
USE OF PUBLIC ACCOUNT BALANCE	1 473
Consolidated Revenue Account	1 448
Ombudsman's Office Operating Account (a)	25
<hr/>	
(a) <i>OPENING BALANCE 1 JULY 1999</i>	28
less <i>CLOSING BALANCE 30 JUNE 2000</i>	3

PART 1 - THE PUBLIC ACCOUNT

**SCHEDULE 1.4: PARKS AND WILDLIFE
COMMISSION OF THE NORTHERN TERRITORY**

	\$000
OUTLAYS BY ACTIVITY	38 646
Corporate Management	2 147
Community Service Obligation	7 309
Park Management	16 560
Scientific Services	8 818
Bushfires Council	3 812
OUTLAYS FROM PUBLIC ACCOUNT	38 646
Parks and Wildlife Commission of the NT Operating Account	38 646
RECEIPTS INTO PUBLIC ACCOUNT	3 337
Consolidated Revenue Account	318
Parks and Wildlife Commission of the NT Operating Account	3 019
RECEIPTS BY SOURCE	3 337
Taxes	
Fees and Charges	723
Miscellaneous Receipts	403
Sale of Land	
Capital Receipts	
Property Income	15
Interest Received	
Advances Received	
General Purpose Commonwealth Grants	
Other Commonwealth Grants	2 190
Territory Borrowing	
Intrasector Receipts	6
USE OF PUBLIC ACCOUNT BALANCE	35 309
Consolidated Revenue Account	36 202
Parks and Wildlife Commission of the NT Operating Account (a)	- 893
<hr/>	
(a) <i>OPENING BALANCE 1 JULY 1999</i>	359
less <i>CLOSING BALANCE 30 JUNE 2000</i>	1 252

PART 1 - THE PUBLIC ACCOUNT

SCHEDULE 1.4: STREHLOW RESEARCH CENTRE

	\$000
OUTLAYS BY ACTIVITY	456
Strehlow	456
OUTLAYS FROM PUBLIC ACCOUNT	456
Strehlow Research Centre Operating Account	456
RECEIPTS INTO PUBLIC ACCOUNT	3
Consolidated Revenue Account	
Strehlow Research Centre Operating Account	3
RECEIPTS BY SOURCE	3
Taxes	
Fees and Charges	
Miscellaneous Receipts	3
Sale of Land	
Capital Receipts	
Property Income	
Interest Received	
Advances Received	
General Purpose Commonwealth Grants	
Other Commonwealth Grants	
Territory Borrowing	
Intrasector Receipts	
USE OF PUBLIC ACCOUNT BALANCE	453
Consolidated Revenue Account	451
Strehlow Research Centre Operating Account (a)	2
<hr/>	
(a) OPENING BALANCE 1 JULY 1999	6
less CLOSING BALANCE 30 JUNE 2000	4

PART 1 - THE PUBLIC ACCOUNT

SCHEDULE 1.4: TERRITORY HEALTH SERVICES

	\$000
OUTLAYS BY ACTIVITY	433 767
Organisational Support	22 516
Acute Care	114 800
Other Acute Care	87 720
Public Health	44 345
Community Services	71 731
Primary Health Care	92 655
OUTLAYS FROM PUBLIC ACCOUNT	433 767
Territory Health Services Operating Account	433 767
RECEIPTS INTO PUBLIC ACCOUNT	114 042
Consolidated Revenue Account	1 454
Territory Health Services Operating Account	112 588
RECEIPTS BY SOURCE	114 042
Taxes	
Fees and Charges	18 482
Miscellaneous Receipts	1 476
Sale of Land	
Capital Receipts	15
Property Income	
Interest Received	
Advances Received	
General Purpose Commonwealth Grants	
Other Commonwealth Grants	93 793
Territory Borrowing	
Intrasector Receipts	276
USE OF PUBLIC ACCOUNT BALANCE	319 725
Consolidated Revenue Account	320 886
Territory Health Services Operating Account (a)	- 1 161
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(a) OPENING BALANCE 1 JULY 1999	4 675
less CLOSING BALANCE 30 JUNE 2000	5 836

PART 1 - THE PUBLIC ACCOUNT

SCHEDULE 1.4: TERRITORY HOUSING

	\$000
OUTLAYS BY ACTIVITY	59 673
Public Housing	15 668
Community Service Obligations	19 340
Aboriginal Housing	24 665
OUTLAYS FROM PUBLIC ACCOUNT	59 673
Territory Housing Operating Account	59 673
RECEIPTS INTO PUBLIC ACCOUNT	37 752
Consolidated Revenue Account	
Territory Housing Operating Account	37 752
RECEIPTS BY SOURCE	37 752
Taxes	
Fees and Charges	3 666
Miscellaneous Receipts	
Sale of Land	
Capital Receipts	
Property Income	
Interest Received	
Advances Received	
General Purpose Commonwealth Grants	
Other Commonwealth Grants	34 066
Territory Borrowing	
Intrasector Receipts	20
USE OF PUBLIC ACCOUNT BALANCE	21 921
Consolidated Revenue Account	21 770
Territory Housing Operating Account (a)	151
<hr/>	
(a) <i>OPENING BALANCE 1 JULY 1999</i>	232
less <i>CLOSING BALANCE 30 JUNE 2000</i>	81

PART 1 - THE PUBLIC ACCOUNT

**SCHEDULE 1.4: TRADE DEVELOPMENT
ZONE AUTHORITY**

	\$000
OUTLAYS BY ACTIVITY	1 092
Corporate Management	787
Investor Assistance	
Zone Assets	305
OUTLAYS FROM PUBLIC ACCOUNT	1 092
Trade Development Zone Authority Operating Account	1 092
RECEIPTS INTO PUBLIC ACCOUNT	3 574
Consolidated Revenue Account	3 389
Trade Development Zone Authority Operating Account	185
RECEIPTS BY SOURCE	3 574
Taxes	
Fees and Charges	180
Miscellaneous Receipts	5
Sale of Land	3 389
Capital Receipts	
Property Income	
Interest Received	
Advances Received	
General Purpose Commonwealth Grants	
Other Commonwealth Grants	
Territory Borrowing	
Intrasector Receipts	
USE OF PUBLIC ACCOUNT BALANCE	- 2 482
Consolidated Revenue Account	- 2 623
Trade Development Zone Authority Operating Account (a)	141
<hr/>	
(a) OPENING BALANCE 1 JULY 1999	373
less CLOSING BALANCE 30 JUNE 2000	232

PART 1 - THE PUBLIC ACCOUNT

SCHEDULE 1.4: CONSTRUCTION AGENCY

	\$000
OUTLAYS BY ACTIVITY	34 950
Construction Agency	34 950
OUTLAYS FROM PUBLIC ACCOUNT	34 950
Construction Agency Business Division Operating Account	34 950
RECEIPTS INTO PUBLIC ACCOUNT	38 586
Construction Agency Business Division Operating Account	38 586
RECEIPTS BY SOURCE	38 586
Charges	38 575
Miscellaneous Receipts	4
Capital Receipts	2
Interest Received	5
Advances Received	
Intrasector Receipts	
USE OF PUBLIC ACCOUNT BALANCE	- 3 636
Consolidated Revenue Account	
Construction Agency Business Division Operating Account (a)	- 3 636
<hr/>	
(a) OPENING BALANCE 1 JULY 1999	1 404
less CLOSING BALANCE 30 JUNE 2000	5 040

PART 1 - THE PUBLIC ACCOUNT

SCHEDULE 1.4: DARWIN BUS SERVICE

	\$000
OUTLAYS BY ACTIVITY	6 122
Darwin Bus Service	6 122
OUTLAYS FROM PUBLIC ACCOUNT	6 122
Darwin Bus Service Business Division Operating Account	6 122
RECEIPTS INTO PUBLIC ACCOUNT	5 584
Darwin Bus Service Business Division Operating Account	5 584
RECEIPTS BY SOURCE	5 584
Charges	5 418
Miscellaneous Receipts	- 48
Capital Receipts	75
Interest Received	139
Advances Received	
Intrasector Receipts	
USE OF PUBLIC ACCOUNT BALANCE	538
Consolidated Revenue Account	
Darwin Bus Service Business Division Operating Account (a)	538
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(a) OPENING BALANCE 1 JULY 1999	2 911
less CLOSING BALANCE 30 JUNE 2000	2 373

PART 1 - THE PUBLIC ACCOUNT

SCHEDULE 1.4: DARWIN PORT CORPORATION

	\$000
OUTLAYS BY ACTIVITY	22 664
Darwin Port Corporation	22 664
OUTLAYS FROM PUBLIC ACCOUNT	22 664
Darwin Port Corporation Business Division Operating Account	22 664
RECEIPTS INTO PUBLIC ACCOUNT	25 609
Darwin Port Corporation Business Division Operating Account	25 609
RECEIPTS BY SOURCE	25 609
Charges	16 500
Miscellaneous Receipts	- 8
Capital Receipts	7 027
Interest Received	330
Advances Received	
Intrasector Receipts	1 760
USE OF PUBLIC ACCOUNT BALANCE	- 2 945
Consolidated Revenue Account	
Darwin Port Corporation Business Division Operating Account (a)	- 2 945
<hr/>	
(a) <i>OPENING BALANCE 1 JULY 1999</i>	6 014
less <i>CLOSING BALANCE 30 JUNE 2000</i>	8 959

PART 1 - THE PUBLIC ACCOUNT

SCHEDULE 1.4: GOVERNMENT PRINTING OFFICE

	\$000
OUTLAYS BY ACTIVITY	7 040
Government Printing Office	7 040
OUTLAYS FROM PUBLIC ACCOUNT	7 040
Government Printing Office Business Division Operating Account	7 040
RECEIPTS INTO PUBLIC ACCOUNT	6 484
Government Printing Office Business Division Operating Account	6 484
RECEIPTS BY SOURCE	6 484
Charges	6 396
Miscellaneous Receipts	
Capital Receipts	
Interest Received	88
Advances Received	
Intrasector Receipts	
USE OF PUBLIC ACCOUNT BALANCE	556
Consolidated Revenue Account	
Government Printing Office Business Division Operating Account (a)	556
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(a) OPENING BALANCE 1 JULY 1999	2 031
less CLOSING BALANCE 30 JUNE 2000	1 475

PART 1 - THE PUBLIC ACCOUNT

**SCHEDULE 1.4: INFORMATION TECHNOLOGY
MANAGEMENT SERVICES**

	\$000
OUTLAYS BY ACTIVITY	62 096
Information Technology Management Services	62 096
OUTLAYS FROM PUBLIC ACCOUNT	62 096
Information Technology Management Services Business	62 096
Division Operating Account	
RECEIPTS INTO PUBLIC ACCOUNT	61 459
Information Technology Management Services Business	61 459
Division Operating Account	
RECEIPTS BY SOURCE	61 459
Charges	58 004
Miscellaneous Receipts	- 2
Capital Receipts	3 390
Interest Received	67
Advances Received	
Intrasector Receipts	
USE OF PUBLIC ACCOUNT BALANCE	637
Consolidated Revenue Account	
Information Technology Management Services Business	637
Division Operating Account (a)	
<hr/>	
(a) OPENING BALANCE 1 JULY 1999	4 858
less CLOSING BALANCE 30 JUNE 2000	4 221

PART 1 - THE PUBLIC ACCOUNT

SCHEDULE 1.4: NT FLEET

	\$000
OUTLAYS BY ACTIVITY	40 540
NT Fleet	40 540
OUTLAYS FROM PUBLIC ACCOUNT	40 540
NT Fleet Business Division Operating Account	40 540
RECEIPTS INTO PUBLIC ACCOUNT	43 815
NT Fleet Business Division Operating Account	43 815
RECEIPTS BY SOURCE	43 815
Charges	23 674
Miscellaneous Receipts	13
Capital Receipts	19 975
Interest Received	153
Advances Received	
Intrasector Receipts	
USE OF PUBLIC ACCOUNT BALANCE	- 3 275
Consolidated Revenue Account	
NT Fleet Business Division Operating Account (a)	- 3 275
<hr/>	
(a) OPENING BALANCE 1 JULY 1999	2 998
less CLOSING BALANCE 30 JUNE 2000	6 273

PART 1 - THE PUBLIC ACCOUNT

SCHEDULE 1.4: POWER AND WATER AUTHORITY

	\$000
OUTLAYS BY ACTIVITY	370 252
Power and Water Authority	370 252
OUTLAYS FROM PUBLIC ACCOUNT	370 252
Power and Water Authority Business Division Operating Account	370 252
RECEIPTS INTO PUBLIC ACCOUNT	348 998
Power and Water Authority Business Division Operating Account	348 998
RECEIPTS BY SOURCE	348 998
Charges	333 127
Miscellaneous Receipts	1 975
Capital Receipts	5 611
Interest Received	3 067
Advances Received	2 218
Intrasector Receipts	3 000
USE OF PUBLIC ACCOUNT BALANCE	21 254
Consolidated Revenue Account	
Power and Water Authority Business Division Operating Account (a)	21 254
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(a) <i>OPENING BALANCE 1 JULY 1999</i>	41 919
less <i>CLOSING BALANCE 30 JUNE 2000</i>	20 665

PART 1 - THE PUBLIC ACCOUNT

SCHEDULE 1.4: TAB

	\$000
OUTLAYS BY ACTIVITY	12 733
TAB	12 733
OUTLAYS FROM PUBLIC ACCOUNT	12 733
TAB Business Division Operating Account	12 733
RECEIPTS INTO PUBLIC ACCOUNT	13 659
TAB Business Division Operating Account	13 659
RECEIPTS BY SOURCE	13 659
Charges	
Miscellaneous Receipts	13 448
Capital Receipts	
Interest Received	211
Advances Received	
Intrasector Receipts	
USE OF PUBLIC ACCOUNT BALANCE	- 926
Consolidated Revenue Account	
TAB Business Division Operating Account (a)	- 926
<hr/>	
(a) OPENING BALANCE 1 JULY 1999	3 298
less CLOSING BALANCE 30 JUNE 2000	4 224

SCHEDULE 1.4: TERRITORY DISCOVERIES

	\$000
OUTLAYS BY ACTIVITY	2 333
Territory Discoveries	2 333
OUTLAYS FROM PUBLIC ACCOUNT	2 333
Territory Discoveries Business Division Operating Account	2 333
RECEIPTS INTO PUBLIC ACCOUNT	2 364
Territory Discoveries Business Division Operating Account	2 364
RECEIPTS BY SOURCE	2 364
Charges	1 344
Miscellaneous Receipts	
Capital Receipts	1 020
Interest Received	
Advances Received	
Intrasector Receipts	
USE OF PUBLIC ACCOUNT BALANCE	- 31
Consolidated Revenue Account	
Territory Discoveries Business Division Operating Account (a)	- 31
<hr/>	
(a) <i>OPENING BALANCE 1 JULY 1999</i>	
less <i>CLOSING BALANCE 30 JUNE 2000</i>	31

PART 1 - THE PUBLIC ACCOUNT

SCHEDULE 1.4: TERRITORY HOUSING: BUSINESS SERVICES

	\$000
OUTLAYS BY ACTIVITY	180 003
Territory Housing: Business Services	180 003
OUTLAYS FROM PUBLIC ACCOUNT	180 003
Territory Housing: Business Services Business Division Operating Account	180 003
RECEIPTS INTO PUBLIC ACCOUNT	160 079
Territory Housing: Business Services Business Division Operating Account	160 079
RECEIPTS BY SOURCE	160 079
Charges	58 447
Miscellaneous Receipts	77
Capital Receipts	38 676
Interest Received	15 091
Advances Received	33 180
Intrasector Receipts	14 608
USE OF PUBLIC ACCOUNT BALANCE	19 924
Consolidated Revenue Account Territory Housing: Business Services Business Division Operating Account (a)	19 924
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(a) OPENING BALANCE 1 JULY 1999	70 156
less CLOSING BALANCE 30 JUNE 2000	50 232

PART 1 - THE PUBLIC ACCOUNT

SCHEDULE 1.4: TERRITORY WILDLIFE PARKS

	\$000
OUTLAYS BY ACTIVITY	9 692
Territory Wildlife Parks	9 692
OUTLAYS FROM PUBLIC ACCOUNT	9 692
Territory Wildlife Parks Business Division Operating Account	9 692
RECEIPTS INTO PUBLIC ACCOUNT	9 827
Territory Wildlife Parks Business Division Operating Account	9 827
RECEIPTS BY SOURCE	9 827
Charges	9 827
Miscellaneous Receipts	
Capital Receipts	
Interest Received	
Advances Received	
Intrasector Receipts	
USE OF PUBLIC ACCOUNT BALANCE	- 135
Consolidated Revenue Account	
Territory Wildlife Parks Business Division Operating Account (a)	- 135
<hr/>	
(a) <i>OPENING BALANCE 1 JULY 1999</i>	98
less <i>CLOSING BALANCE 30 JUNE 2000</i>	233

PART 1 - THE PUBLIC ACCOUNT

**SCHEDULE 1.5: VARIATIONS TO ALLOCATIONS
AUTHORISED DURING THE YEAR**

ACTIVITY	Approp	Variations Authorised under the			Other	Final	Actual
	Act	Financial Management Act					
	1999-00	s18, s19	s20, s21	s22, s23	Variations	Allocation	Outlay
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
ABORIGINAL AREAS PROTECTION AUTHORITY	2 377		57	18		2 452	2 445
Protection of Sacred Sites	2 377		57	18		2 452	2 445
ANTI-DISCRIMINATION COMMISSION	836		283	-18		1 101	1 097
Anti-Discrimination Commission	836		283	-18		1 101	1 097
AUDITOR-GENERAL'S OFFICE	2 191		-12	12		2 191	2 133
Audit Services	2 191		-12	12		2 191	2 133
BATCHELOR INSTITUTE OF INDIGENOUS TERTIARY EDUCATION (b)	22 209		-22 209				
Corporate Management	8 843		-8 843				
Higher Education	3 686		-3 686				
Vocational Education and Training	3 532		-3 532				
Academic and Student Support	6 148		-6 148				
CENTRALIAN COLLEGE	14 909	10	505	-215		15 209	14 364
Corporate Services	6 946		-606	-150		6 190	5 456
Vocational Education and Training	4 261	10	384	-95		4 560	4 550
Secondary Education	2 200		256			2 456	2 450
Enterprise Programs	1 502		471	30		2 003	1 908
DEPARTMENT OF ARTS AND MUSEUMS	12 392		601	280		13 273	13 184
Organisational Support	1 318		192	20		1 530	1 530
Museums and Art Galleries of the Northern Territory	6 053		-11	121		6 163	6 163
Cultural Development	3 103		258	139		3 500	3 411
Alice Springs Cultural Precinct	1 918		162			2 080	2 080
DEPARTMENT OF ASIAN RELATIONS AND TRADE	4 569		534			5 103	5 076
Asian Relations and Trade	4 569		534			5 103	5 076
DEPARTMENT OF CORPORATE AND INFORMATION SERVICES: GENERAL SERVICES	53 947		9 188	636		63 771	63 752
Executive and Secretariat	2 385		1 040	-135		3 290	3 278
Human Resource Management	14 493		-14 493				
Financial Services	23 850		-1 636	-200		22 014	22 011
Information Services	13 219		3 450	971		17 640	17 637
Human Resource Services			20 827			20 827	20 826
DEPARTMENT OF CORPORATE AND INFORMATION SERVICES: SUPERANNUATION OFFICE	65 293		6 507			71 800	70 458
Administration	1 829		-7			1 822	1 815
Conditions of Service Provisions	63 464		6 514			69 978	68 643
DEPARTMENT OF EDUCATION	304 306	3 635	25 741	-4 635		329 047	327 181
Corporate Management	33 970	3 600	-9 807	400		28 163	28 155
Urban Pre and Primary Schools	67 292		13 456	-2 300		78 448	78 406
Remote Schools	41 426	35	9 674	-200		50 935	50 893
Secondary Schools	45 750		4 970	-352		50 368	50 353
Open Learning	9 443		4 128	-474		13 097	13 052
Non-Government Education	48 272		-1 341			46 931	47 066
Student and School Support Services	58 153		4 661	-1 709		61 105	59 256
DEPARTMENT OF INDUSTRIES AND BUSINESS	14 649	761	36 711	-439		51 682	49 279
Corporate Management	5 269		1 991	-189		7 071	5 654
Business Practices	3 619	8	2 658			6 285	6 226
Industry Development	5 761	95	1 719	-250		7 325	6 413
Regional Operations			880			880	877
Racing, Gaming and Licencing		658	29 463			30 121	30 109

PART 1 - THE PUBLIC ACCOUNT

SCHEDULE 1.5 (CONT'D): VARIATIONS TO ALLOCATIONS AUTHORISED DURING THE YEAR

ACTIVITY	Approp	Variations Authorised under the			Other	Final	Actual
	Act	Financial Management Act					
	1999-00	s18, s19	s20, s21	s22, s23	Variations	Allocation	Outlay
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
DEPARTMENT OF LANDS, PLANNING AND ENVIRONMENT	45 796	288	6 169	-1 294		50 959	50 739
Corporate Support	4 189		-775			3 414	3 404
Land Administration	9 628		2 199	121		11 948	11 818
Land Information	11 191		988	-192		11 987	11 976
Natural Resources and Environment	20 788	288	3 757	-1 223		23 610	23 541
DEPARTMENT OF LOCAL GOVERNMENT	48 942		343	-48		49 237	48 448
Local Government Funding	40 534		730	-251		41 013	40 536
Development Support and Monitoring	8 408		-387	203		8 224	7 912
DEPARTMENT OF MINES AND ENERGY	23 622	8	-1 990	204		21 844	21 837
Corporate Management	5 095		-799	15		4 311	4 310
Office of Resource Development	5 508		-2 143	52		3 417	3 412
Industry Services	13 019	8	952	137		14 116	14 115
DEPARTMENT OF PRIMARY INDUSTRY AND FISHERIES	37 641	360	3 266	246		41 513	41 202
Corporate Management	5 929		-449	-41		5 439	5 438
Horticulture	2 563		676			3 239	3 238
Pastoral	14 220	240	-223	-245		13 992	13 812
Fisheries	4 049	120	1 682	97		5 948	5 948
Industry Services	10 880		1 580	435		12 895	12 766
DEPARTMENT OF SPORT AND RECREATION	12 320		606	-49		12 877	12 696
Sport and Recreation	12 320		606	-49		12 877	12 696
DEPARTMENT OF THE CHIEF MINISTER	27 324	830	4 374	-92		32 436	32 146
Corporate Management	6 383	114	3 201	-154		9 544	9 544
Specialist Services	11 225	422	-73	62		11 636	11 346
Executive Government	8 659	265	1 179			10 103	10 103
Ethnic Affairs	1 057	29	67			1 153	1 153
DEPARTMENT OF THE LEGISLATIVE ASSEMBLY	11 890		226	-116		12 000	11 964
Assembly Services	5 152		-2	-116		5 034	5 019
Members' Services	6 738		228			6 966	6 945
DEPARTMENT OF TRANSPORT AND WORKS	253 954	29	13 010	-210		266 783	266 071
Corporate Support	15 404		1 929	-65		17 268	17 113
Infrastructure Development and Services	116 147		4 415	-1 600		118 962	118 960
Transport Policy and Regulation	25 930		-4 420	1 256		22 766	22 543
Territory Public Transport Services	17 060	29	-153			16 936	16 833
Roads Development	79 413		11 239	199		90 851	90 622
NORTHERN TERRITORY ATTORNEY-GENERAL'S DEPARTMENT	13 718	1 707	3 050	-85		18 390	18 001
Executive	4 772		-126			4 646	4 646
Solicitor-General	289		111			400	400
Legal Services	6 566	1 707	2 273			10 546	10 419
Community Services	2 091		792	-85		2 798	2 536
NORTHERN TERRITORY CORRECTIONAL SERVICES	43 380	23	530	-200		43 733	43 702
Corporate Management	4 169		-650	-131		3 388	3 358
Custodial Operations	34 947	23	1 028	-34		35 964	35 964
Community Corrections	4 264		152	-35		4 381	4 380
NORTHERN TERRITORY EMPLOYMENT AND TRAINING AUTHORITY	69 417	71	-3 390	1 627		67 725	67 383
Vocational Education and Training	8 437		-1 146	207		7 498	7 471
Service Providers	60 980	71	-2 244	1 420		60 227	59 912

PART 1 - THE PUBLIC ACCOUNT

SCHEDULE 1.5 (CONT'D): VARIATIONS TO ALLOCATIONS AUTHORISED DURING THE YEAR

ACTIVITY	Approp	Variations Authorised under the			Other	Final	Actual
	Act	Financial Management Act					
	1999-00	s18, s19	s20, s21	s22, s23	Variations	Allocation	Outlay
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
NORTHERN TERRITORY POLICE, FIRE AND EMERGENCY SERVICES	121 585		4 850	1 034		127 469	127 338
Police Operations	48 416		3 634	195		52 245	52 242
Crime Operations	18 934		-797	125		18 262	18 262
Emergency Management	12 252		2 705	560		15 517	15 391
Operational Support Services	35 959		-1 014	64		35 009	35 007
Tri-Service Support	6 024		322	90		6 436	6 436
NORTHERN TERRITORY RAILWAY	10 468		-2 605	-393		7 470	7 084
Development of the Railway	10 468		-2 605	-393		7 470	7 084
NORTHERN TERRITORY RURAL COLLEGE (b)	3 321		-3 321				
Corporate Services	1 576		-1 576				
Academic and Training Activities	1 745		-1 745				
NORTHERN TERRITORY TOURIST COMMISSION	27 779		14	563		28 356	28 355
Corporate Communications	3 767		-1 175	114		2 706	2 706
Marketing	22 254		1 086	449		23 789	23 788
Regional Tourism Associations	1 758		103			1 861	1 861
NORTHERN TERRITORY TREASURY	86 228		11 041	-867		96 402	96 331
Corporate Management	5 049		11 431	-604		15 876	15 876
Budgets and Finance	5 401		-5 516	115			
Economic Services	1 690		-1 690				
Budgets, Finance and Economic Services			7 573	-378		7 195	7 186
Territory Revenue Management	17 204		-1 028			16 176	16 166
Community Service Obligations	56 384		271			56 655	56 655
Utilities Commission	500					500	448
NORTHERN TERRITORY TREASURY CORPORATION	249 771		3 123	646		253 540	252 446
Administration	1 946		3 679	46		5 671	5 624
External Debt Management	231 071		-8 064			223 007	221 960
Internal Funds Management	16 754		7 508	600		24 862	24 862
NORTHERN TERRITORY UNIVERSITY (b)	67 057		-67 057				
Central Administration	9 499		-9 499				
Academic Activity	32 632		-32 632				
Information Services	7 902		-7 902				
Student Services	2 724		-2 724				
Facilities Management	14 300		-14 300				
OFFICE OF ABORIGINAL DEVELOPMENT	2 575		54	-1		2 628	2 546
Aboriginal Development	2 575		54	-1		2 628	2 546
OFFICE OF COMMUNICATIONS, SCIENCE AND ADVANCED TECHNOLOGY	5 436		-2 390	100		3 146	3 118
Office of Communications, Science and Advanced Technology	5 436		-2 390	100		3 146	3 118
OFFICE OF COURTS ADMINISTRATION	14 053		2 733		50 (a)	16 836	16 426
Administration	2 055		-2 055				
Corporate Management			3 370			3 370	3 335
Supreme Court	6 358		-13		50	6 395	6 360
Magistrates Courts	5 640		935			6 575	6 568
Tribunals			496			496	163

PART 1 - THE PUBLIC ACCOUNT

SCHEDULE 1.5 (CONT'D): VARIATIONS TO ALLOCATIONS AUTHORISED DURING THE YEAR

ACTIVITY	Approp Act 1999-00	Variations Authorised under the Financial Management Act			Other Variations	Final Allocation	Actual Outlay
		s18, s19	s20, s21	s22, s23			
	\$000	\$000	\$000	\$000	\$000	\$000	
OFFICE OF THE COMMISSIONER FOR PUBLIC EMPLOYMENT	43 062		885	-887		43 060	42 440
Corporate Management	2 524		-128	15		2 411	2 218
Advisory Services	3 211		-3 237	26			
Property Management	37 327		-1 957	-743		34 627	34 609
Employee Relations			2 233	-112		2 121	1 953
Employee Development			3 974	-73		3 901	3 660
OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS	4 248	77	296			4 621	4 621
Director of Public Prosecutions	4 248	77	296			4 621	4 621
OMBUDSMAN'S OFFICE	1 464	32	5			1 501	1 501
Ombudsman	1 177		5			1 182	1 182
Health and Community Services Complaints Commission	287	32				319	319
PARKS AND WILDLIFE COMMISSION OF THE NORTHERN TERRITORY	36 485	262	3 617	-493		39 871	38 646
Corporate Management	4 188		-1 888			2 300	2 147
Community Service Obligation	6 629	184	496			7 309	7 309
Park Management	14 740	46	1 841	25		16 652	16 560
Scientific Services	8 150	20	1 891	-381		9 680	8 818
Bushfire Protection	2 778		-2 778				
Bushfires Council		12	4 055	-137		3 930	3 812
RACING AND GAMING AUTHORITY (c)	19 689		-19 689				
Corporate Management	798		-798				
Racing Management	5 250		-5 250				
Gaming Control	1 517		-1 517				
Systems	2 401		-2 401				
Liquor Management	1 780		-1 780				
Lotteries	7 943		-7 943				
STREHLOW RESEARCH CENTRE	363		94			457	456
Strehlow	363		94			457	456
TERRITORY HEALTH SERVICES	424 453	1 200	8 138	45		433 836	433 767
Organisational Support	21 809	831	903	-1 000		22 543	22 516
Acute Care	109 615	131	4 987	79		114 812	114 800
Other Acute Care	85 858	238	1 675	-44		87 727	87 720
Public Health	45 395		-342	-696		44 357	44 345
Community Services	72 846		-2 555	1 443		71 734	71 731
Primary Health Care	88 930		3 470	263		92 663	92 655
TERRITORY HOUSING	60 095	100	-474			59 721	59 673
Public Housing	14 644	30	1 027			15 701	15 668
Community Service Obligations	21 429		-2 089			19 340	19 340
Aboriginal Housing	24 022	70	588			24 680	24 665
TRADE DEVELOPMENT ZONE AUTHORITY	1 263		37			1 300	1 092
Corporate Management	878		38			916	787
Investor Assistance	50					50	
Zone Assets	335		-1			334	305
TREASURER'S ADVANCE	11 500	69 423	-77 773			3 150	
Treasurer's Advance	11 500	69 423	-77 773			3 150	
WORK HEALTH AUTHORITY (c)	4 346		-4 412	66			
Work Health	4 346		-4 412	66			

PART 1 - THE PUBLIC ACCOUNT

SCHEDULE 1.5 (CONT'D): VARIATIONS TO ALLOCATIONS AUTHORISED DURING THE YEAR

ACTIVITY	Approp	Variations Authorised under the			Other	Final	Actual
	Act	Financial Management Act					
	1999-00	s18, s19	s20, s21	s22, s23	Variations	Allocation	Outlay
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
CONSTRUCTION AGENCY	30 700		75	4 195		34 970	34 950
Construction Agency	30 700		75	4 195		34 970	34 950
DARWIN BUS SERVICE	7 195		-1 107	34		6 122	6 122
Darwin Bus Service	7 195		-1 107	34		6 122	6 122
DARWIN PORT CORPORATION	26 296		709	-148		26 857	22 664
Darwin Port Authority	26 296		-27 143	847			
Darwin Port Corporation			27 852	-995		26 857	22 664
GOVERNMENT PRINTING OFFICE	7 412		-370			7 042	7 040
Government Printing Office	7 412		-370			7 042	7 040
INFORMATION TECHNOLOGY MANAGEMENT SERVICES	64 066		-1 938			62 128	62 096
Information Technology Management Services	64 066		-1 938			62 128	62 096
NT FLEET	43 123		-1 973			41 150	40 540
NT Fleet	43 123		-1 973			41 150	40 540
POWER AND WATER AUTHORITY	326 093		56 812	-9 702		373 203	370 252
Power and Water Authority	326 093		56 812	-9 702		373 203	370 252
TAB	15 335		3 405			18 740	12 733
TAB	15 335		3 405			18 740	12 733
TERRITORY DISCOVERIES	2 299		34			2 333	2 333
Territory Discoveries	2 299		34			2 333	2 333
TERRITORY HOUSING: BUSINESS SERVICES	185 794		2 071	-5 881		181 984	180 003
NT Housing	185 794		-184 794	-1 000			
Territory Housing: Business Services			186 865	-4 881		181 984	180 003
TERRITORY WILDLIFE PARKS	8 681	184	1 016			9 881	9 692
Territory Wildlife Parks	8 681	184	1 016			9 881	9 692
TOTAL	2 997 917	79 000		-16 067	50	3 060 900	3 027 423

(a) Variation under s41(4) of the *Supreme Court Act*

(b) These agencies were removed from the budget sector during 1999-00

(c) Agencies' budgets have been incorporated into the Department of Industries and Business following amalgamation of agencies

**SCHEDULE 1.6: GROSS OUTLAYS RESTRUCTURED
TO THE 2000-01 BUDGET FORMAT**

The 2000 - 01 Budget format is the same as the final 1999 - 00 Budget, hence there are no restructured formats to report in Schedule 1.6.

**SCHEDULE 1.7: NORTHERN TERRITORY
PUBLIC SECTOR**

	\$000
CURRENT EXPENDITURE	1 799 156
Final Consumption Expenditure	1 247 688
Current Grants and Subsidies	384 359
Interest Paid	167 109
CAPITAL EXPENDITURE	220 862
New Fixed Assets	239 203
Capital Grants	55 689
Other Net Expenditure	- 74 030
<i>Less</i>	
TERRITORY REVENUE	447 356
<i>Taxes</i>	225 955
<i>Property Income</i>	28 426
<i>Interest Received</i>	28 874
<i>Surplus of Business Divisions</i>	133 079
<i>Other Revenue</i>	31 022
COMMONWEALTH GRANTS	1 481 750
<i>General Purpose Grants</i>	1 073 755
<i>Revenue Replacement Payments</i>	124 789
<i>Other Grants</i>	283 206
<i>Equals</i>	
INCREASE IN TERRITORY DEBT	84 408
Territory Borrowing	140 560
Commonwealth Advances	- 56 152
DECREASE IN FINANCIAL ASSETS	6 504
Net Territory Advances Repaid	9 345
Use of Balances	- 2 841

SCHEDULE 1.8: GENERAL AGENCIES

	\$000
CURRENT EXPENDITURE	1 796 628
Final Consumption Expenditure	1 247 688
Current Grants and Subsidies	382 576
Interest Paid	166 364
CAPITAL EXPENDITURE	111 667
New Fixed Assets	122 379
Capital Grants	55 689
Other Net Expenditure	- 66 401
<i>Less</i>	
TERRITORY REVENUE	345 145
Taxes	225 955
Property Income	28 426
Interest Received	59 742
Other Revenue	31 022
COMMONWEALTH GRANTS	1 481 750
General Purpose Grants	1 073 755
Revenue Replacement Payments	124 789
Other Grants	283 206
Equals	
INCREASE IN TERRITORY DEBT	108 868
Territory Borrowing for General Government	165 020
Commonwealth Advances	- 56 152
DECREASE IN FINANCIAL ASSETS	- 34 897
Net Territory Advances Repaid	- 95
Use of Balances	- 34 802
INTRASECTOR TRANSACTIONS	7 429
Other Net Intrasector Receipts	7 429

SCHEDULE 1.9: BUSINESS DIVISIONS

	\$000
CURRENT EXPENDITURE	486 239
Operating Expenditure	433 692
Current Grants and Subsidies	1 783
Interest Paid	50 764
CAPITAL EXPENDITURE	109 195
New Fixed Assets	116 824
Other Net Expenditure	- 7 629
<i>Less</i>	
TERRITORY REVENUE	585 922
<i>Operating Revenue</i>	566 771
<i>Interest Received</i>	19 151
Equals	
INCREASE IN TERRITORY DEBT	- 24 460
Territory Borrowing for Public Non-Financial Corporations	- 24 460
DECREASE IN FINANCIAL ASSETS	41 401
Net Territory Advances Repaid	9 440
Use of Balances	31 961
INTRASECTOR TRANSACTIONS	- 7 429
Other Net Intrasector Receipts	- 7 429

PART 2

**ACCOUNTABLE OFFICER'S
TRUST ACCOUNTS**

PART 2 - ACCOUNTABLE OFFICER'S TRUST ACCOUNTS

**SCHEDULE 2.1: ACCOUNTABLE OFFICER'S TRUST
ACCOUNTS - TRANSACTIONS AND BALANCES**

	Balance at 1 July 1999	Receipts	Payments	Balance at 30 June 2000
	\$000	\$000	\$000	\$000
Anti-Discrimination Commission		110	110	
Centralian College	2	13	8	7
Department of Arts and Museums	83	327	376	34
Department of Corporate and Information Services: General Services	148	9 631	9 519	260
Department of Education (a)	2 623	8 801	11 416	8
Department of Industries and Business	571	25	410	186
Department of Lands, Planning and Environment	1 162	2 935	3 683	414
Department of Local Government	3 423	155	90	3 488
Department of Mines and Energy	1 251	1 335	1 232	1 354
Department of Primary Industry and Fisheries	365	305	342	328
Department of the Chief Minister	1	13	2	12
Department of Transport and Works	2 218	10 099	7 168	5 149
Northern Territory Attorney-General's Department (b)	3 023	2 126	5 062	87
Northern Territory Correctional Services	334	1 752	1 921	165
Northern Territory Employment and Training Authority	59	1	39	21
Northern Territory Police, Fire and Emergency Services	608	382	242	748
Northern Territory Tourist Commission	1 072	8 674	8 254	1 492
Northern Territory Treasury	218	76	5	289
Office of Courts Administration	658	2 008	2 365	301
Office of the Commissioner for Public Employment	5		5	
Parks and Wildlife Commission of the Northern Territory	370	908	993	285
Power and Water Authority	466	672	393	745
Territory Health Services	255	219	235	239
Territory Housing	102	390	473	19
Territory Housing: Business Services	968	1 082	842	1 208
Trade Development Zone Authority	57		47	10
TOTAL	20 042	52 039	55 232	16 849

(a) The Batchelor Institute of Indigenous Tertiary Education (BIITE) ceased to be an Agency under the *Financial Management Act* during 1999-00. The management of Northern Territory Rural College transferred to the Northern Territory University during the year. The Treasurer approved these three organisations (BIITE, NT Rural College and the University) moving out of Budget scope during 1999-00. Any funds for these organisations held in Government official bank accounts at 30 June 2000 have been reported in Department of Education's Accountable Officer's Trust Account, with opening balances adjusted accordingly. Receipts and Payments reflect the flow of funds for these entities for the period.

(b) NT Legal Aid Commission money held in Government official bank accounts at 1 July 1999 is reported as trust money held by NT Attorney-General's Department. The Commission withdrew from the Government official bank account as at 30 September 1999 and the flows for NT Attorney-General's Accountable Officer's Trust Account reflect these transactions.

PART 3

ASSET MANAGEMENT

SCHEDULE 3.1: CASH AND INVESTMENTS

	Balance at 30 June 1999	Balance at 30 June 2000
	\$000	\$000
Cash	9 356	2 464
Overnight Deposits	18 300	43 900
Investments		
up to 1 year	122 232	112 096
1 year and up to 5 years	72 942	44 101
5 years and over		
TOTAL CASH BALANCES AND INVESTMENTS (a)	222 830	202 561
RECONCILIATION BETWEEN CASH BALANCES AND INVESTMENTS TO PUBLIC ACCOUNT AND ACCOUNT BALANCES		
Cash balances as per bank statements (a)	235 738	209 674
Add: Cash on Hand	547	769
	<u>236 285</u>	<u>210 443</u>
Add: Unbanked receipts	312	779
Credit card payments not reflected in ledger	144	507
Less: Unpresented cheques	-3 415	-7 702
Payments in transit	-9 046	
Unpresented corporate credit card vouchers	-1 450	-1 466
TOTAL CASH BALANCES AND INVESTMENTS	222 830	202 561
Add: NT Treasury Corporation debt held (a)	36 256	52 959
Add: NT University Ledger Balances (b)	10 810	
Less: Advance & Clearing Accounts and Petty Cash	-5 442	-2 228
Less: Accountable Officers' Trust Accounts (b)	-17 457	-16 849
TOTAL PUBLIC ACCOUNT	246 997	236 443
Consolidated Revenue Account	8 332	38 729
General Agency Operating Accounts (b)	101 483	93 988
Business Division Operating Accounts	137 182	103 726
TOTAL PUBLIC ACCOUNT	246 997	236 443

- (a) 1999 and 2000 closing balances of cash and investments have been adjusted to exclude Northern Territory Treasury Corporation debt held in the Investment Portfolio as at 30 June. The amount has been added back on the basis that it is held in the Public Account. The investment portfolio purchases and sells this debt on the open market.
- (b) The Batchelor Institute of Indigenous Tertiary Education, Northern Territory Rural College and Northern Territory University moved out of Budget scope during 1999-00. Opening Balances in Schedules 1.1 to 1.4 and 2.1 have been adjusted to eliminate these organisations from the Public Account, however, the 30 June 1999 position in Schedule 3.1 has not been adjusted, as this is a closing balance position and reflects the correct balances at the time.

SCHEDULE 3.2: ADVANCES PAID

	Balance at 30 June 1999	Balance at 30 June 2000
	\$000	\$000
Department of Industries and Business	4 415	4 401
Department of Lands, Planning and Environment (a)	2 830	3 263
Department of Local Government	1 200	
Department of Primary Industry and Fisheries	5 029	3 995
Northern Territory Treasury	9 489	9 491
Northern Territory Treasury Corporation	14 349	11 538
Power and Water Authority	19 051	16 944
Territory Housing: Business Services	192 577	189 130
NT Government (Advances to TIO) (b)	25 376	26 794
Other Agencies	390	390
TOTAL	274 706	265 946
Less: Provision for Doubtful Debts	8 845	3 220
NET TOTAL	265 861	262 726

Advances Paid is defined as the outstanding balance of funds provided to organisations and individuals external to the Public Account which carry an obligation to make interest payments and repay principal. Agencies with Advances Paid balances of less than \$500 000 are grouped into the 'Other Agencies' category.

- (a) The Department of Lands, Planning and Environment is responsible for the Home Building Certification Fund (HBCF). TIO currently manages this Fund and holds balances on behalf of the Department of \$2.815M at 30 June 1999 and \$3.253M at 30 June 2000. The actuarial assessment of potential claims against this Fund constitutes \$1.5M. The legislative responsibilities relating to this Fund are recognised in the Register of Contingent Liabilities.
- (b) In addition to the Subordinated Loan reported in 1998-99, the Northern Territory Self Insurance Fund held by TIO has been included as an advance in both 1999 and 2000 to reflect its status as an asset of the Territory. TIO recognise this Fund as a liability to the Territory. Both the Fund and the Subordinated Loan earn interest which is credited to the Fund. Balances of both the Fund and the Loan for each respective period are as follows:

	1999	2000
	\$000	\$000
Self Insurance Fund (i)	10 376	11 794
Subordinated Loan	15 000	15 000
(i) Interest credited to Fund		1 418

**SCHEDULE 3.3: INVESTMENTS IN COMPANIES,
CORPORATIONS, TRUSTS, JOINT VENTURES OR
SIMILAR ENTITIES AT 30 JUNE 2000**

This Schedule reports material Territory investments in companies, corporations, trusts, joint ventures and other similar entities in accordance with section 9 of the Financial Management Act. The Treasurer has determined the materiality threshold to be \$5M.

Details of investments have been furnished by all Accountable Officers in accordance with Treasurer's Direction 2.4.9.

**CONDITIONS OF SERVICE
TRUST: \$310.7M**

The Northern Territory Government Conditions of Service Trust, established under a Trust Deed dated 12 June 1990, holds money on behalf of the Territory for use by the Trustees as the Treasurer directs and, in particular, for meeting the Territory's service related liabilities including salaries, wages, commissions, fees, expenses, allowances, leave entitlements, termination, redundancy and superannuation payments and similar purposes. The Trust's annual report and financial statements are tabled in the Legislative Assembly each year, after audit by the Auditor-General.

In 1998-99 \$100M was paid into the Conditions of Service Trust pending conclusion of contractual arrangements relating to the Darwin to Alice Springs Railway. At 30 June 2000, the monies remained in the Trust as these arrangements had not been finalised.

**TERRITORY INSURANCE OFFICE:
\$33.0M**

The Territory Insurance Office (TIO) is a statutory corporation of the Northern Territory. The Government's investment in TIO is equivalent to TIO's net assets position. At 30 June 2000, the financial statements of TIO showed net assets of \$33.0M.

This net assets position includes the balance of the Motor Accidents Compensation Scheme of \$23.8M. The Scheme was established to meet third party motor vehicle claims in the NT and can only be drawn upon to meet claims or to promote road safety.

**SCHEDULE 3.4: WRITE OFFS, POSTPONEMENTS,
WAIVERS, EX GRATIA PAYMENTS AND GIFTS**

	\$000
WRITE OFFS, POSTPONEMENTS AND WAIVERS UNDER THE ACT	
Amounts written off or waived by the Treasurer (a)	3 345
Irrecoverable money written off	3 171
Waiver of right to receive or recover money	174
Amounts written off or waived by Delegated Officers	6 182
Irrecoverable money written off	2 369
Losses or deficiencies of money written off	1
Value of public property written off	3 756
Waiver of right to receive or recover money	56
EX GRATIA PAYMENTS	153
GIFTS OF PHYSICAL ASSETS (b)	499

Details of write offs, postponements and waivers approved under the *Financial Management Act* are reported by Agencies in their financial statements.

- (a) During 1999-00 write off of a class of debt, specifically victims of crimes levies not imposed on infringement notices, was approved by the Treasurer. The need for this write off arose because of an anomaly in legislation which inadvertently permitted the imposition of these levies. There is no definitive value attached to the write off as it cannot be reliably measured, and thus it is not included in this Schedule.
- (b) Agency valuations at time of gifting.

PART 4

LIABILITY MANAGEMENT

PART 4 - LIABILITY MANAGEMENT

**SCHEDULE 4.1: NORTHERN TERRITORY
GOVERNMENT GROSS DEBT**

	Balance at 30 June 1999	Balance at 30 June 2000
	\$000	\$000
Deposits Held	17 457	16 849
Advances Received	425 204	368 766
Finance Leases	17 722	11 536
Debt Securities Maturing Under 1 Year	117 379	184 348
Debt Securities Maturing Over 1 Year (a)	1 406 880	1 469 690
TOTAL	1 984 642	2 051 189

This Schedule is based on the Public Account scope. The Uniform Presentation Framework scope data is included in Part 9. The valuation basis for debt securities reflects the face value at maturity. Foreign debt securities have also been reported on this basis for consistency. Historical capital values are used for the remaining liabilities, consistent with prior years.

- (a) Foreign debt securities were previously reported at the spot currency rate at 30 June. However as the foreign currency risk is fully hedged, it is more appropriate to report the face value of the debt, reflecting the Territory's actual liability. The balance as at 30 June 1999 has been increased by \$10.4M to reflect the change in valuation.

SCHEDULE 4.2: SUPERANNUATION LIABILITIES

	Balance at 30 June 1999	Balance at 30 June 2000
	\$000	\$000
Commonwealth Superannuation Scheme	492 300	524 800
Northern Territory Government and Public Authorities Superannuation Scheme	342 900	393 400
Northern Territory Supplementary Superannuation Scheme	115 400	123 800
Northern Territory Police Supplementary Benefit Scheme	14 600	15 600
Statutory Schemes (a)	12 500	14 500
TOTAL	977 700	1 072 100

Estimates of the size and timing of future benefit payments are obtained through actuarial reviews conducted at three yearly intervals. The Commonwealth Superannuation Scheme and the Northern Territory Police Supplementary Benefit Scheme were reviewed at 30 June 1997, and the Northern Territory Government and Public Authorities Superannuation Scheme and the Northern Territory Supplementary Superannuation Scheme at 30 June 1998. The actuarial review of the Supreme Court (Judges Pensions) Scheme is currently scheduled.

(a) The figure for the Statutory Schemes includes the superannuation liability for judges.

PART 4 - LIABILITY MANAGEMENT

**SCHEDULE 4.3: WORKERS' COMPENSATION
LIABILITIES**

	Balance at 30 June 1999	Balance at 30 June 2000
	\$000	\$000
Work Health Act	48 510	49 440
COMCARE (Commonwealth Act)	14 600	14 600
TOTAL	63 110	64 040

Estimates of the size and timing of future benefit payments are obtained through an annual actuarial review.

PART 4 - LIABILITY MANAGEMENT

SCHEDULE 4.4: OTHER ACCRUED EMPLOYEE ENTITLEMENTS

	Balance at 30 June 1999	Balance at 30 June 2000
	\$000	\$000
Recreation Leave	94 193	99 641
Recreation Leave Loading	13 132	13 689
Long Service Leave:		
less than 10 years service	19 801	18 598
over 10 years service	105 708	108 535
TOTAL	232 834	240 463

The value of recreation leave entitlements is based on employees' actual salaries at 30 June 2000.

In prior years, accrued salaries have been included in this schedule. In recognition that accrued salaries are a form of accrued expense and not accrued employee entitlements, these balances are now reported in Part 7, Accounts Payable Schedule 7.2. This treatment is consistent with employee entitlements reported in Agencies' Annual Reports.

PART 5

CONTINGENT LIABILITIES

**SCHEDULE 5.1: GUARANTEES AND INDEMNITIES
AT 30 JUNE 2000 PROVIDED UNDER THE
FINANCIAL MANAGEMENT ACT**

Part 5 records material contingent liabilities arising from guarantees and indemnities of the Territory in accordance with section 9 of the Financial Management Act. The Treasurer has determined the materiality threshold to be \$5M.

The Treasurer's Directions (Part 1 Section 2) state that:

- a guarantee is an undertaking to answer for the debt or obligations of another person or entity; and
- an indemnity is a written undertaking to compensate, protect or insure another person or entity against future financial loss, damage or liability.

Contingent liability details have been furnished by all Accountable Officers in accordance with Treasurer's Direction 2.3.6.

Net present value amounts referred to in this Schedule continue to be calculated based on a discount factor of 8.0% per annum. The discount rate takes into account prevailing interest rates and is considered a sustainable average rate that can be used for the longer term unless there is a significant change in market conditions.

Up until 1997-98, this Schedule has referred to a contingent liability arising from an undertaking by the Territory to the financier of the Darwin to Katherine transmission line. At 30 June 1998, this contingent liability was valued at \$35.7M in net present value terms. The line was refinanced in September 1998.

In 1998-99, on the basis of legal advice received the Territory formed the opinion that there is no continuing contingent liability. This legal advice was confirmed in 1999-00. However, the Territory and Power and Water Authority are defending an action brought against them in the Supreme Court of New South Wales in which the plaintiff is seeking a declaration that the undertaking to the financier continues to exist.

**AMADEUS BASIN TO DARWIN
GAS PIPELINE**

The Territory has indemnified the company which constructed the natural gas pipeline from the Amadeus Basin to Darwin in support of obligations of the Power and Water Authority to the company which, at 30 June 2000, consisted of 25 quarterly installments amounting to \$47M in net present value terms.

The Territory has supported the Power and Water Authority's financing obligations to the pipeline company and its financiers. At 30 June 2000, 22 half yearly payments amounting to \$134.8M in net present value terms remained to be paid to the financier. Should this facility be terminated prior to the end of the contract term, the Territory has undertaken to stand behind and, if necessary, underwrite the refinancing of the outstanding facility amount.

The Territory has guaranteed the gas producers in support of the obligations of a subsidiary company of the Power and Water Authority under gas purchase contracts. At 30 June 2000, the balance of these contracts totalled \$115.8M in net present value terms.

The Territory guaranteed a loan to the subsidiary company used to meet the company's development obligations under a gas purchase agreement. The principal amount outstanding at 30 June 2000 was \$12.99M.

ELECTRICITY AND GAS SUPPLY TO PINE CREEK

The Power and Water Authority has entered into Agreements for the wholesale supply of electricity and the provision of gas for the supply of power to mines in the Pine Creek region.

In relation to the Agreement covering the wholesale supply of electricity, the Territory has provided an indemnity against liability arising from any wilful or negligent action or omission of the Power and Water Authority. A reciprocal indemnity covering the same circumstances is provided to the Territory by the electricity purchasers.

The Agreement for the supply of gas contains three indemnities relating to the

Power and Water Authority supplying non-conforming gas without prior agreement.

The contingent liability is unquantifiable. However, a major portion of the value of the contingent liability is the cost of overhauling turbine machinery, where damage has been caused by the provision of non-conforming gas, which is estimated at approximately \$6M.

Under the Power and Water Authority's current operating practices the contingent events relating to each of the above indemnities are within the Authority's control and are expected to be easily avoidable. Accordingly, the prospect of these undertakings being called upon is considered to be negligible.

DARWIN TO ALICE SPRINGS RAILWAY

The AustralAsia Railway Corporation has given certain undertakings to the preferred consortium if contracts for the Darwin to Alice Springs Railway are not concluded.

The Territory and South Australia have jointly agreed to support the Corporation's undertakings. In all situations, the costs will be shared but in the least favourable circumstances, the Territory's maximum liability under the indemnities would be \$12.44M.

**SCHEDULE 5.2: GUARANTEES AND INDEMNITIES
AT 30 JUNE 2000 PROVIDED UNDER
OTHER LEGISLATION**

TERRITORY INSURANCE OFFICE

Section 30(1) of the Territory Insurance Office Act provides that the Territory guarantees every policy or contract of insurance or indemnity; and the repayment of, and the interest payable on, each deposit with the Territory Insurance Office in pursuance of a contract or other agreement.

At 30 June 2000, the Territory Insurance Office had deposits of \$118.9M including accrued interest on deposits. Territory Insurance Office also held net claim provisions against claims of policy holders of \$211.1M. These provisions are actuarially reviewed and are considered adequate to meet claims.

The prospect of this contingent liability being called upon is considered to be negligible.

PUBLIC TRUSTEE

The Treasurer, under section 28 of the Public Trustee Act, indemnifies the Common Fund against any deficiencies in money legally available to meet lawful claims on it.

The Common Fund is established under the Act as a repository for all moneys received by the Public Trustee on behalf of estates, trusts or persons. Money to the credit of the Common Fund is invested, in accordance with directions issued by the Investment Board, and any interest earned is available for distribution among the participating trusts or estates.

As at 30 June 2000, the Common Fund held deposits of some \$19.5M which is considered adequate to meet claims. The prospect of this contingent liability being called upon is negligible.

**AUDITOR-GENERAL'S REPORT
TO THE TREASURER
ON THE TREASURER'S ANNUAL FINANCIAL STATEMENT
YEAR ENDED 30 JUNE 2000**

Scope

I have audited the Treasurer's Annual Financial Statement ("the Statement") for the year ended 30 June 2000, comprising Parts 1 to 5, as received by me in accordance with Section 25 of the Audit Act. The Treasurer is responsible for the preparing and presenting the Statement and the information it contains in accordance with the requirements of section 9 of the Financial Management Act. This allows the Treasurer to prescribe the form of the Statement including the accounting policies to be used, and these are detailed in the Preface. The Treasurer's prescribed format does not require the application of Australian Accounting Standard AAS 31, "Financial Reporting by Governments".

I have performed an independent audit of the Statement in order to express an opinion upon it to the Treasurer. My audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the Statement is free of material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the Statement and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether the Statement is prepared from proper accounts and records and, in all material respects, the Statement is presented fairly in accordance with the prescribed format.

My audit opinion has been formed on the above basis.

Audit Opinion

In my opinion, the Treasurer's Annual Financial Statement has been prepared from proper accounts and records and is presented fairly in accordance with the requirements of the Financial Management Act and the Treasurer's prescribed format.

Qualified Audit Opinion – variance of the reporting format from Accounting Standards

The financial report has not been prepared to include the information required by Australian Accounting Standard AAS 31 to meet the objectives of a general purpose financial report, but rather has been prepared to present the information required by section 9 of the Financial Management Act, and the Treasurer's prescribed format. I am unable to provide the disclosures required by AAS 31 as financial records have been prepared on a basis consistent with meeting the reporting requirements of the Financial Management Act and the Treasurer's prescribed format, rather than AAS 31.

In my opinion, because of the effects of the matter discussed in the preceding paragraph, the Treasurer's Annual Financial Statement does not present fairly, in accordance with applicable Accounting Standards and other mandatory professional reporting requirements, the financial position of the Northern Territory Government as at 30 June 2000 and the results of its operations and its cash flows for the year then ended.

Iain Summers
Auditor-General for the Northern Territory
13 October 2000

Darwin
Northern Territory

PREFACE

Parts 1 to 5 of the Treasurer's Annual Financial Report contain statutory reporting requirements as set out in the Financial Management Act and are described as the Treasurer's Annual Financial Statement.

Parts 6 to 11 of the Treasurer's Annual Financial Report include supplementary unaudited information on the Territory's assets and liabilities, meet the Territory's obligations in respect of the Uniform Presentation Framework Agreement with respect to actual outcome data, include an analysis of the Territory's debt management, and provide an assessment of actual performance against the Territory's Fiscal Strategy.

PART 6 - ASSET MANAGEMENT

Part 6 provides comprehensive information on the Territory's assets and the way those assets are managed. As a comparatively young jurisdiction, the Territory has always had sound information on its stock of assets and modern and sophisticated techniques for managing these assets.

The reporting of data in respect of the Territory's non current physical assets continues to improve, with a number of Agencies transferring to the Fixed Assets Module of the Government Accounting System to record and assist in managing their assets.

The valuation basis for non current physical assets is consistent with past years, however, the development of a comprehensive valuation policy framework is a current priority, that may result in changes to the current approach in coming years.

Data on other major assets, notably accounts receivable and inventories, is included. Accounts receivable data is now predominantly systems generated following the implementation of the Accounts Receivable Module of the Government Accounting System across the Public Sector. This change should see a significant improvement in the quality and availability of this data for Agencies.

PART 7 - LIABILITY MANAGEMENT

A significant financial liability of the Territory is the future superannuation obligations of its employees. Part 7 provides a comprehensive analysis of the Territory's superannuation liabilities, the unfunded schemes for which it is responsible and the impact on future liabilities as a result of the new fully funded superannuation arrangements which commenced on 10 August 1999. Data on employees' and Government's contributions to the new arrangement is also included.

Information on finance leases and accounts payable is also provided in this Part.

PARTS 8 AND 9 - UNIFORM PRESENTATION FRAMEWORK AGREEMENT

Parts 8 and 9 provide data on the actual outcomes for 1999-00 in accordance with the Territory's obligations under the Uniform Presentation Framework Agreement.

An inter-jurisdictional agreement regarding minimum uniform reporting of financial

data has existed since the first formal agreement of this kind was entered into at the 1991 Premiers Conference. In 1997 a revised Uniform Presentation Framework (UPF) was endorsed by Loan Council, with only minor amendments made since.

The UPF was redeveloped during 1999 to incorporate accrual based financial information, reflecting the adoption by the Australian Bureau of Statistics (ABS) of accrual based presentations and the progressive development of accrual budgeting and reporting in many jurisdictions. The new Accrual Uniform Presentation Framework is scheduled to be adopted by all jurisdictions by the 2002-03 Budget year.

The information in Parts 8 and 9 is presented according to the current cash UPF standards with one exception. The ABS has determined that for its publications the Territory Insurance Office (TIO) be included as a Public Financial Corporation. However, as the Northern Territory is the only jurisdiction with an entity such as TIO, for comparability purposes with other jurisdictions and timeliness of reporting, particularly in relation to debt, TIO data has been excluded from the UPF schedules provided in Parts 8 and 9. Comparisons of debt levels in Part 10 also exclude the TIO.

Part 8 provides data from the 1999-00 financial year in the current UPF for the Total Public Sector, the Non-Financial Public Sector and the component parts of General Government, Public Non-Financial Corporations and Public Financial Corporations.

Data for 1999-00 is also presented in the ABS General Purpose Classification and revenue data is also presented according to ABS criteria.

Part 9 presents data on gross debt, financial assets and net debt at face value and market value. The data is presented on a consistent basis to Part 8 with the Total Public Sector as well as the various components of the public sector.

The sector allocations in both Part 8 and Part 9 have been revised for 1999-00 on agreement with the ABS. Northern Territory Treasury Corporation is now reported entirely as a Public Financial Corporation rather than distributed between this and the General Government Sector. Prior years' comparisons have been adjusted for consistency.

PART 10 – DEBT MANAGEMENT

A comprehensive analysis of the Territory's gross and net debt over time as well as comparisons with other jurisdictions are provided in Part 10. The stock and flow data is drawn from that included in Parts 8 and 9. Changes in the scope of ABS stock data included in this Part have resulted in a number of breaks in the series. Flow data has been subject to similar variations, however where these variations have resulted in material changes, time series data has been back cast to produce a more reliable trend. Back casting techniques have been explained.

PART 11 – FISCAL STRATEGY

The 1999-00 Treasurer's Annual Financial Report continues the initiative introduced in 1998-99 and includes outcome data and an assessment of actual results against the Fiscal Strategy.

PART 6

ASSET MANAGEMENT

ASSET MANAGEMENT

INTRODUCTION

This Part reports on the Territory's current assets, notably accounts receivable and inventories, and non current physical assets, including property, plant and equipment. The management of physical assets, their growth over time and expenditure on new capital items in comparison to the States, is also discussed.

CURRENT ASSETS

Cash and investment balances are provided in Part 3 of the Treasurer's Annual Financial Statement. This Part provides information on two other major current assets: Accounts Receivable and Inventories.

The Accounts Receivable Schedule 6.1 includes debtors, being moneys owed for goods and services, interest receivable and prepayments. Total receivables are shown net of a provision for doubtful debts. Intrasector accounts receivable (between Territory Agencies) are eliminated, with only amounts owing to external parties reported.

The balance of Accounts Receivable at 30 June 2000 is \$73M including a provision for doubtful debts of \$7.5M. Of the total balance, \$45M relates to amounts owing for goods and services and \$28M for interest and prepayments. Amounts owing for goods and services have reduced by 10% from 1998-99.

Inventory stocks held by Agencies and Business Divisions at 30 June 2000 are reported in Schedule 6.2. The Schedule includes goods or other property used in the production of goods or services, or held for sale, including goods under production and finished goods. Livestock and other regenerative natural resources and stationery stocks are excluded.

Agencies with inventory stocks valued greater than \$50,000 are reported separately, with balances less than \$50,000 grouped under the 'Other Agencies' category.

The total balance for inventories at 30 June 2000 is \$23M, a decrease of 9% from 30 June 1999.

SCHEDULE 6.1: ACCOUNTS RECEIVABLE

	Balance at 30 June 1999	Balance at 30 June 2000
	\$000	\$000
Batchelor Institute of Indigenous Tertiary Education (b)	651	
Darwin Port Corporation	2 447	2 871
Information Technology Management Services	538	1 131
Northern Territory Attorney-General's Department (c)		6 455
Northern Territory Tourist Commission	1 171	746
Northern Territory Treasury	1 356	1 220
Northern Territory Treasury Corporation (a)	8 315	9 228
Power and Water Authority	50 057	47 415
Territory Health Services (d)	1 728	3 076
Territory Housing: Business Services	5 079	5 580
Other Agencies	3 604	2 983
TOTAL	74 946	80 705
Less: Provision for Doubtful Debts	6 880	7 513
NET TOTAL	68 066	73 192

Agencies with Accounts Receivable balances of less than \$500 000 are grouped in the 'Other Agencies' category.

- (a) The opening balance for Northern Territory Treasury Corporation has been adjusted by \$12.9M to reflect the change in treatment of the exchange rate hedge on foreign debt detailed in Schedule 4.1.
- (b) Administrative changes during 1999-00 resulted in Batchelor Institute of Indigenous Tertiary Education ceasing to be an Agency under the *Financial Management Act*. Hence their receivables balances are no longer reported in the Balance at 30 June 2000.

Significant changes from the Balances at 30 June 1999 are based on advice from Agencies due to:

- (c) receivables from the Victim of Crimes Assistance Scheme, recognised for the first time; and
- (d) East Timor 'ineligible' hospital patients billed during 1999-00.

SCHEDULE 6.2: INVENTORIES

	Balance at 30 June 1999	Balance at 30 June 2000
	\$000	\$000
Construction Agency (c)	121	
Darwin Bus Service (a)	194	159
Department of Arts and Museums (b)	52	99
Department of Lands, Planning and Environment (b)	183	209
Government Printing Office	359	326
Northern Territory Police, Fire and Emergency Services	1 521	1 535
NT Fleet (b)	291	124
Parks and Wildlife Commission of the Northern Territory (d)	69	2
Power and Water Authority (b)	18 715	15 652
Territory Health Services	4 157	5 155
Territory Wildlife Parks (d)	2	128
Other Agencies (b)	180	52
TOTAL	25 844	23 441

For the purposes of this Schedule, livestock and other regenerative natural resources and stationery stocks are not classified as inventories. Inventories are valued at cost, with inventory balances of less than \$50 000 grouped in the 'Other Agencies' category.

(a) The inventory balance at 30 June 1999 has increased by \$75 000 as a result of a late audit adjustment, not available in time for publishing in the 1998-99 Treasurer's Annual Financial Report.

Other significant changes in inventory levels from the 30 June 1999 balances are, based on advice from Agencies, due to:

- (b) general stock increase/decrease to meet operational requirements;
- (c) changes in the value of work in progress; and
- (d) transfer of the Alice Springs Desert Park Café and gift shop from the Commission to the Territory Wildlife Parks.

NON CURRENT PHYSICAL ASSETS

Commencing with the 1998-99 financial year, the Australian Bureau of Statistics changed its basis of government finance reporting from cash to accrual. One of the most significant issues facing the Territory in being able to satisfy the new requirements, is the recognition and measurement of non current physical assets, particularly with regard to General Agencies.

ASSET MANAGEMENT

The Asset Management Team in the Department of Corporate and Information Services (DCIS) has an ongoing role of establishing and maintaining asset registers for client Agencies. During the 1999-00 financial year, DCIS introduced several Agencies onto the Government Accounting System's Fixed Assets Module. Although each agency retains overall responsibility for the information held on their asset registers, DCIS has taken on the day to day tasks of maintaining the registers. These advancements have considerably improved the quality of asset information.

DCIS will continue to implement and assist client Agencies with their asset registers in 2000-01. This will further improve the quality of reporting General Agency plant and equipment in future periods.

Land and infrastructure asset information systems will also be reviewed in coming years, to determine how accurately they meet the emerging whole of government accrual reporting requirements.

BASIS OF VALUATION

When considering the aggregate value of assets presented in this Part, it is important to note that different valuation methods

have been applied in determining individual balances.

The Department of Transport and Works has management and advisory responsibilities for a diverse range of Territory infrastructure assets, including hospitals, schools and roads, and records the physical characteristics of all such assets. Locality and purpose construction rates have been applied to the physical characteristics to derive estimates of replacement values.

Replacement value is an appropriate measure of the value of the Territory's infrastructure assets because a majority of the assets are necessary for providing services and would need to be replaced at present day costs, if the assets became unserviceable.

Land values have been obtained from the Land Administration Information System (LAIS). The values used by LAIS are the Valuer-General's unimproved capital value for the particular land use zoning. This means that in most cases the market value will be higher. Land revaluations are currently on a three year cycle, with the Darwin and Palmerston regions having been revalued during 1999-00 and the Alice Springs region due for revaluation in 2000-01.

Plant and equipment are valued at historical cost, net of accumulated depreciation. As noted above, this information will continue to be refined to satisfy whole of government accrual reporting requirements.

Government Business Divisions are required by the Financial Management Act to comply with commercial accounting principles. Accordingly, Government Business Division assets have been valued at historical cost or deprival values (where appropriate).

VALUE OF TERRITORY PHYSICAL ASSETS

Schedule 6.3 reports the total value of property, plant and equipment held by the Territory as \$7.2B. General Agencies have a value of property, plant and equipment of \$5.5B and Government Business Divisions have a value of \$1.7B. Major differences between 1998-99 and 1999-00 balances are explained in the notes to Schedule 6.3.

GENERAL AGENCIES

The value of General Agencies' physical assets of \$5.5B is based on a replacement cost of infrastructure assets at 1999-00 prices, unimproved capital value for land and written down values of other plant and equipment. Overall, physical assets for General Agencies increased by approximately 5% from 1998-99, due to new capital works, asset acquisitions and revaluations.

A major contributor to the increase in asset balances were land revaluations during 1999-00, which increased land balances by a total of \$120M. Significant land revaluations of Darwin and Palmerston properties were undertaken by the Valuer General of the Northern Territory, revising previous 1996-97 property valuations. With the Alice Springs and Litchfield regions due for revaluations in 2000-01, land balances are likely to increase again by 30 June 2001.

As indicated, values of plant and equipment held by General Agencies have been further refined during the year. The written down value of plant and equipment assets at 30 June 2000 of \$49M represents an increase of \$11M over 1999-00. The value of plant and equipment is expected to increase further as agencies continue to address asset management issues.

GOVERNMENT BUSINESS DIVISIONS

At 30 June 2000, the Government Business Divisions held property, plant and equipment with a written down value of \$1.7B, a slight decrease of 3% from 1998-99. This decrease is largely due to the downward revaluation by Darwin Port Corporation of infrastructure assets. The downward revaluation is a result of valuation methods adopted under current accounting standards. However, the revised value does not necessarily reflect all social and economic benefits of the underlying assets to the community.

The physical assets of the Power and Water Authority, Territory Housing: Business Services and Darwin Port Corporation have been independently valued over the past three financial years.

GOVERNMENT PURPOSE CLASSIFICATION

In order to enable further analysis, the data on non current physical assets has also been presented in the nationally recognised Government Purpose Classifications. Schedule 6.4 is categorised between social and economic infrastructure.

In terms of functions performed, 46% of the total assets relate to economic infrastructure, particularly roads and electricity, while the remainder provide the infrastructure necessary for the provision of general government services such as health, education and housing. Transport related assets (mainly roads) are the single most valuable type of asset with a replacement value of \$2.8B.

SCHEDULE 6.3: PHYSICAL ASSETS BY AGENCY

	Balance at 30 June 1999	Balance at 30 June 2000
	\$M	\$M
GENERAL AGENCIES		
Property Plant and Equipment	5 230	5 487
Department of Arts and Museums	73	78
Department of Corporate and Information Services:General Services	13	12
Department of Education (b)	987	1 018
Department of Industries and Business	1	1
Department of Lands, Planning and Environment (b)	215	308
Department of Local Government	20	20
Department of Mines and Energy	8	9
Department of Primary Industry and Fisheries	81	86
Department of Sport and Recreation (b)	26	30
Department of the Chief Minister	8	8
Department of the Legislative Assembly	144	146
Department of Transport and Works (b)	2 670	2 750
Northern Territory Attorney-General's Department	10	10
Northern Territory Correctional Services (c)	43	50
Northern Territory Employment and Training Authority	38	39
Northern Territory Police, Fire and Emergency Services (c)	148	158
Office of Courts Administration	93	95
Parks and Wildlife Commission of the Northern Territory	63	65
Strehlow Research Centre	3	3
Territory Health Services	500	514
Territory Housing	76	79
Trade Development Zone Authority	8	5
Other Agencies	2	3
GOVERNMENT BUSINESS DIVISIONS		
Property Plant and Equipment	1 771	1 714
Darwin Bus Service	5	6
Darwin Port Corporation (d)	127	56
Government Printing Office	2	2
Information Technology Management Services	5	4
NT Fleet	62	65
Power and Water Authority	732	766
TAB	2	2
Territory Housing: Business Services (a) (e)	829	791
Territory Wildlife Parks (c)	7	22
TOTAL	7 001	7 201

In previous years, only Agencies with asset balances greater than \$1M were included in this Schedule. For completeness Agencies with assets less than \$1M are included in the 'Other Agencies' category.

(a) Balances at 30 June 1999 have decreased by \$17M as a result of late audit adjustments, not available in time for publishing in the 1998-99 Treasurer's Annual Financial Report.

Other significant changes from 30 June 1999 balances are, based on advice from Agencies, due to:

- (b) land revaluations in the Darwin and Palmerston regions;
- (c) revaluation of property, plant and equipment values;
- (d) downward revaluation of the infrastructure assets in accordance with valuation methods adopted under current accounting standards; and
- (e) net asset sales of \$39M.

SCHEDULE 6.4: PHYSICAL ASSETS BY GOVERNMENT PURPOSE

	Balance at 30 June 1999	Balance at 30 June 2000
	\$M	\$M
GENERAL AGENCIES		
Social Infrastructure	2 525	2 702
General Public Services (includes 'Other Agencies')	230	235
Public Order and Safety	294	313
Education	1 025	1 057
Health and Social Security	500	514
Housing, Community Amenities, Recreation and Culture	476	583
Economic Infrastructure	2 705	2 785
Agriculture and Mining	89	95
Transport and Other Economic Infrastructure	2 616	2 690
GOVERNMENT BUSINESS DIVISIONS		
Social Infrastructure	1 205	1 192
General Public Services	69	71
Housing, Community Amenities, Recreation and Culture	1 136	1 121
Economic Infrastructure	566	522
Fuel and Energy	434	460
Transport and Other Economic Infrastructure	132	62
TOTAL	7 001	7 201

Balances at 30 June 1999 have decreased by \$17M as a result of late audit adjustments, not available in time for publishing in the 1998-99 Treasurer's Annual Financial Report. Other changes to balances at 30 June 1999 result from the inclusion of those Agencies with asset balances under \$1M.

**INVESTMENT NEEDS IN THE
NORTHERN TERRITORY**

Over 70% of the Territory's assets have been created since Self-Government in 1978 and, consistent with the States, have been financed from a combination of Commonwealth grants, own source revenue and borrowings.

Expenditure on capital works in the Territory has declined since the intensive effort which commenced immediately following Self-Government and peaked in the 1980s. The proportion of Territory revenue devoted to capital works has declined from 44% in 1979-80 to the current 13%, compared to the States average where the proportion has declined from 30% to 20%.

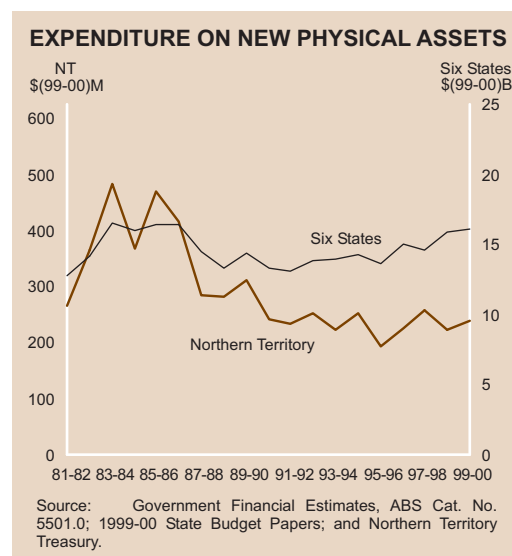
The decline in capital works is due in part to the decline in capital funding from the Commonwealth to the States and Territories.

Even though capital works expenditure has declined in line with the requirement for infrastructure and capital funding, in per capita terms, the Territory is third only to Queensland and Western Australia with per capita expenditure on capital works.

The following comparisons are based on capital expenditure data reported by Treasury or published by the Australian Bureau of Statistics (ABS). Expenditure by Public Financial Corporations has been excluded from figures reported in previous years, to provide relevant comparisons with new reporting formats of the ABS. Time series data has been adjusted to reflect the total Non-Financial Public Sector in accordance with the ABS, to derive a consistent series.

Figure 6.1 shows the movement in State and Territory public sector expenditure on new physical assets since 1980-81, in 1999-00 prices.

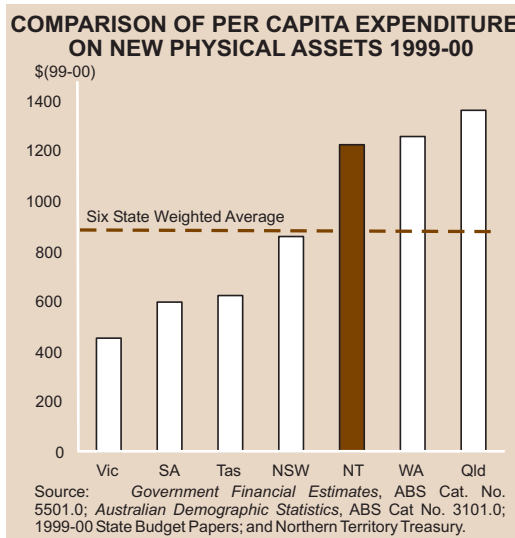
Figure 6.1



Except for a significant increase in the years 1983-84 and 1985-86, reflecting in particular the construction phases of Yulara and the Channel Island Power Station respectively, there has been a general downward trend in capital outlays over this period of time. During 1999-00, expenditure on new physical assets was \$239M.

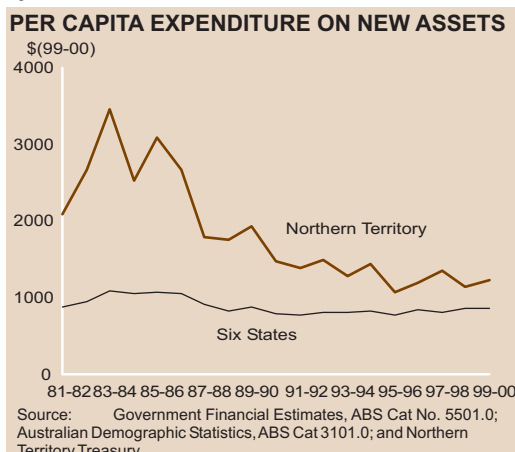
In 1999-00, as Figure 6.2 shows, Non-Financial Public Sector expenditure on new physical assets in the Northern Territory was \$1,219 per capita, the third highest of all jurisdictions after Queensland and Western Australia, compared with an average of \$862 in the Six States.

Figure 6.2



In 1999-00 dollars, Figure 6.3 shows that since 1980-81, per capita expenditure on new physical assets has reduced substantially from the peak in 1983-84. There has been only a slight decline in the Six State average over this period of time and, as a consequence, the differential between the Territory and the Six States has narrowed considerably. For the 1999-00 year, new physical asset expenditure per capita for the Territory has risen compared with the Six State average.

Figure 6.3



RELATIVE COSTS OF ASSETS IN THE NORTHERN TERRITORY

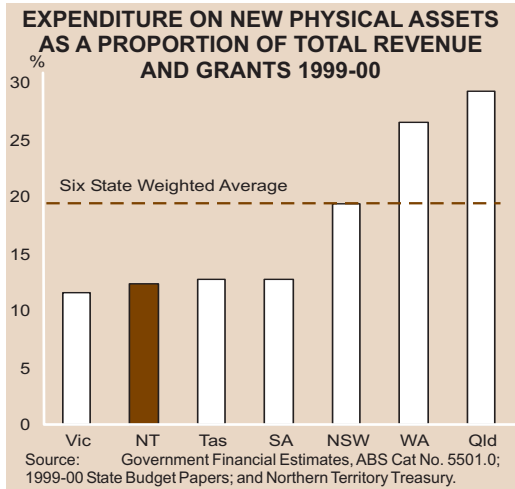
There are two main reasons why the Territory needs to continue to spend a greater amount per capita on physical capital than the Six State average.

First, generally higher than average population growth in the Territory has resulted in a greater demand for infrastructure. Similarly, the fast growing States of Queensland and Western Australia have consistently spent more than other States on physical capital in per capita terms.

Secondly, the Territory's small, culturally diverse and geographically dispersed population is expensive to service, particularly as it is not possible to take advantage of economies of scale to the same extent as in the States. The finding of the Commonwealth Grants Commission that the Northern Territory is required to spend 2.7 times the per capita States average to deliver State-like recurrent services, provides a reasonable benchmark for the additional capital expenditure requirements of the Territory.

Figure 6.4 shows the proportion of total revenue and grants devoted to new capital expenditure. This indicates the impact that new physical capital expenditure has on the Territory's overall budget. It shows that in 1999-00 the Northern Territory Public Sector spent 13% of its revenue and grants on new physical asset expenditure, compared with the Six State average of 20%. Despite this, Territory per capita expenditure on capital remains greater than in the States.

Figure 6.4



Since Self-Government, expenditure on new physical assets has more than halved as a proportion of total revenue and grants, to recent proportions of approximately 13%. The fall is due to significant reduction in funds for capital purposes from the Commonwealth, notably general purpose capital payments and funds under the Commonwealth State Housing Agreement, and the backlog of infrastructure largely overcome. The Six State average has also declined over this period from a high of about 30% to current levels of 20%.

MANAGEMENT OF ASSETS IN THE NORTHERN TERRITORY

Management of Territory Government assets essentially involves three phases:

- Selection of items to be constructed ie. formulation of the capital works program: projects usually go through three justification / selection processes before construction actually commences, including Forward Works, Design List and finally Capital Works Program status;
- Construction of the assets: the Department of Transport and Works provides

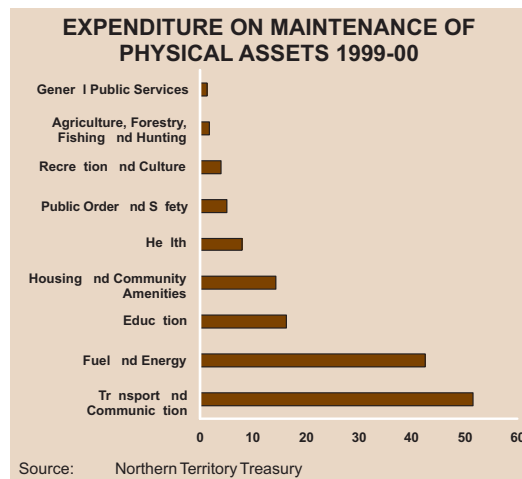
services on behalf of client Agencies in dealing with the Construction Agency. However, some agencies are their own construction agent. The Territory has a comprehensive procurement process for all projects; and

- Maintenance of the assets: the identification of a Repairs and Maintenance Program is justified according to a technical assessment of maintenance requirements. The Program is usually split between planned maintenance for major cyclical and specific maintenance items and a provision to allow for unforeseen maintenance as the need arises.

PHYSICAL ASSET MAINTENANCE

In regard to the maintenance of assets, Figure 6.5 illustrates the percentage breakdown of maintenance expenditure on physical assets by Government Purpose Classification for 1999-00. The total amount expended for the year was \$147M. Of this amount, Transport and Communication takes the largest percentage with 36% of the total expenditure (\$52M).

Figure 6.5



PART 7

LIABILITY MANAGEMENT

LIABILITY MANAGEMENT

INTRODUCTION

Broadly defined, liabilities are financial obligations payable to an individual or organisation outside the entity. Debt and superannuation liabilities comprise the majority of the liabilities of the Territory.

Information on the Territory's primary, and most substantial, liabilities is provided in Part 4 of the Treasurer's Annual Financial Statement. Part 7 records information on finance leases, accounts payable and public sector superannuation at 30 June 2000.

FINANCE LEASES

Finance leases refer to lease transactions where substantially all the risks and benefits relating to ownership of the leased property effectively pass from the lessor to the lessee (that is, the lessee virtually owns the leased asset). The Government is the lessee. Schedule 7.1 reports on finance leases held by Agencies. The balance of finance leases

at 30 June 2000 was \$11.5M. Significant changes to finance lease balances held at 30 June 1999 are explained in the notes to the Schedule.

ACCOUNTS PAYABLE

The reporting of accounts payable in Schedule 7.2 has been expanded to accord with new Australian Bureau of Statistics accrual classifications. The Schedule includes creditors, interest payable and prepayments received. Intra-sector accounts payables (between Agencies) are eliminated, with only amounts owing to external parties reported.

The balance of accounts payable at 30 June 2000 was \$127.6M. Of the total balance, \$81M relates to amounts owing for goods and services received and \$47M for other payables, the majority of which relates to interest payable by Northern Territory Treasury Corporation.

PART 7 - LIABILITY MANAGEMENT

SCHEDULE 7.1: FINANCE LEASES

	Balance at 30 June 1999	Balance at 30 June 2000
	\$000	\$000
Darwin Port Corporation	1 525	
Department of Mines and Energy	782	317
Department of Transport and Works	1 279	248
Information Technology Management Services	4 084	3 981
Northern Territory Police, Fire and Emergency Services	1 282	922
Power and Water Authority	2 475	600
Territory Health Services	4 401	4 260
Other Agencies	1 894	1 208
TOTAL	17 722	11 536

Agencies with finance lease balances of less than \$500 000 are grouped in the 'Other Agencies' category.

Significant changes from the 30 June 1999 balances are, based on advice from Agencies, due to a majority of finance leases being paid out in full during the year.

SCHEDULE 7.2: ACCOUNTS PAYABLE

	Balance at 30 June 1999	Balance at 30 June 2000
	\$000	\$000
Batchelor Institute of Indigenous Tertiary Education (a)	1 162	
Centralian College	195	1 425
Construction Agency	590	822
Darwin Port Corporation	940	567
DCIS: General Services	821	1 582
Department of Education	479	6 109
Department of Industries and Business	496	2 814
Department of Lands, Planning and Environment	280	4 344
Department of Primary Industry and Fisheries	957	1 792
Department of the Chief Minister	411	1 012
Department of Transport and Works	118	768
Information Technology Management Services	2 385	1 343
Northern Territory Police, Fire and Emergency Services	1 833	5 182
Northern Territory Tourist Commission	1 119	1 596
Northern Territory Treasury	168	1 918
Northern Territory Treasury Corporation (b)	43 382	44 261
NT Fleet	2 703	3 009
Office of the Commissioner for Public Employment	231	719
Parks and Wildlife Commission of the Northern Territory	627	752
Power and Water Authority	23 955	29 539
TAB	918	669
Territory Health Services	5 827	10 193
Territory Housing: Business Services	3 183	2 679
Other Agencies	2 246	4 460
TOTAL	95 026	127 555

Agencies with Accounts Payable balances of less than \$500 000 are grouped in the 'Other Agencies' category.

Changes in balances from 30 June 1999 are due to general fluctuations according to the operational requirements of the Agencies.

- (a) Administrative changes during 1999-00 resulted in Batchelor Institute of Indigenous Tertiary Education ceasing to be an Agency under the *Financial Management Act*. Hence their payables balance are not reported in the Balance at 30 June 2000.
- (b) The opening balance for Northern Territory Treasury Corporation has been adjusted by \$23.2M to reflect the change in treatment of the exchange rate hedge on foreign debt detailed in Schedule 4.1.

PUBLIC SECTOR SUPERANNUATION

Superannuation for past and present public sector employees is provided by various arrangements.

Arrangements effective from 10 August 1999 provide for fully funded contributions to an external fund of employee choice for new employees. These employees have an unlimited choice of superannuation funds. The Australian Government Employees Superannuation Trust (AGEST) has been appointed as the default fund for a 3 year term. Employees who fail to choose a fund within 28 days are covered by the default fund.

The new superannuation arrangements are fully funded at the statutory minimum employer contribution level of the superannuation guarantee (currently 8 per cent of salaries per annum rising to 9 per cent from 1 July 2002 and onwards).

The major Northern Territory public sector managed schemes, which are all closed to new employees, are:

- Northern Territory Government and Public Authorities Superannuation Scheme (NTGPASS);
- Commonwealth Superannuation Scheme (CSS); and
- Northern Territory Supplementary Superannuation Scheme (NTSSS).

The minor public sector managed schemes are the Police Supplementary Benefit Scheme (PSBS) and the Supreme Court (Judges Pensions) Scheme.

The Legislative Assembly Members' Superannuation Scheme and the Administrators' Pensions Scheme have not been included in this discussion as the

former is a fully funded scheme and the latter is significantly small in size.

The employer component of the Territory managed schemes is a defined benefit, either an indexed pension or a lump sum. These benefits are defined in terms of an employee's salary and length of service and, in the case of the NTGPASS, the employee's elected contribution rate.

The Territory finances the employer component of superannuation benefits on an emerging cost basis, that is, the cost of benefits is met at the time the benefits become due for payment.

SUPERANNUATION LIABILITIES

Financial information regarding the size and timing of future benefit payments is obtained through actuarial reviews conducted at three yearly intervals. The CSS and the PSBS were last reviewed at 30 June 2000, the NTGPASS and the NTSSS Scheme at 30 June 1998 and the Judges Scheme is being reviewed. The actuarial reviews are undertaken by Mr Peter Gerrard from the NSW Government Actuary's Office.

Figures 7.1 and 7.2 show projections of accrued liabilities and emerging costs based on actuarial reviews of the various Schemes. The value of accrued liabilities is calculated as the present value of expected future employer-financed benefit payments attributable to membership of the various schemes up to the year against which liabilities are measured. An interest rate of 2.0% higher than the rate of salary increases is assumed. The emerging cost is the estimated annual employer cost required to pay benefits.

Figures 7.1 and 7.2 compare the accrued liabilities and emerging costs in 2000 salary values of the existing defined benefit

schemes if they had continued unchanged with the adoption of the accumulation arrangements for new entrants, fully funded at the maximum superannuation guarantee rate of 9 per cent of salaries.

Figure 7.1 shows that with the adoption of the new arrangements the Government's accrued liabilities will reduce significantly to around \$5M by 2060 compared to around \$858M had the existing schemes remained unchanged.

In relation to emerging costs, Figure 7.2 shows that costs will increase slightly in the early years due to the introduction of the new fully funded arrangements. However, from around 2014-15 annual costs will continually decline.

By around 2059-60, the estimated annual employer cost will decline to around \$56M compared to \$102M had the existing schemes remained unchanged. The long-term cost benefits of introducing the new arrangements are clear.

The projections for the new arrangements are estimates based on 9 per cent of salaries per annum which is the superannuation guarantee benefit cost applying from 1 July 2002 and onwards. The projections assume benefit payments are made at exit and do not take into account factors such as Commonwealth billing delays for CSS pension and lump sum payments.

Figure 7.1

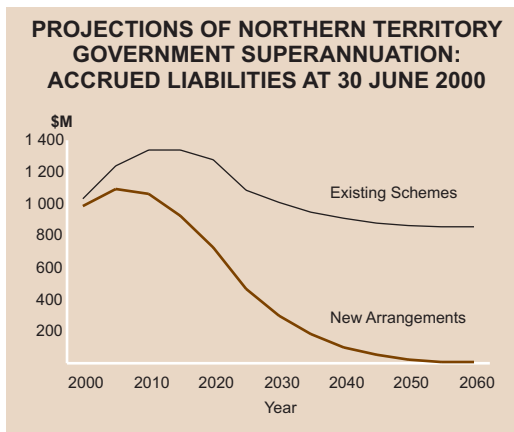
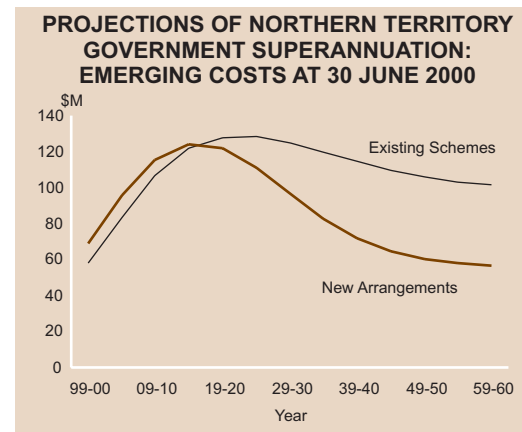


Figure 7.2



Note: Amounts expressed in mid 2000 salary levels and assume a constant number of public sector employees.

**TRENDS IN PUBLIC SECTOR
SUPERANNUATION**

All State and Territory jurisdictions, except Queensland, have closed or are intending to close their defined benefit schemes to new employees. The replacement arrangements are based on accumulation schemes designed with employer contributions funded at the superannuation guarantee level.

The influences which have driven this trend are:

- The rising costs and unfunded liabilities associated with defined benefit schemes. The introduction of the superannuation guarantee as the minimum employer contribution level from 1 July 1992 has swayed governments to shift from generous to more affordable superannuation arrangements for new employees. For example, the NTGPASS with an actuarially estimated employer contribution rate of 13.2 per cent is more costly than the superannuation guarantee.
- The complexity involved with the administration of defined benefit schemes. Due to their inflexible and complex structures, it is not easy for defined benefit schemes to keep pace with continual changes to superannuation and taxation regulation. In comparison, accumulation schemes, where benefits are determined in the same way as how savings accumulate in a bank, are easier and simpler to manage.

- Changing work patterns. There is greater difficulty for defined benefit schemes to cope with flexible employment conditions now available to employees in the workplace such as extended leave, and part-time and casual employment. Accumulation schemes can better accommodate these changing work practices.
- More products and services. Accumulation schemes due to their flexible and simpler structures are better able to offer more products and services such as salary sacrifice arrangements, choice of investment strategies and death and disablement insurance cover levels.

The Commonwealth's Superannuation Legislation Amendment (Choice of Superannuation Funds) Bill 1998 was expected to be introduced with effect from 1 July 1999, but has been deferred. The proposed legislation requires employers to provide a choice of at least four funds to which superannuation guarantee contributions will be paid. While the Commonwealth Government has stated that it remains committed to offering superannuation choice and flexibility to employees, a new start date for the proposal is still yet to be announced.

Despite the deferral of the Commonwealth requirements, Territory public sector employees who commenced from 10 August 1999 have unlimited superannuation fund choice.

PART 8

**UNIFORM PRESENTATION FRAMEWORK:
ECONOMIC TRANSACTIONS**

UNIFORM PRESENTATION FRAMEWORK: ECONOMIC TRANSACTIONS

SCOPE OF UNIFORM PRESENTATION DATA

The Uniform Presentation Framework has been agreed as the minimum reporting requirements to be observed by all Australian Governments. It applies a definition of the public sector, which includes all Government controlled entities whether or not in the Public Account.

At the aggregate level, data is compiled on the basis of the total Public Sector and the total Non-Financial Public Sector. The General Government Sector and the Public Non-Financial Corporations Sector are aggregated to provide a summary of the total Non-Financial Public Sector. The Public Financial Corporations Sector is then combined with the Non-Financial Public Sector to report on the Total Public Sector.

General Government agencies are those agencies which meet the bulk of their operating expenditures from consolidated revenue. Public Non-Financial Corporations are those Government controlled entities that, by the nature of their operations in dealing with the private sector, meet their operating expenditures from charges levied on consumers. Public Financial Corporations are Government controlled entities which perform central bank functions, and/or have the authority to incur liabilities and acquire financial assets in the market on their own account.

ECONOMIC TRANSACTIONS

In moving from Northern Territory Budget Sector scope to the Uniform Presentation Framework scope, the changes required are:

- include entities outside of the Public Account such as the Conditions of Service Trust, Batchelor Institute of Indigenous Tertiary Education and the Power and Water Authority subsidiary companies;
- classify Business Divisions that are trading in the market place, such as the Power and Water Authority, as Public Non-Financial Corporations and others, such as NT Fleet, that trade within Government as part of General Government.

More specifically, the major changes in the treatment of transactions are:

- education grants to Territory State Schools are treated as final consumption expenditure;
- the distribution of funds from TAB is treated as operational expenditure by a public enterprise and an indirect tax received by General Government;
- Public Non-Financial Corporations and Public Financial Corporations are included on an accruals basis and thus

include provisions and depreciation;
and

- payments for corporate services between Business Divisions and General Agencies are treated as final consumption expenditure or as a surplus for those Business Divisions classified as Public Non-Financial Corporations.

As outlined in the Preface to this section of the Treasurer's Annual Financial Report, in relation to the composition of the Public Financial Corporations Sector:

- TIO is not included; and
- Northern Territory Treasury Corporation is treated entirely within the Public Financial Corporations

Sector, not distributed between this and the General Government Sector as it has been in the past.

Schedules 8.1 to 8.5 record economic transactions data for the 1999-00 financial year within the revised Uniform Presentation Framework for the Northern Territory Public Sector, General Government, Public Non-Financial Corporations and Public Financial Corporations Sectors.

Schedule 8.6 presents outlays according to the ABS Government Purpose Classification and Schedule 8.7 provides information on taxes collected using agreed ABS conventions and categories.

Schedule 8.8 details Loan Council Allocation information.

SCHEDULE 8.1: NORTHERN TERRITORY PUBLIC SECTOR

	\$000
CURRENT OUTLAYS	1 807 057
Final Consumption Expenditure	1 307 063
Interest Payments	167 882
Current Grants	265 084
Other Current Payments	67 028
CAPITAL OUTLAYS	207 292
Gross Capital Expenditure	170 365
New Fixed Capital Expenditure	241 563
Expenditure on Second Hand Assets (net)	- 71 198
Capital Grants	55 689
Net Advances Paid (a)	- 11 787
Other Capital Outlays	- 6 975
TOTAL OUTLAYS	2 014 349
TOTAL OUTLAYS (excluding Net Advances Paid)	2 026 136
REVENUE	1 880 827
Taxes	228 937
Net Operating Surplus of PNFC's and PFC's	59 756
Interest Received	35 407
Grants Received	1 502 442
Other Revenue	54 285
DEFICIT AND FINANCING TRANSACTIONS	133 522
Net Advances Received	- 58 639
Net Domestic and Overseas Borrowings	141 628
Increase in Provisions (net)	55 521
Other Financing Transactions	- 4 988
TOTAL FINANCING TRANSACTIONS	133 522
Less Increase in Provisions (net)	55 521
DEFICIT (b)	78 001
Net Advances Paid	- 11 787
DEFICIT ADJUSTED FOR NET ADVANCES PAID (c)	89 788
NET DEBT (d)	1 294 071

Refer to notes in Schedule 8.5.

SCHEDULE 8.2: PUBLIC FINANCIAL CORPORATIONS

	\$000
CURRENT OUTLAYS	186 417
Interest Payments	165 808
Other Current Payments	20 609
CAPITAL OUTLAYS	- 3 571
Gross Capital Expenditure	5
New Fixed Capital Expenditure	5
Expenditure on Second Hand Assets (net)	
Capital Grants	
Net Advances Paid (a)	- 3 576
Other Capital Outlays	
TOTAL OUTLAYS	182 846
TOTAL OUTLAYS (excluding Net Advances Paid)	186 422
REVENUE	171 559
Net Operating Surplus of PFC's	- 11 345
Interest Received	177 808
Grants Received	5 096
Other Revenue	
DEFICIT AND FINANCING TRANSACTIONS	11 287
Net Advances Received	- 56 152
Net Domestic and Overseas Borrowings	65 649
Increase in Provisions (net)	6 018
Other Financing Transactions	- 4 228
TOTAL FINANCING TRANSACTIONS	11 287
Less Increase in Provisions (net)	6 018
DEFICIT (b)	5 269
Net Advances Paid	- 3 576
DEFICIT ADJUSTED FOR NET ADVANCES PAID (c)	8 845
NET DEBT (d)	- 68 798

Refer to notes in Schedule 8.5.

SCHEDULE 8.3: NON-FINANCIAL PUBLIC SECTOR

	\$000
CURRENT OUTLAYS	1 819 049
Final Consumption Expenditure	1 307 063
Interest Payments	179 881
Current Grants	265 077
Other Current Payments	67 028
CAPITAL OUTLAYS	210 863
Gross Capital Expenditure	170 360
New Fixed Capital Expenditure	241 558
Expenditure on Second Hand Assets (net)	- 71 198
Capital Grants	55 689
Net Advances Paid (a)	- 8 211
Other Capital Outlays	- 6 975
TOTAL OUTLAYS	2 029 912
TOTAL OUTLAYS (excluding Net Advances Paid)	2 038 123
REVENUE	1 907 677
Taxes	228 937
Net Operating Surplus of PNFC's	71 101
Interest Received	35 406
Grants Received	1 497 346
Other Revenue	74 887
DEFICIT AND FINANCING TRANSACTIONS	122 235
Net Advances Received	- 2 487
Net Domestic and Overseas Borrowings	75 979
Increase in Provisions (net)	49 503
Other Financing Transactions	- 760
TOTAL FINANCING TRANSACTIONS	122 235
Less Increase in Provisions (net)	49 503
DEFICIT (b)	72 732
Net Advances Paid	- 8 211
DEFICIT ADJUSTED FOR NET ADVANCES PAID (c)	80 943
NET DEBT (d)	1 357 910

Refer to notes in Schedule 8.5.

SCHEDULE 8.4: GENERAL GOVERNMENT

	\$000
CURRENT OUTLAYS	1 766 854
Final Consumption Expenditure	1 307 063
Interest Payments	129 469
Subsidies Paid to PNFC's and PFC's	76 565
Current Grants	186 729
Other Current Payments	67 028
CAPITAL OUTLAYS	121 390
Gross Capital Expenditure	124 492
New Fixed Capital Expenditure	151 719
Expenditure on Second Hand Assets (net)	- 27 227
Capital Grants	55 689
Net Advances Paid (a)	- 44 412
Other Capital Outlays	- 14 379
TOTAL OUTLAYS	1 888 244
TOTAL OUTLAYS (excluding Net Advances Paid)	1 932 656
REVENUE	1 832 768
Taxes	228 937
Interest Received	15 776
Grants Received	1 497 346
Dividends Received from PNFC's and PFC's	36 424
Other Revenue	54 285
DEFICIT AND FINANCING TRANSACTIONS	55 476
Net Advances Received	- 2 487
Net Domestic and Overseas Borrowings	99 371
Increase in Provisions (net)	
Other Financing Transactions	- 41 408
TOTAL FINANCING TRANSACTIONS	55 476
Less Increase in Provisions (net)	
DEFICIT (b)	55 476
Net Advances Paid	- 44 412
DEFICIT ADJUSTED FOR NET ADVANCES PAID (c)	99 888
NET DEBT (d)	1 019 888

Refer to notes in Schedule 8.5.

SCHEDULE 8.5: PUBLIC NON-FINANCIAL CORPORATIONS

	\$000
CURRENT OUTLAYS	68 017
Interest Payments	50 412
Other Current Payments	17 605
CAPITAL OUTLAYS	89 473
Gross Capital Expenditure	45 868
New Fixed Capital Expenditure	89 839
Expenditure on Second Hand Assets (net)	- 43 971
Capital Grants	
Net Advances Paid (a)	36 201
Other Capital Outlays	7 404
TOTAL OUTLAYS	157 490
TOTAL OUTLAYS (excluding Net Advances Paid)	121 289
REVENUE	90 731
Net Operating Surplus of PNFC's	71 101
Interest Received	19 630
Grants Received	
Other Revenue	
DEFICIT AND FINANCING TRANSACTIONS	66 759
Net Advances Received	
Net Domestic and Overseas Borrowings	- 23 392
Increase in Provisions (net)	49 503
Other Financing Transactions	40 648
TOTAL FINANCING TRANSACTIONS	66 759
Less Increase in Provisions (net)	49 503
DEFICIT (b)	17 256
Net Advances Paid	36 201
DEFICIT ADJUSTED FOR NET ADVANCES (c)	- 18 945
NET DEBT (d)	338 022

Notes for Schedules 8.1 to 8.5:

- (a) net Advances Paid includes net policy lending and net equity transactions.
- (b) the deficit is derived by subtracting increase in provisions from total financing transactions.
- (c) the deficit adjusted for net advances is derived by subtracting total revenue and grants received from total outlays (excluding net advances paid).
- (d) stock as at 30 June 2000. Refer Schedules 9.1 to 9.5.

**SCHEDULE 8.6: OUTLAYS BY
GOVERNMENT PURPOSE**

	\$M
CURRENT EXPENDITURE	1 807
General Public Services	219
Public Order and Safety	185
Education	
Primary and secondary education	256
Tertiary education	69
Pre-school education and education not definable by level	39
Transportation of students	14
Health	
Acute care institutions	207
Mental health institutions	12
Community health services	62
Public health services	50
Social Security and Welfare	
Social security	4
Welfare services	47
Housing and Community Amenities	105
Recreation and Culture	85
Fuel and Energy	45
Agriculture, Forestry, Fishing and Hunting	52
Mining and Mineral Resources other than Fuels; Manufacturing; and Construction	17
Transport and Communications	89
Other Economic Affairs	65
Other Purposes	185

**SCHEDULE 8.6 (CONT'D): OUTLAYS BY
GOVERNMENT PURPOSE**

	\$M
CAPITAL EXPENDITURE	207
General Public Services	2
Public Order and Safety	13
Education	
Primary and secondary education	5
Tertiary education	1
Pre-school education and education not definable by level	3
Transportation of students	5
Health	
Acute care institutions	4
Community health services	1
Public health services	1
Social security and welfare	
Welfare services	1
Housing and Community Amenities	60
Recreation and Culture	3
Fuel and Energy	38
Mining and Mineral Resources other than Fuels; Manufacturing; and Construction	- 3
Transport and Communications	76
Other Economic Affairs	1
Other Purposes	- 4

SCHEDULE 8.7: TAXES COLLECTED

	\$000
TOTAL TAXES	228 937
TAXES ON EMPLOYERS' PAYROLL AND LABOUR FORCE TAXES	81 004
TAXES ON PROPERTY	63 253
Stamp Duties on Financial and Capital Transactions	49 191
Financial Institutions' Transactions Taxes	14 062
TAXES ON THE PROVISION OF GOODS AND SERVICES	43 937
Taxes on Gambling	35 257
Taxes on Insurance	8 680
TAXES ON USE OF GOODS AND PERFORMANCE OF ACTIVITIES	40 743
Motor Vehicle Taxes	29 660
Other	11 083

SCHEDULE 8.8: LOAN COUNCIL ALLOCATION

	Nomination	Budget Time Estimate	Outcome
	\$M	\$M	\$M
1999-00	45	74	73
2000-01	9	39	n.a.

Under the Australian Loan Council's procedures agreed in 1993-94 by all members, all jurisdictions nominate their required Loan Council Allocations (LCAs) prior to the Council's annual meeting. Under these procedures, the starting point is each jurisdiction's expected public sector revenue less outlays as shown in the National Fiscal Outlook Report jointly prepared by the Treasuries of the Commonwealth, six States and two Territories. To these numbers are added 'Memo' items considered by Loan Council to be analogous to borrowings, to arrive at the LCA concept.

Loan Council recognises that small changes in economic circumstances, timing problems or minor changes in each jurisdiction's fiscal policies may mean by the time each jurisdiction's budget is brought down that the LCA changes. To accommodate such changes, each jurisdiction has a 'tolerance limit' between the nomination and its budget time

estimate, and again between this estimate and the final outcome for the financial year. Until 1995-96, the tolerance limit was set at 3% of total non-financial public sector revenue. From 1996-97, the limit is 2% of revenue.

The 1999-00 outcome compared to earlier estimates is shown in this Schedule. In addition, the 2000-01 nomination and later budget estimate is also shown.

In 1999-00, the outcome was \$73M compared to a Budget time estimate of \$74M and a nomination of \$45M. The worsening position is due largely to additional capital expenditure. This outcome remains within the 2% tolerance limit.

The Territory's 2000-01 LCA has increased from an original nomination of \$9M, to a Budget time estimate of \$39M. This increase is due to the inclusion of \$50M of the Northern Territory's contribution to the Railway. A further \$115M is yet to be incorporated.

PART 9

**UNIFORM PRESENTATION FRAMEWORK:
ASSETS AND LIABILITIES**

UNIFORM PRESENTATION FRAMEWORK: ASSETS AND LIABILITIES

SCOPE OF UNIFORM PRESENTATION DATA

The Uniform Presentation Framework has been agreed as the minimum reporting requirements to be observed by all Australian Governments. It applies a definition of the public sector, which includes all Government controlled entities whether or not in the Public Account.

At the aggregate level, data is compiled on the basis of the Total Public Sector and the total Non-Financial Public Sector. The General Government Sector and the Public Non-Financial Corporations Sector are aggregated to provide a summary of the total Non-Financial Public Sector. The Public Financial Corporations Sector is then combined with the Non-Financial Public Sector to report on the Total Public Sector.

General Government Agencies are those Agencies which meet the bulk of their operating expenditures from consolidated revenue. Public Non-Financial Corporations are those government controlled entities that, by the nature of their operations in dealing with the private sector, meet their operating expenditures from charges levied on consumers. Public Financial Corporations are Government controlled entities which perform central bank functions, and/or have the authority to incur liabilities and acquire financial assets in the market on their own account.

As outlined in the Preface to this section of the Treasurer's Annual Financial Report, the Territory Insurance Office is not included in the Public Financial Corporation sector reported in this Part. Northern Territory

Treasury Corporation is included entirely as a Public Financial Corporation in variation to past years where it has been segregated between this and the General Government Sector.

ASSETS AND LIABILITIES

This Part provides data on the stock of the Territory's assets and liabilities. Schedule 9.1 provides a consolidated total of the Northern Territory's gross debt and financial assets from which net debt is derived. Schedules 9.2 to 9.5 report on the various Sectors which comprise the Northern Territory Public Sector. Schedules 9.6 to 9.10 recast the information provided in Schedules 9.1 to 9.5 using market valuations for the value of securities issued and securities held, and accrued interest adjustments to deposits and lending at 30 June 1999 and 30 June 2000.

Market valuations include accrued interest and differ from the historical cost due to fluctuating interest rates and other issues regarding future interest rate levels. In effect, Schedules 9.6 to 9.10 reflect what the market would expect to pay or receive had the Territory's specified financial assets and liabilities been liquidated on 30 June 2000.

Schedules 9.11 to 9.15 build on Schedules 9.1 to 9.5 by adding to net debt other types of financial assets and liabilities not included in the net debt measure, specifically accounts receivable, equity investments, accounts payable and unfunded employee entitlements. The information provided in these Schedules satisfy the Uniform Presentation Framework regarding financial assets and liabilities.

SCHEDULE 9.1: NET DEBT - NORTHERN TERRITORY PUBLIC SECTOR

	Balance at 30 June 1999	Balance at 30 June 2000
	\$000	\$000
GROSS DEBT	1 999 160	2 064 176
Deposits Held	17 457	16 849
Advances Received	439 721	381 753
Finance Leases	17 723	11 536
Debt Securities Maturing Under 1 Year	117 379	184 348
Debt Securities Maturing Over 1 Year (a)	1 406 880	1 469 690
<i>Less</i>		
CASH, DEPOSITS AND LENDING	760 874	770 105
<i>Cash and Deposits (b)</i>	<i>35 652</i>	<i>58 567</i>
<i>Advances Paid (c)</i>	<i>254 174</i>	<i>247 642</i>
<i>Debt Securities Maturing Under 1 Year</i>	<i>217 571</i>	<i>229 271</i>
<i>Debt Securities Maturing Over 1 Year (b)</i>	<i>253 477</i>	<i>234 625</i>
<i>Equals</i>		
NET DEBT	1 238 286	1 294 071

The amounts in this Schedule vary from Schedule 4.1 due to the difference in Northern Territory Public Account scope and Uniform Presentation Framework scope on which this Schedule is based. Consistent with Schedule 4.1, debt securities for borrowings have been valued at the face value at maturity. This represents a departure in treatment, with historical capital values used for all financial assets and liabilities in accordance with Uniform Presentation Framework requirements.

The following notes relate to specific items on the above schedule:

- (a) as in Schedule 4.1 foreign debt securities are reported at face value, rather than at the spot currency rate at 30 June as they have been in the past. The balance at 30 June 1999 has been increased by \$10M to reflect this change in valuation base.
- (b) at 30 June 1999 some financial assets were classified as cash and deposits when they represent managed investment funds and are more appropriately classified as investments. The balances at 30 June 1999 have been adjusted to reflect this change in classification.
- (c) consistent with Schedule 3.2, balances for the Self Insurance Fund and Home Building Certification Fund totalling \$13.2M held by TIO have been included in the 30 June 1999 figure for Advances Paid.

Minor variances may occur in 30 June 1999 figures against those previously published, due to adjustments to incorporate final audited data of some entities.

SCHEDULE 9.2: NET DEBT - PUBLIC FINANCIAL CORPORATIONS

	Balance at 30 June 1999	Balance at 30 June 2000
	\$000	\$000
GROSS DEBT	1 982 061	2 069 988
Advances Received	424 132	367 950
Debt Securities Maturing Under 1 Year	128 049	184 348
Debt Securities Maturing Over 1 Year	1 429 880	1 517 690
<i>Less</i>		
CASH, DEPOSITS AND LENDING	2 059 152	2 138 786
Cash and Deposits	34 195	41 444
Advances Paid	2 024 957	2 097 342
<i>Equals</i>		
NET DEBT	-77 091	-68 798

The balances in this Schedule vary from previous year comparatives due to the change in treatment for Northern Territory Treasury Corporation. In the past Northern Territory Treasury Corporation has been split between the General Government Sector, for transactions relating to borrowings and lendings for General Government and the Public Financial Corporations Sector for transactions relating to its more commercially oriented dealings with Business Divisions. It has been recently agreed with the Australian Bureau of Statistics that Northern Territory Treasury Corporation should be treated solely in the Public Financial Corporations Sector in keeping with the treatment of similar entities in other jurisdictions.

Consistent with Schedule 4.1, debt securities for borrowings have been valued at the face value at maturity. This represents a departure in treatment, with historical capital values used for all financial assets and liabilities in accordance with Uniform Presentation Framework requirements.

SCHEDULE 9.3: NET DEBT - NON-FINANCIAL PUBLIC SECTOR

	Balance at 30 June 1999	Balance at 30 June 2000
	\$000	\$000
GROSS DEBT	2 095 538	2 169 437
Deposits Held	51 652	58 293
Advances Received	2 026 163	2 099 608
Finance Leases	17 723	11 536
<i>Less</i>		
CASH, DEPOSITS AND LENDING	783 451	811 527
<i>Cash and Deposits</i>	<i>35 652</i>	<i>58 567</i>
<i>Advances Paid</i>	<i>239 825</i>	<i>236 105</i>
<i>Debt Securities Maturing Under 1 Year</i>	<i>227 744</i>	<i>250 271</i>
<i>Debt Securities Maturing Over 1 Year</i>	<i>280 230</i>	<i>266 584</i>
<i>Equals</i>		
NET DEBT	1 312 087	1 357 910

The balances in this Schedule vary from previous year comparatives due to the change in treatment for Northern Territory Treasury Corporation. In the past Northern Territory Treasury Corporation has been split between the General Government Sector, for transactions relating to borrowings and lendings for General Government and the Public Financial Corporations Sector for transactions relating to its more commercially oriented dealings with Business Divisions. It has been recently agreed with the Australian Bureau of Statistics that Northern Territory Treasury Corporation should be treated solely in the Public Financial Corporations Sector in keeping with the treatment of similar entities in other jurisdictions.

Minor variances may occur in 30 June 1999 figures against those previously published, due to adjustments to incorporate final audited data of some entities.

SCHEDULE 9.4: NET DEBT - GENERAL GOVERNMENT

	Balance at 30 June 1999	Balance at 30 June 2000
	\$000	\$000
GROSS DEBT	1 450 058	1 639 273
Deposits Held	177 078	144 996
Advances Received	1 259 257	1 483 341
Finance Leases	13 723	10 936
<i>Less</i>		
CASH, DEPOSITS AND LENDING	588 263	619 385
<i>Cash and Deposits</i>	33 123	54 970
<i>Advances Paid</i>	47 836	47 560
<i>Debt Securities Maturing Under 1 Year</i>	227 744	250 271
<i>Debt Securities Maturing Over 1 Year</i>	279 560	266 584
<i>Equals</i>		
NET DEBT	861 795	1 019 888

The balances in this Schedule vary from previous year comparatives due to the change in treatment for Northern Territory Treasury Corporation. In the past Northern Territory Treasury Corporation has been split between the General Government Sector, for transactions relating to borrowings and lendings for General Government and the Public Financial Corporations Sector for transactions relating to its more commercially oriented dealings with Business Divisions. It has been recently agreed with the Australian Bureau of Statistics that Northern Territory Treasury Corporation should be treated solely in the Public Financial Corporations Sector in keeping with the treatment of similar entities in other jurisdictions.

Minor variances may occur in 30 June 1999 figures against those previously published, due to adjustments to incorporate final audited data of some entities.

SCHEDULE 9.5: NET DEBT - PUBLIC NON-FINANCIAL CORPORATIONS

	Balance at 30 June 1999	Balance at 30 June 2000
	\$000	\$000
GROSS DEBT	771 372	618 820
Deposits Held	466	1 953
Advances Received	766 906	616 267
Finance Leases	4 000	600
<i>Less</i>		
CASH, DEPOSITS AND LENDING	321 080	280 798
<i>Cash and Deposits</i>	<i>128 421</i>	<i>74 588</i>
<i>Advances Paid</i>	<i>191 989</i>	<i>188 545</i>
<i>Debt Securities Maturing Under 1 Year</i>		<i>9 479</i>
<i>Debt Securities Maturing Over 1 Year</i>	<i>670</i>	<i>8 186</i>
<i>Equals</i>		
NET DEBT	450 292	338 022

Minor variances may occur in 30 June 1999 figures against those previously published, due to adjustments to incorporate final audited data of some entities.

SCHEDULE 9.6: NET DEBT AT MARKET PRICES - NORTHERN TERRITORY PUBLIC SECTOR

	Balance at 30 June 1999	Balance at 30 June 2000
	\$000	\$000
GROSS DEBT	2 092 219	2 121 369
Deposits Held	17 457	16 849
Advances Received	376 988	309 362
Finance Leases	17 723	11 536
Debt Securities Maturing Under 1 Year	116 460	185 702
Debt Securities Maturing Over 1 Year	1 563 591	1 597 920
<i>Less</i>		
CASH, DEPOSITS AND LENDING	760 450	767 603
<i>Cash and Deposits</i>	<i>35 652</i>	<i>58 749</i>
<i>Advances Paid</i>	<i>254 439</i>	<i>248 306</i>
<i>Debt Securities Maturing Under 1 Year</i>	<i>216 814</i>	<i>223 131</i>
<i>Debt Securities Maturing Over 1 Year</i>	<i>253 545</i>	<i>237 417</i>
<i>Equals</i>		
NET DEBT	1 331 769	1 353 766

This Schedule varies from Schedule 9.1 in that it values advances received, loans, securities issued and securities held at market prices, and includes accrued interest on all items.

With this exception, consistent adjustments have been made to these Schedules as noted for Schedules 9.1 to 9.5.

**SCHEDULE 9.7: NET DEBT AT MARKET PRICES -
PUBLIC FINANCIAL CORPORATIONS**

	Balance at 30 June 1999	Balance at 30 June 2000
	\$000	\$000
GROSS DEBT	2 079 082	2 131 987
Advances Received	361 399	295 559
Debt Securities Maturing Under 1 Year	128 351	185 702
Debt Securities Maturing Over 1 Year	1 589 332	1 650 726
<i>Less</i>		
CASH, DEPOSITS AND LENDING	2 246 305	2 139 450
Cash and Deposits	34 195	41 444
Advances Paid	2 212 110	2 098 006
<i>Equals</i>		
NET DEBT	- 167 223	- 7 463

This Schedule varies from Schedule 9.2 in that it values advances received, loans, securities issued and securities held at market prices, and includes accrued interest on all items.

With this exception, consistent adjustments have been made to these Schedules as noted for Schedules 9.1 to 9.5.

**SCHEDULE 9.8: NET DEBT AT MARKET PRICES -
NON-FINANCIAL PUBLIC SECTOR**

	Balance at 30 June 1999	Balance at 30 June 2000
	\$000	\$000
GROSS DEBT	2 095 538	2 169 437
Deposits Held	51 652	58 293
Advances Received	2 026 163	2 099 608
Finance Leases	17 723	11 536
<i>Less</i>		
CASH, DEPOSITS AND LENDING	783 510	808 208
<i>Cash and Deposits</i>	<i>35 652</i>	<i>58 749</i>
<i>Advances Paid</i>	<i>239 825</i>	<i>236 105</i>
<i>Debt Securities Maturing Under 1 Year</i>	<i>227 005</i>	<i>245 984</i>
<i>Debt Securities Maturing Over 1 Year</i>	<i>281 028</i>	<i>267 370</i>
<i>Equals</i>		
NET DEBT	1 312 028	1 361 229

This Schedule varies from Schedule 9.3 in that it values advances received, loans, securities issued and securities held at market prices, and includes accrued interest on all items.

With this exception, consistent adjustments have been made to these Schedules as noted for Schedules 9.1 to 9.5.

SCHEDULE 9.9: NET DEBT AT MARKET PRICES - GENERAL GOVERNMENT

	Balance at 30 June 1999	Balance at 30 June 2000
	\$000	\$000
GROSS DEBT	1 450 058	1 639 273
Deposits Held	177 078	144 996
Advances Received	1 259 257	1 483 341
Finance Leases	13 723	10 936
<i>Less</i>		
CASH, DEPOSITS AND LENDING	588 293	616 066
<i>Cash and Deposits</i>	<i>33 123</i>	<i>55 152</i>
<i>Advances Paid</i>	<i>47 836</i>	<i>47 560</i>
<i>Debt Securities Maturing Under 1 Year</i>	<i>227 005</i>	<i>245 984</i>
<i>Debt Securities Maturing Over 1 Year</i>	<i>280 329</i>	<i>267 370</i>
<i>Equals</i>		
NET DEBT	861 765	1 023 207

This Schedule varies from Schedule 9.4 in that it values advances received, loans, securities issued and securities held at market prices, and includes accrued interest on all items.

With this exception, consistent adjustments have been made to these Schedules as noted for Schedules 9.1 to 9.5.

**SCHEDULE 9.10: NET DEBT AT MARKET PRICES -
PUBLIC NON-FINANCIAL CORPORATIONS**

	Balance at 30 June 1999	Balance at 30 June 2000
	\$000	\$000
GROSS DEBT	771 372	618 820
Deposits Held	466	1 953
Advances Received	766 906	616 267
Finance Leases	4 000	600
<i>Less</i>		
CASH, DEPOSITS AND LENDING	321 109	280 798
<i>Cash and Deposits</i>	<i>128 421</i>	<i>74 588</i>
<i>Advances Paid</i>	<i>191 989</i>	<i>188 545</i>
<i>Debt Securities Maturing Under 1 Year</i>		<i>9 479</i>
<i>Debt Securities Maturing Over 1 Year</i>	<i>699</i>	<i>8 186</i>
<i>Equals</i>		
NET DEBT	450 263	338 022

This Schedule varies from Schedule 9.5 in that it values securities issued and securities held at market prices, and includes accrued interest on all items.

With this exception, consistent adjustments have been made to these Schedules as noted for Schedules 9.1 to 9.5.

**SCHEDULE 9.11: OTHER FINANCIAL ASSETS
AND LIABILITIES - NORTHERN TERRITORY
PUBLIC SECTOR**

	Balance at 30 June 1999	Balance at 30 June 2000
	\$000	\$000
NET DEBT (FROM SCHEDULE 9.1)	1 238 286	1 294 071
OTHER LIABILITIES		
Accounts Payable and Other Debt (a)	112 738	134 195
Unfunded Employee Entitlements (b)	1 284 927	1 314 303
OTHER FINANCIAL ASSETS		
Other Equity	31 049	55 966
Accounts Receivable and Other (c)	114 170	85 023
EXCESS OF TOTAL LIABILITIES OVER FINANCIAL ASSETS	(d)	(d)

The amounts in this Schedule may vary from Schedules in previous Parts due to the difference in Northern Territory Public Account scope and Uniform Presentation Framework scope.

- (a) The opening balance for accounts payable in Northern Territory Treasury Corporation has been adjusted by \$23.2M to reflect the change in treatment of the exchange rate hedge on foreign debt detailed in Schedule 4.1.
- (b) Although this item is described, in accordance with Uniform Presentation Framework requirements, as "unfunded", it should be noted that "funding" is defined as assets set aside (earmarked) for this purpose. The real backing behind all government liabilities is the total stock of public sector assets, both physical and financial, as well as the Northern Territory revenue base. None of this is presently earmarked, although most of it is potentially available to meet the Government's obligations (in the unlikely event that inadequate budgeting made liquidation necessary).
- (c) The opening balance for accounts receivable in Northern Territory Treasury Corporation has been adjusted by \$12.9M to reflect the change in treatment of the exchange rate hedge on foreign debt detailed in Schedule 4.1.
- (d) Net Debt plus Other Liabilities less Other Financial Assets. For the reason indicated in footnote (b), these totals are at best meaningless and at worst misleading, and are therefore not provided.

Minor variances may occur in 30 June 1999 figures against those previously published, due to adjustments to incorporate final audited data of some entities.

SCHEDULE 9.12: OTHER FINANCIAL ASSETS AND LIABILITIES - PUBLIC FINANCIAL CORPORATIONS

	Balance at 30 June 1999	Balance at 30 June 2000
	\$000	\$000
NET DEBT (FROM SCHEDULE 9.2)	-77 091	-68 798
OTHER LIABILITIES		
Accounts Payable and Other Debt	49 171	44 261
Unfunded Employee Entitlements	142	167
OTHER FINANCIAL ASSETS		
<i>Other Equity (b)</i>		
Accounts Receivable and Other	26 373	13 421
EXCESS OF TOTAL LIABILITIES OVER FINANCIAL ASSETS	(a)	(a)

The balances in this Schedule vary from previous year comparatives due to the change in treatment for Northern Territory Treasury Corporation. In the past Northern Territory Treasury Corporation has been split between the General Government Sector, for transactions relating to borrowings and on-lendings for General Government and the Public Financial Corporations Sector for transactions relating to its more commercially oriented dealings with Business Divisions. It has been recently agreed with the Australian Bureau of Statistics that Northern Territory Treasury Corporation should be treated solely in the Public Financial Corporations Sector in keeping with the treatment of similar entities in other jurisdictions.

- (a) Net Debt plus Other Liabilities less Other Financial Assets. These totals are at best meaningless and at worst misleading, and are therefore not provided.
- (b) 'Other Equity' recognises all equity investments this Sector holds in external entities and other Government Sectors. Balances previously published incorrectly reflected the total equity of this Sector.

Minor variances may occur in 30 June 1999 figures against those previously published, due to adjustments to incorporate final audited data of some entities.

**SCHEDULE 9.13: OTHER FINANCIAL ASSETS AND
LIABILITIES - NON-FINANCIAL PUBLIC SECTOR**

	Balance at 30 June 1999	Balance at 30 June 2000
	\$000	\$000
NET DEBT (FROM SCHEDULE 9.3)	1 312 087	1 357 910
OTHER LIABILITIES		
Accounts Payable and Other Debt	66 654	93 285
Unfunded Employee Entitlements	1 284 785	1 314 136
OTHER FINANCIAL ASSETS		
Other Equity	64 688	89 608
Accounts Receivable and Other	108 192	80 994
EXCESS OF TOTAL LIABILITIES OVER FINANCIAL ASSETS	(a)	(a)

(a) Net Debt plus Other Liabilities less Other Financial Assets. These totals are at best meaningless and at worst misleading, and are therefore not provided.

Minor variances may occur in 30 June 1999 figures against those previously published, due to adjustments to incorporate final audited data of some entities.

**SCHEDULE 9.14: OTHER FINANCIAL ASSETS AND
LIABILITIES - GENERAL GOVERNMENT**

	Balance at 30 June 1999	Balance at 30 June 2000
	\$000	\$000
NET DEBT (from Schedule 9.4)	861 795	1 019 888
OTHER LIABILITIES		
Accounts Payable and Other Debt	26 721	53 701
Unfunded Employee Entitlements	1 264 390	1 295 480
OTHER FINANCIAL ASSETS		
Other Equity	1 456 173	1 445 859
Accounts Receivable and Other	40 269	26 183
EXCESS OF TOTAL LIABILITIES OVER FINANCIAL ASSETS	(a)	(a)

(a) Net Debt plus Other Liabilities less Other Financial Assets. These totals are at best meaningless and at worst misleading, and are therefore not provided.

Minor variances may occur in 30 June 1999 figures against those previously published, due to adjustments to incorporate final audited data of some entities.

**SCHEDULE 9.15: OTHER FINANCIAL ASSETS
AND LIABILITIES - PUBLIC
NON-FINANCIAL CORPORATIONS**

	Balance at 30 June 1999	Balance at 30 June 2000
	\$000	\$000
NET DEBT (from Schedule 9.5)	450 292	338 022
OTHER LIABILITIES		
Accounts Payable and Other Debt	44 890	46 189
Unfunded Employee Entitlements	20 395	18 656
OTHER FINANCIAL ASSETS		
Other Equity (b)	3	21 771
Accounts Receivable and Other	86 104	60 588
EXCESS OF TOTAL LIABILITIES OVER FINANCIAL ASSETS	(a)	(a)

(a) Net Debt plus Other Liabilities less Other Financial Assets. These totals are at best meaningless and at worst misleading, and are therefore not provided.

(b) 'Other Equity' recognises all equity investments this Sector holds in external entities and other Government Sectors. Balances previously published incorrectly reflected the total equity of this Sector.

Minor variances may occur in 30 June 1999 figures against those previously published, due to adjustments to incorporate final audited data of some entities.

PART 10

DEBT MANAGEMENT

DEBT MANAGEMENT

INTRODUCTION

Debt finance is an important source of funding for publicly provided infrastructure, which is needed to promote social well-being and economic growth.

Debt is defined as those liabilities which carry a contractual obligation to service or repay principal, and in the Territory context broadly comprise Territory borrowings (both domestic and offshore), Territory Bonds, and advances received from the Commonwealth. Net debt is derived by deducting from gross debt the value of financial assets held. The major financial assets of the Territory comprise advances paid, primarily to Territory Housing; Business Services to finance housing loans to Territorians, and investments in marketable securities issued by the Commonwealth and State Governments or their agencies, major financial institutions and asset backed securities.

The other major liabilities incurred by the Northern Territory Government are those accruing in the form of superannuation entitlements to public servants.

The debt data presented in this Part is drawn (mainly in summary form) from the adjusted Uniform Presentation schedules shown in Schedules 9.1 to 9.16.

Comparative debt data from other State jurisdictions is obtained from the Australian Bureau of Statistics (ABS) publications and State budget papers.

Flow data for the Northern Territory and for the six States is sourced from a time series

compiled by the Northern Territory to remove the influence of changes in the scope and treatments of ABS publications in recent years. Data is consistent with the current ABS publications and is based on the Non-Financial Public Sector.

SCOPE OF DEBT STATISTICS

The methods used for the estimation of gross debt, net debt and financial assets have developed and been refined over time.

The figures for gross debt and financial assets prior to 1988 are based on Statement 5 of the Treasurer's Annual Financial Statements. From 1988, the ABS collected debt statistics for Commonwealth, State and Local Government and published these in Public Sector Debt, Australia (ABS Catalogue No. 5513.0), in accordance with international statistical standards. The differences in the scope and methodology between these two measures means that the two series are not directly comparable.

From 1992 onwards, ABS scope and standards changed to reflect the agreement reached at the 1991 Premiers' Conference that all governments would present information on financial assets and liabilities in a uniform manner. This extended the coverage of agencies and instrumentalities in the Northern Territory Public Sector.

A further change was introduced with the adoption of the Uniform Presentation Framework, formalised by Loan Council in 1997. Data was backcast to 1992 to exclude universities from State debt statistics, consistent with their new ABS classification

to a multijurisdictional sector. This change was reflected in the 1997 Public Sector Financial Assets and Liabilities (ABS Catalogue No. 5513.0) which replaced the earlier Public Sector Debt publication.

In 1998, the Uniform Presentation Framework was expanded to include Public Financial Enterprises.

The breaks in the ABS debt series used in this Part occur in:

- 1988, the first year for which the ABS published comparative data;
- 1992, when the standards of the Uniform Presentation Agreement were implemented (including the backcast removal of universities); and
- 1998, when the Public Financial Enterprise Sector came into scope.

DEBT FINANCE

Debt finance contributes a small proportion of the Northern Territory Public Sector's overall budget and has diminished in importance over time. In recent years the reliance on leveraged capital expenditure has diminished, with the increase in capital assets largely funded from current revenue and grants. In the three years to 1998-99, continued repayment of Commonwealth Advances coupled with a debt reduction policy resulted in a reduction in the use of debt finance. This was achieved by the use of cash balances. In 1999-00, due to an increase in capital expenditure, it was not possible to continue to use cash balances and it was necessary to borrow.

Figure 10.1

NORTHERN TERRITORY CAPITAL EXPENDITURE AND DEBT FINANCE			
	New Fixed Capital Expenditure	Debt Finance	Debt Finance to Capital Expenditure
	\$M	\$M	%
1989-90	273	109	39.9
1990-91	224	98	43.8
1991-92	223	3	1.3
1992-93	243	44	18.1
1993-94	223	68	30.5
1994-95	249	54	21.7
1995-96	187	30	16.0
1996-97	215	-45	-20.9
1997-98	243	-69	-28.4
1998-99	229	-33	-14.3
1999-00	242	73	30.4

Source: ABS Cat No. 5501.0, Northern Territory Treasury

SIZE AND STRUCTURE OF TERRITORY PUBLIC SECTOR DEBT

Net debt of the Northern Territory Public Sector at 30 June 2000 was \$1 294M. This was constituted by gross debt of \$2 064M, offset by financial assets of \$770M in the form of advances, particularly through Territory Housing; Business Services, the Government's cash balances held as bank deposits, short term investments such as bank bills, bonds of the Commonwealth and State Governments, and investments in major financial institutions and asset backed securities. Figure 10.2 provides estimates of the gross and net debt of the Northern Territory Public Sector from Self-Government to 30 June 2000.

Figure 10.2

NORTHERN TERRITORY GROSS AND NET DEBT			
At 30 June	Gross Debt	Financial Assets	Net Debt
	\$M	\$M	\$M
1979	188	97	91
1980	309	130	179
1981	414	189	225
1982	520	252	268
1983	638	334	304
1984	866	386	480
1985	1 054	459	595
1986	1 205	472	733
1987	1 406	464	942
1988	1 654	535	1 119
1989	1 755	589	1 166
1990	1 810	485	1 325
1991	1 902	453	1 449
1992	1 895	536	1 359
1993	1 933	558	1 375
1994	2 062	655	1 407
1995	2 116	689	1 427
1996	2 131	777	1 353
1997	2 093	747	1 347
1998	1 999	723	1 276
1999	1 999	761	1 238
2000	2 064	770	1 294

Note: Dotted line indicates a break in the series.

Source: 1979 to 1987: Northern Territory Treasury; 1988 to 1991: *Public Sector Debt, Australia*, ABS Cat. No. 5513.0; 1992 to 1996: *Public Sector Financial Assets and Liabilities*, ABS Cat. No. 5513.0; 1997 to 2000: Northern Territory Treasury.

At 30 June 2000, over four-fifths of the Territory's gross debt took the form of securities issued, either in the wholesale market or Territory Bonds aimed at the retail market. A further 11.2% of gross debt consisted of advances received from the Commonwealth.

Figure 10.3 summarises the main categories of outstanding debt for the Territory.

Figure 10.3

SOURCES OF DEBT FINANCE AT 30 JUNE 2000		
	Gross Debt	Proportion of Total Debt
	\$M	%
Deposits Held	17	0.8
Territory Borrowings	1 681	81.4
Commonwealth Advances		
General capital-purpose	59	2.9
Specific capital-purpose	171	8.3
Assets transferred from	136	6.6
Commonwealth at Self Government		
Total	2 064	100.0

Source: Northern Territory Treasury.

COMMONWEALTH ADVANCES

Until 1989-90, the Commonwealth Government undertook some borrowings on behalf of the States and the Northern Territory under the 1927 Financial Agreement. Commonwealth Government borrowings on the States' behalf were passed on in the form of general capital-purpose advances and used primarily to fund social infrastructure such as housing, schools and hospitals. These were augmented by State and Territory Governments borrowing on their own behalf for semi-government authorities' capital requirements.

The Commonwealth has also advanced funds to the Northern Territory for a range of specific capital purposes. The largest of these was for housing assistance. Other loans were made for the National Bovine Brucellosis and Tuberculosis Eradication Campaign and for the Rural Adjustment Scheme.

The Commonwealth ceased to undertake borrowings on behalf of the States and

Territories in 1989-90. Under arrangements agreed to by Loan Council in June 1990, States and the Northern Territory are replacing maturing Commonwealth loans issued in past years on their behalf under the 1927 Financial Agreement. Consequently net Commonwealth advances to the States are now invariably a use (rather than a source) of funds within State and Territory budgets.

BORROWINGS BY THE NORTHERN TERRITORY

The Territory's borrowing program provides for the total borrowing requirements of the Northern Territory Public Sector, including the refinancing of maturing Commonwealth debt incurred under the previous Financial Agreement arrangements.

LOANS ATTRIBUTED TO ASSETS TRANSFERRED AT SELF-GOVERNMENT

A further category of indebtedness, applicable only to the Northern Territory, arose from the transfer of assets from Commonwealth to Territory ownership that took place at the time of Self-Government in 1978. The Northern Territory Government is progressively repaying this debt. At 30 June 2000, the balance owing to the Commonwealth with respect to these assets was \$136M.

DIFFERENCES BETWEEN STOCK AND FLOW DATA

The data used in this discussion include measures of the stock of debt at discrete points in time (Part 9), and the flow of certain transactions through each financial year (Part 8).

Conceptually, movements in the stock of net debt can be derived from flow data by subtracting total revenue, grants received and increase in provisions from total outlays (excluding net advances paid). This is represented in Part 8 as 'Deficit Adjusted for Net Advances'.

However, equity transactions, (eg. vendor sales through Territory Housing: Business Services) in which physical assets are changed to financial assets, capitalisation and finance leases can influence the stock of net debt without affecting the flows.

Moreover, different valuation methods applied to financial assets and liabilities mean that movement represented by the cashflows recorded in Part 8 does not necessarily equate to the change in the measured stock of net debt.

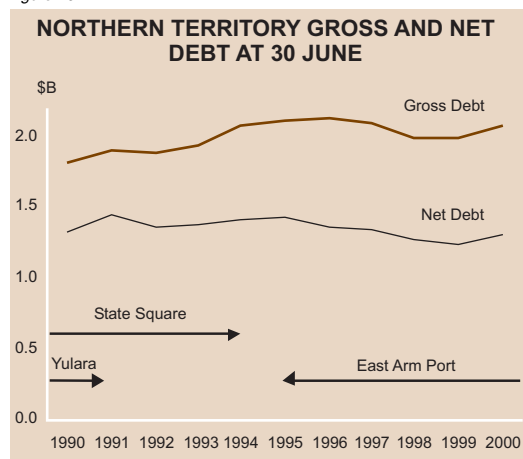
Partly offsetting gross debt, the Territory maintains a number of liquid investments: specifically, government and semi-government securities, asset backed securities and securities of major financial institutions of \$464M; and \$248M in advances, mainly for the Government's home purchase schemes. The balance reflects deposits with banks and overnight money markets.

Debt data is compiled on the basis of the face value at maturity. The Northern Territory also provides debt data at market values as shown in Schedules 9.6 to 9.10.

Figure 10.4 shows the change in Northern Territory gross and net debt since 1990.

The increase in gross and net debt associated with major construction projects in the early 1990s is evident. Borrowings for the provision of infrastructure to the McArthur River Mine and the East Arm Port development were incorporated in 1996.

Figure 10.4



The reduction in gross debt since 1996-97 is a result of the Territory's fiscal strategy to reduce gross debt. This has also resulted in a reduction in net debt since 1995-96. In 1999-00 both gross and net debt increased resulting from the increase in both capital and current expenditure during the year.

DEBT MANAGEMENT IN OTHER STATE JURISDICTIONS

Debt management has been a focus of government policy throughout Australia during the last five years. The aggressive debt reduction policies of some jurisdictions, in particular Victoria and Western Australia, have created dramatic shifts in the relative debt burdens of the six States. In 1990, Victoria had the highest ratio of net debt to revenue of any jurisdiction in Australia at 199%. By 1999, Victoria had the second lowest ratio at -21.2%, well below the States average of 49%.

Such changes have created difficulty in the interpretation of comparative debt statistics. Although it appears that Victoria's debt has been eliminated, the infrastructure sold to finance debt reductions must in future be leased back from the private sector.

Dividends previously received from privatised public trading enterprises are also foregone.

Victoria's debt reduction strategy represents a policy decision to substitute increased current outlays and lower current receipts for lower interest payments. This is quite different from the Northern Territory's policy of incrementally reducing debt through sound fiscal management, with only limited reliance on asset sales and lease-back arrangements.

Irrespective of policy, small jurisdictions, including the Northern Territory, Tasmania and South Australia, have a limited capacity to retire debt through the sale of public assets since the risk to both private sector investors and the public is likely to be greater than in the larger jurisdictions.

The divergence in the approach to debt management among State jurisdictions has been sudden and significant. Care is therefore required in the interpretation of recent changes in debt statistics.

As an added caution, many of the comparative charts and tables used in this Part measure the performance of the Territory against an aggregate of the six States. The aggregate is an average, which is weighted according to State and Territory population, as opposed to a simple average. As a result, a dramatic change in debt statistics within a small State, such as Tasmania will not substantially alter the six State aggregate. Large changes in Victoria, Queensland and Western Australia, however, have caused similarly large changes in aggregated statistics used.

While comparisons with the six States are unavoidable, the most useful interpretation often lies in the direction of the Territory's trend rather than in the change in the Territory's relative position.

**INTERSTATE COMPARISONS AT
30 JUNE 2000**

The credit worthiness of the Northern Territory can be assessed without reference to the performance of other State jurisdictions. Indeed, the use of comparisons can easily obscure critical relationships, however, the fiscal performance of the six States is commonly used as a benchmark.

There are several standard measures by which the debt burden of a jurisdiction may be assessed. These fall into two categories: direct measures, which illustrate the actual capacity to repay debt; and surrogate measures, which use more general characteristics which have an implied relationship with the ability to repay debt.

Surrogate measures, which generally use population and economic statistics to provide debt comparisons between jurisdictions, are useful if the jurisdictions in question have similar budgetary and fiscal structures. However, they suffer from a pronounced bias if the relationship between the quantity measured and the implied characteristic differs between the jurisdictions being compared. This bias is evident in the fact that the various measures used below give the Territory markedly different positions relative to other jurisdictions.

NET DEBT PER CAPITA

Figure 10.5 compares net debt for the total Northern Territory Public Sector at 30 June 2000 with those of the six States. Figure 10.5 also provides estimates of net debt per capita for the Territory and the States.

Due to changed publishing time tables by the ABS, net debt estimates for the States for 30 June 2000 are not available at this time. An estimate for Western Australia from

State budget papers has been used while for other States the estimates are at 30 June 1999.

Figure 10.5

PUBLIC SECTOR NET DEBT		
	Net Debt	Net Debt per Capita
	\$M	\$000
Northern Territory	1 294	6.6
New South Wales	21 290	3.3
Victoria	-3 745	-0.8
Queensland	-5 963	-1.7
South Australia	5 973	4.0
Western Australia	5 404	2.9
Tasmania	2 694	5.7
Six States	25 653	1.4

Source: State budget papers and mid-year reports, Northern Territory Treasury.

Note: Data for NT and WA at 30 June 2000, for other States at 30 June 1999.

In per capita terms, the Northern Territory has the highest net debt, followed by Tasmania and South Australia.

There are a number of reasons why the Northern Territory has, and will continue to have, a comparatively high net debt per capita.

The first is the obligation faced upon Self-Government to develop State-like levels of social and economic infrastructure from the low base the Territory inherited. This occurred in conjunction with the major expansion of the Territory's population in the following decade, requiring further additions to the Territory's capital stock.

The second is the higher per capita expenditure necessarily incurred in providing government services because of factors such as: the dispersion of its small population across one sixth of Australia, isolation from the main centres of supply,

climate extremes, topography, demographic composition of the population and the inability to take advantage of economies of scale which are available to the States in the provision of goods and services.

The Commonwealth Grants Commission has assessed that because of such factors in providing recurrent services, the Northern Territory Government would need to spend, in per capita terms, 2.7 times as much as the average State if it were to provide a State-like level and standard of services.

The disadvantages, which affect the Territory's ability to fund services, also impact on its ability to provide infrastructure, which is traditionally funded through debt. A high per capita debt is a natural consequence of providing average levels of infrastructure at a higher than average per capita cost.

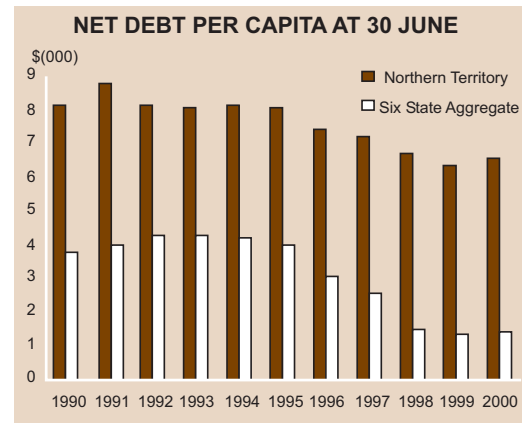
Thirdly, as the jurisdiction with the smallest economy, the Territory is the least able of all jurisdictions to take advantage of increasing moves towards private sector involvement in infrastructure projects due to the relatively higher market risks involved for private investors.

Figure 10.6 shows that Northern Territory Public Sector net debt per capita was increasing in the late 1980s and early 1990s due in part to the Yulara tourism infrastructure project and the construction of State Square, plateauing over the period 1992 to 1995, before declining further. Net debt per capita continued to fall between June 1996 and June 1999, before increasing slightly in 1999-00.

By comparison, the average net debt per capita of the six States was growing during the early part of the decade. The growth in 1991 and 1992 reflects the impact of public sector restructuring that occurred in several States. However, the change was modest

due to the offsetting effect of some States acting to reduce debt levels and greater involvement of the private sector in the provision of public infrastructure. This becomes more apparent after 1993 with the net debt of the six States continuing to decline.

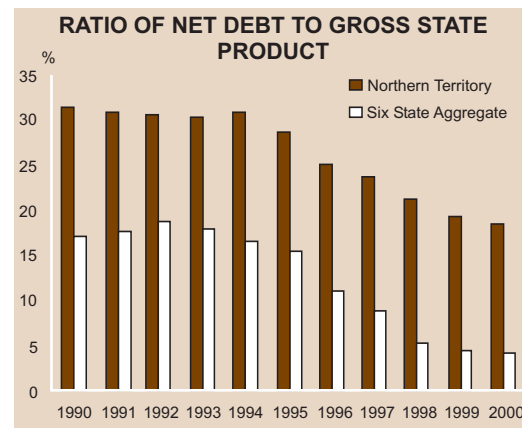
Figure 10.6



NET DEBT TO GROSS STATE PRODUCT

Figure 10.7 compares movements in net debt as a proportion of Gross State Product (GSP) between 1990 and 2000. The ratio of net debt to GSP is a second commonly used surrogate measure of debt burden.

Figure 10.7



Territory net debt peaked at 34.9% of GSP in 1988, and has steadily declined ever since. At 30 June 2000, the ratio was 18.4%.

The six States' ratio also shows a declining trend, with some growth over 1991 and 1992, reflecting the restructuring of government owned enterprises in some States.

Debt as a proportion of GSP and debt per capita are commonly used surrogate measures of the debt burden of a jurisdiction. However they cannot be used in isolation unless related budget elements, such as per capita revenue are similar between jurisdictions being compared. When comparing the Northern Territory to the six States this is clearly not the case, as per capita expenditure and revenue are substantially higher than in other jurisdictions. The application of Horizontal Fiscal Equalisation (HFE) in the Australian federation effectively ensures that each jurisdiction is granted the capacity to service debt at levels appropriate for its physical, demographic and fiscal environment.

For the Northern Territory, the surrogate measures described above are poor indicators of the sustainability of its debt level in either comparative or absolute terms.

NET DEBT AND TOTAL REVENUE

A more appropriate comparative measure of the level of debt is the ratio of net debt to total budget revenues across jurisdictions. This is a more direct measure of the debt burden on a jurisdiction as it describes debt in the context of actual revenue. Figure 10.8 shows this trend since 1989-90 for the Northern Territory and the six State aggregate.

Figure 10.8

	NET DEBT AS A PROPORTION OF TOTAL REVENUE	
	Northern Territory	Six State Aggregate
	%	%
1989-90	106.5	118.1
1990-91	111.8	118.8
1991-92	99.3	124.1
1992-93	90.2	118.0
1993-94	89.2	109.0
1994-95	87.2	102.8
1995-96	80.1	76.5
1996-97	71.7	62.2
1997-98	73.1	36.8
1998-99	67.9	32.7
1999-00	67.8	31.3

Source: *Public Sector Debt, Australia*, ABS Cat. No. 5513.0; *Public Sector Financial Assets and Liabilities, Australia*, ABS Cat No. 5513.0; *Government Financial Estimates, Australia*, ABS Cat. No. 5501.0, State budget papers and mid-year reports, and Northern Territory Treasury.

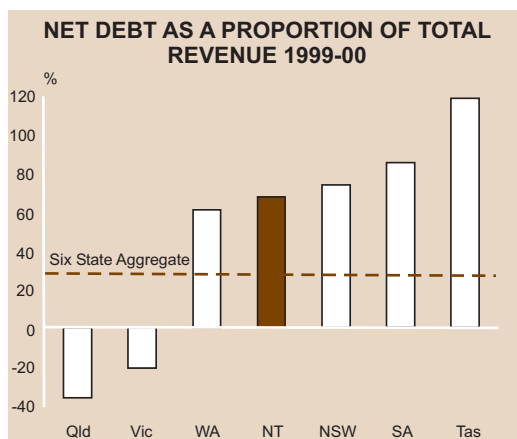
During the late 1980s, consistent with the financing of various infrastructure projects in the Territory, this ratio rose, reaching a peak of 112% in 1990-91, a little below the six State average of 124.4% at that time.

While the ratio for the Territory has generally declined since then, the corresponding ratio for the six States again rose in line with the financial restructuring which occurred in a number of States, notably South Australia and Victoria, before declining in more recent years.

There is considerable diversity among jurisdictions in the ratio of net debt relative to total revenues. At 30 June 2000, these ratios ranged from -36.0% in Queensland, up to 118% in Tasmania.

The Territory's performance against this measure is midway between the highest and lowest States, ahead of NSW, South Australia and Tasmania.

Figure 10.9



THE COST OF DEBT SERVICING

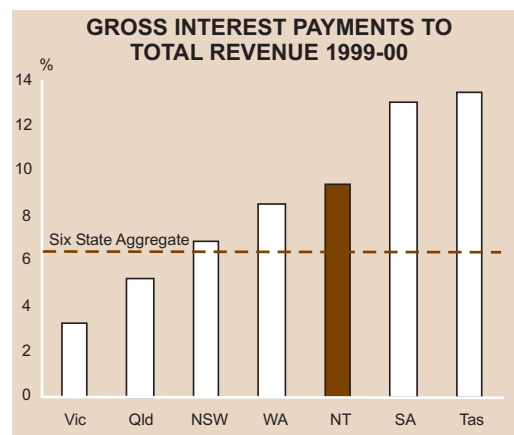
The sustainability of a level of debt is best assessed by comparing the cost of servicing that debt to the revenues available to meet those costs. Debt servicing costs reflect the perceived borrowing risks of a jurisdiction and a measure of liquidity of particular debt issues. As the Territory maintains lower absolute levels of debt than the larger States, the liquidity margin implicit in the cost of debt servicing remains comparably high.

Prudent interest rate management strategies and debt buyback programs have served to maintain the level of debt servicing costs in line with higher rated States.

Figure 10.10 shows interest payments as a proportion of total revenue for the Territory and the States. This measure is useful for interjurisdictional comparisons and is easy to interpret, as it directly reflects debt burden.

When measured on this basis, the Territory compares favourably with the States. Gross interest payments in 1999-00 accounted for 9.4% of total revenues, compared with an average for the six States of 6.2%. Queensland, Victoria, New South Wales and Western Australia have lower ratios than the Northern Territory. South Australia and Tasmania have higher ratios.

Figure 10.10



An alternative comparison can be drawn between net interest payments and net revenue since this measure recognises that interest earned on investments can be used to offset interest payments on debt.

As a proportion of net revenue (ie. total revenue less interest received), net interest payments by the States in 1999-00 ranged from -6.1% in Queensland to 13.2% in Tasmania, as shown in Figure 10.11.

Figure 10.11

	Net Revenue and Grants	Net Interest Payments	Net Interest to Net Revenue
	\$M	\$M	%
Northern Territory	1 899	138	7.7
New South Wales	28 278	1 583	5.6
Victoria	18 477	481	2.6
Queensland	14 774	-906	-6.1
South Australia	6 895	520	7.5
Western Australia	8 834	663	7.5
Tasmania	2 271	299	13.2
Six States	79 529	2 640	3.3

Source: State budget papers and mid-year reports, Northern Territory Treasury

Measured in this way, as Figure 10.12 demonstrates, the cost of debt servicing for

the six States remained stable in a range around 14% until 1993-94, before declining over the last few years.

Figure 10.12

NET INTEREST PAYMENTS TO NET REVENUE		
	Northern Territory	Six State Aggregate
	%	%
1989-90	10.4	14.6
1990-91	10.9	14.9
1991-92	10.3	14.2
1992-93	12.9	13.7
1993-94	12.6	12.3
1994-95	10.5	11.0
1995-96	8.8	9.4
1996-97	6.7	7.5
1997-98	7.8	5.6
1998-99	7.6	4.4
1999-00	7.7	3.3

Source: State budget papers and mid-year reports, Northern Territory Treasury

Tasmania and Queensland are notable for the fact that their ratios of net interest payments to net revenue are considerably different to those of other jurisdictions. Queensland has been in a net creditor position since June 1995 and, at 30 June 1999, its financial assets were about \$6B greater than its financial liabilities.

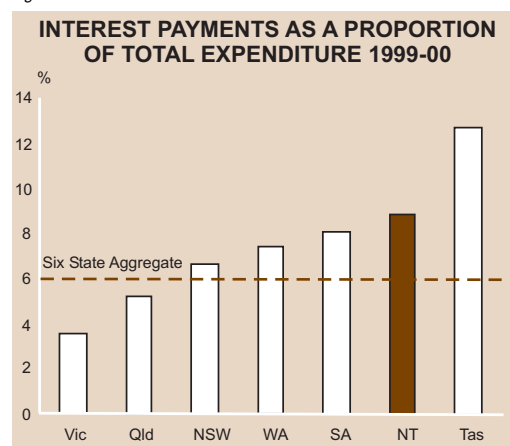
As Australia's third largest jurisdiction, Queensland's substantial net creditor position has a pronounced effect on the six State aggregate figures against which the Territory is compared.

In the years following Self-Government, as the Territory put in place necessary infrastructure and hence accumulated a State-like level of debt, the trend for the Territory was generally upward, levelling out in the latter part of the 1980s and finally stabilising at a level consistent with the average of the States.

Given that debt servicing costs must be met once the debt is incurred, they reduce budget flexibility. The extent of this impact can be assessed by measuring interest payments as a proportion of total expenditure.

Figure 10.13 presents this measure for the Territory and the States for 1999-00, and illustrates that the Territory experienced a higher ratio than the six State aggregate, in line with the South Australian ratio but considerably lower than the Tasmanian ratio.

Figure 10.13



SUMMARY

The reduction in gross debt since 1996-97 paused in 1999-00 with both measures of indebtedness increasing. The increase comes at a time when the Territory is investing heavily in economic infrastructure, which will serve the Territory well for many years.

The Territory's debt position relative to the six State aggregate has changed considerably in recent years. Incremental reductions in Territory debt have been overshadowed by the wholesale retirement of debt in some larger jurisdictions. Those

which have funded debt reductions through the sale of public assets appear to have strengthened their fiscal position when debt is examined in isolation. In general, however, the effect of this policy is to substitute increased current expenditure and reduced current receipts for reduced interest payments.

The Territory remains in a stronger fiscal position than other small jurisdictions, such as South Australia and Tasmania and, when debt burden is directly measured, compares favourably with the larger jurisdictions.

PART 1 1
FISCAL STRATEGY

NORTHERN TERRITORY FISCAL STRATEGY

The Northern Territory announced a single quantitative fiscal target in 1993-94. A more comprehensive set of targets was first published in 1994-95. The Fiscal Strategy was reviewed and updated for the 1998-99 Budget and has remained unchanged since then.

The Northern Territory's budget papers include an assessment of budget aggregates against the Fiscal Strategy. The Treasurer's Annual Financial Report provides an analysis of actual outcomes against the Fiscal Strategy.

The Government's core strategies and fiscal targets are:

- current expenditure per capita will not increase in real terms;
- infrastructure will be maintained at levels sufficient to meet the Territory's economic and social needs;
- the Territory's own-source revenue effort will be broadly comparable to the States;
- Territory debt as a proportion of economic output will decline over time; and
- Territory debt servicing as a proportion of total Territory revenue and Commonwealth grants will be broadly comparable to the States.

Provisos:

- in any given year, the percentage change in Commonwealth grants to the

Territory should not be significantly different to the change for the States;

- the Territory should receive adequate discretion in the application of funds to priorities determined by Territorians; and
- assessment against the targets should exclude the budgetary impact of major one-off events, such as natural disasters.

Given the relatively small size of the Territory Budget, Territory fiscal indicators are subject to significant yearly variations. Consequently, adherence to fiscal targets is better considered over time.

However, the purpose of the Treasurer's Annual Financial Report is to review end of year outcomes, therefore this Part details 1999-00 actual outcomes against the Fiscal Strategy.

THE FISCAL STRATEGY

Element 1: Current expenditure per capita will not increase in real terms.

Figure 11.1 shows actual current expenditure for 1998-99 and 1999-00, both measured using the current SNA 93 standard. As the figure shows, current expenditure has reduced in real per capita terms between 1998-99 and 1999-00.

Figure 11.1

ELEMENT 1: ACTUAL CURRENT EXPENDITURE		
	1998-99	1999-00
Current Expenditure (\$M)	1 726	1 799
Year on Year Growth (%)		4.2
Combined Population and CPI (%)		4.8

In 1999-00, current expenditure increased by 4.2%, this was below the combined rate of inflation and population growth of 4.8%.

Of the \$73M increase in current expenditure in 1999-00, the single largest factor was a \$20M increase in Territory Health Services current expenditures.

Actual population growth is likely to exceed the assumed 1.5% rate of growth, once final population estimates are produced by the Australian Bureau of Statistics (ABS) after the 2001 Census. For example, a relatively small increase in the population growth rate to 1.8% for 1999-00 would produce a real per capita growth rate of 5.1%.

Element 2: Infrastructure will be maintained at levels sufficient to meet the Territory’s economic and social needs.

There are no quantitative targets for this element of the Strategy, as capital expenditure tends to vary in accordance with population growth, infrastructure requirements and the timing of major projects.

Figure 11.2 details new fixed asset expenditure and repairs and maintenance outlays for 1998-99 and 1999-00.

Figure 11.2

ELEMENT 2: INFRASTRUCTURE		
	1998-99 Actual	1999-00 Actual
New Fixed Assets(\$M)	220	239
Growth (%)		8.5
Repairs and Maintenance (\$M)	141	147
Growth (%)		4.6

As Figure 11.2 illustrates, new fixed asset expenditure increased by 8.5% between 1998-99 and 1999-00. While there was a 4.6% increase in repairs and maintenance expenditure.

The Territory has unique capital infrastructure needs. Factors such as the Territory’s comparatively early stage of development, its strongly growing economy and its small yet rapidly expanding population indicate that the demand for social and economic infrastructure is high relative to other Australian jurisdictions.

Additionally, the timing and relative size of some major infrastructure projects will always result in annual fluctuations in capital expenditures.

The increase in repairs and maintenance expenditure over the past three years has been a conscious policy decision and reflects the need to adequately preserve the Territory’s existing capital stock. The Territory’s harsh physical environment and growing population highlight the ongoing need to continually maintain and upgrade the Territory’s stock of capital assets.

Element 3: The Territory’s own-source revenue effort will be broadly comparable to the States.

This element of the Strategy reinforces the Territory’s commitment to making a State-like revenue effort. Figure 11.3 presents Territory and six State own-source revenue collections for 1998-99 and 1999-00.

Figure 11.3

ELEMENT 3: OWN-SOURCE REVENUE		
	1998-99 Actual	1999-00 Actual
Northern Territory (\$ per capita)	2 184	2 299
Six State Average (\$ per capita)	2 201	2 309

As the Figure illustrates, Territory own-source per capita revenue collections over the past two years have been comparable to the six State average.

The own-source revenue data presented in Figure 11.3 excludes revenue replacement payments (RRPs). On 5 August 1997, the High Court cast into doubt the constitutional right of States and Territories to impose business franchise fees. Since 1997-98, the Commonwealth has collected revenue in lieu of business franchise fees and passed the revenue to the States and Territories in the form of RRP.

The Commonwealth and the ABS continue to classify RRP as State and Territory revenue. However, the Territory treats RRP as Commonwealth grants because States and Territories no longer have any legislative capacity to impose business franchise fees, nor do they have any control over the RRP arrangements imposed by the Commonwealth. Consequently, Figure 11.3 reflects the Territory's view that RRP are not State and Territory own-source revenues.

In determining the Territory's relative revenue effort, it is also useful to examine Commonwealth Grants Commission data. The Commonwealth Grants Commission assesses each jurisdiction's relative need for Commonwealth financial assistance. Part of this process involves analysing the own-source revenue capacity and effort of each State and Territory.

Revenue capacity represents potential revenue levels if a given State or Territory applied national average tax rates to its revenue sources. Each jurisdiction's revenue capacity is usually expressed as a percentage of the Australian average.

Conversely, revenue effort contrasts actual revenue collections with revenue levels implied by each jurisdiction's revenue capacity. In other words it measures the extent to which tax rates and bases are applied to available revenue sources. Again,

each jurisdiction's revenue effort is expressed as a percentage of the Australian average.

Figure 11.4 shows the Territory's revenue capacity and effort, as assessed by the Commonwealth Grants Commission, for 1997-98 and 1998-99. Data for 1999-00 is not available at this stage. It is important to note that revenue derived from interest earnings has been excluded from the analysis, as it is not a tax impost on Territorians.

Figure 11.4

ELEMENT 3: REVENUE CAPACITY AND EFFORT		
	1997-98	1998-99
Revenue Capacity (%)	94	97
Revenue Effort (%)	104	91

As Figure 11.4 shows, the Territory's relative own-source revenue capacity and effort both approach the Australian average. The Territory aims to move its revenue effort towards 100%.

A wide-ranging comparison of different tax rates and charges for the Territory can be found in Chapter 12 of 2000-01 Budget Paper No 3 and confirms that, on the whole, Territorians are subject to rates of taxes and charges similar to their interstate counterparts.

Element 4: Debt as a proportion of economic output will continue to decline.

Figure 11.5 illustrates that gross debt is reducing in line with this element of the Fiscal Strategy. This largely reflects the strong performance of the Territory economy.

Furthermore, the actual debt to Gross State Product (GSP) ratio of 29.3% compares favourably to the Budget time estimate of 30.6%.

Figure 11.5

ELEMENT 4: GROSS DEBT AS A PROPORTION OF ECONOMIC OUTPUT		
	1998-99 Actual	1999-00 Actual
Gross Debt (\$M)	1 999	2 064
Gross State Product (\$M)	6 481	7 038 *
Proportion (%)	30.8	29.3

* Treasury Estimate

Element 5: Debt servicing as a proportion of total Territory revenue and Commonwealth grants will be broadly comparable to the States.

This element of the Strategy is concerned with interest payments as a proportion of total revenue. The Territory's ratio of interest paid to total revenue fell between 1998-99 and 1999-00 and is broadly comparable with the six State average.

The six State average has fallen considerably in recent years. This is a function of the larger States implementing privatisation programs and using the proceeds from asset sales to retire public debt. Additionally, larger States have been able to minimise debt liabilities by actively encouraging private sector involvement in large scale public infrastructure projects.

The Territory's small size and relative isolation from Australia's main population centres has restricted the scope for debt reduction through asset sales and private sector involvement in major infrastructure projects. Consequently, the outcomes presented in Figure 11.6 are not strictly comparable.

Figure 11.6

ELEMENT 5: DEBT SERVICING		
	1998-99 Actual	1999-00 Actual
Territory Interest Payments (\$M)	171	167
Territory Total Revenue (\$M)	1 905	1 929
Territory Ratio (%)	9.0	8.7
Six State Ratio (%)	7.5	6.2

FISCAL STRATEGY PROVISOS

The core Strategy and Fiscal targets are also subject to the following three provisos.

Proviso 1: In any given year, the percentage change in Commonwealth grants to the Northern Territory should not be significantly different to the change for the States.

Figure 11.7 details total Commonwealth Grants to the Territory and to the six States. RRP's have been treated as Commonwealth Grants for the purpose of this analysis. Grants to the Territory in 1998-99 have been adjusted to account for the removal from Budget scope of Northern Territory University and Batchelor College in 1999-00.

The year on year change for the Territory of 2.9% is about half the change for the six State average (6.0%). This represents a significant difference.

Figure 11.7

PROVISO 1: COMMONWEALTH GRANTS		
	1998-99 Actual	1999-00 Actual
Northern Territory Total (\$M)	1 440	1 482
Six State Total (\$M)	32 549	34 493
Northern Territory Change (%)		2.9
Six State Change (%)		6.0

Proviso 2: The Territory should receive adequate discretion in the application of funds to priorities determined by Territorians.

Commonwealth grants to the States and Territories are provided in two forms, specific purpose and untied. As their titles suggest, State and Territory Governments have discretion in the application of untied grants. Conversely, the provision of specific purpose grants (SPPs) is conditional upon their allocation to pre-determined functions.

The provision of SPPs is considered an imposition of Commonwealth priorities in areas that are constitutionally, the responsibility of the States and Territories.

Consequently, in order for the Territory Government to maintain the ability to allocate resources in accordance with the needs of Territorians, it is imperative that adequate discretion is afforded the Territory in the allocation of Commonwealth financial assistance.

Figure 11.8 shows the proportion of SPPs to total grants for the Territory.

Figure 11.8

PROVISO 2: SPECIFIC PURPOSE GRANTS TO TOTAL GRANTS		
	1998-99 Actual	1999-00 Actual
Untied Grants (\$M)	1 164	1 199
Specific Purpose Payments (\$M)	276	283
<i>Proportion (%)</i>	19.2	19.1

As the table shows, while the proportion of SPPs to total grants remains high, it has declined marginally between 1998-99 and 1999-00.

Proviso 3: Assessment against the targets should exclude the budgetary impact of major one-off events, such as natural disasters.

There were no major one-off events in 1999-00.

GLOSSARY

ACCOUNTABLE OFFICER'S TRUST ACCOUNT	Established under section 7(1) of the Financial Management Act to enable Agencies to hold money in trust for another person or entity. Transactions in these Accounts are excluded from the Public Account and most presentations of aggregate data in this Report.
ACCOUNTS PAYABLE	Refers to the value of short and long term trade debt and accounts payable; accounts and interest payable; and prepayments received.
ACCOUNTS RECEIVABLE	Refers to the value of short and long term trade credit and accounts receivable; accounts and interest receivable; and prepayments made.
ACTIVITY	The Activity of Government specified in an Appropriation Act, and includes an Activity specified in a direction, determination or approval under sections 18, 20 or 21 of the Financial Management Act (whether or not the Activity is specified in, or in a schedule to, an Appropriation Act) or created since the previous annual Appropriation Act.
ADMINISTRATIVE ARRANGEMENTS ORDER	A list of Ministers of the Territory, Agencies, Acts and principal areas of government for which they are responsible.
ADVANCES PAID	Assets acquired by Government in the form of lending to organisations or individuals, for public policy purposes. Flow data shows net movements resulting from either increased or new lending minus repayments.
ADVANCES RECEIVED	Liabilities incurred by the Government in the form of borrowings from the Commonwealth. While these funds were originally provided for policy purposes, they are now a net use of funds as existing Advances are repaid. No new liabilities in this form are being incurred.

AGENCY	A unit of government administration, or office or statutory corporation, nominated in an Administrative Arrangements Order for the purposes of the Financial Management Act and includes, where the case requires, a part or division (by whatever name called) of an Agency.
ALLOCATION	The amount specified in an Appropriation Act as available for expenditure on an Activity, and includes any variation in that amount authorised in accordance with the Financial Management Act or any other Act.
APPROPRIATION ACT	Includes a Supply Act and an annual Appropriation Act or an additional Appropriation Act which authorises an Allocation to an Activity.
AUSTRALIAN ACCOUNTING STANDARDS	Statements of accounting standards which can be applied in the preparation and presentation of financial statements.
BUSINESS DIVISION	An Activity or group of Activities, whereby a significant proportion of the operating costs are recovered through charges on users and which is determined by the Treasurer to be a Government Business Division.
CONSOLIDATED REVENUE ACCOUNT	The Account established by section 4 of the Financial Management Act. Credited to this Account is all money received by or on behalf of the Territory or an Agency except that required or permitted by or under the Financial Management Act or any other Act to be credited to an Operating Account or to an Accountable Officer's Trust Account.
CONTINGENT LIABILITY	A potential financial obligation arising out of a condition, situation, guarantee or indemnity, the ultimate effect of which will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events.

DOUBTFUL DEBT	A debt which is treated as a possible future loss and for which a provision has been made.
ECONOMIC TRANSACTIONS FRAMEWORK	One method of classifying financial transactions for compilation of Government Finance Statistics by the Australian Bureau of Statistics. Economic Transactions Framework classifies transactions according to their economic nature (eg outlays, revenues, financing). This standard allows comparison between States/Territories within Australia and also international comparison.
FINANCE LEASE	Lease agreements that transfer substantially all the risks and benefits relating to ownership of an asset from the lessor (legal owner) to the lessee (party using the asset).
GENERAL GOVERNMENT	An Activity or group of Activities which are mainly engaged in the production of goods and/or services outside the normal market mechanism. Goods and services are provided free of charge or at nominal charges well below costs of production.
GENERAL PURPOSE COMMONWEALTH GRANTS	Grants from the Commonwealth for the Territory to use at its own discretion.
GOVERNMENT FINANCE STATISTICS	Refers to statistics that measure the financial transactions of governments and reflect the impact of those transactions on other sectors of the economy. Government Finance Statistics in Australia are developed by the Australian Bureau of Statistics in conjunction with all governments and are mainly based on international statistical standards developed, in consultation with member countries, by the International Monetary Fund.
GOVERNMENT PURPOSE CLASSIFICATION	Classifies outlays or expenditure transactions by the purpose served (eg health, education).

GLOSSARY

GUARANTEE	An undertaking to answer for the debt or obligations of another person or entity.
INDEMNITY	A written undertaking to compensate, protect or insure another person or entity against future financial loss, damage or liability.
INTRASECTOR CHARGES	The supply of goods and services between Agencies.
INVENTORIES	Includes goods or other property used in the production of goods or services, or held for sale, but does not include stationery stocks, and livestock and other regenerative natural resources.
INVESTMENTS IN COMPANIES, CORPORATIONS, TRUSTS, JOINT VENTURES OR SIMILAR ENTITIES	Financial interests of the Territory or an Agency that include any financial relationship where there is, or is intended to be, a degree of ownership or control of an entity (eg acquisition of voting shares, both minority and controlling interests, or active participation on a governing board).
LOAN COUNCIL ALLOCATION	The nomination to the Loan Council of the level of financing required.
OPERATING ACCOUNT	A Government Business Division Operating Account or an Agency Operating Account established under section 6(1) of the Financial Management Act.
OTHER INTRASECTOR RECEIPTS	Money transferred between Agencies which is unrequited and contributes to the operations of the receiving Agency.
PROVISIONS	Allocations set aside by enterprises from current revenue or income for future payments.

PUBLIC ACCOUNT	Where the financial transactions of the Northern Territory Government are recorded. As defined in section 4(2) of the Financial Management Act, it comprises the Consolidated Revenue Account and Operating Accounts.
PUBLIC FINANCIAL CORPORATION	Government controlled entities which perform central bank functions, and/or have the authority to incur liabilities and acquire financial assets in the market on their own account.
PUBLIC NON-FINANCIAL CORPORATION	A public enterprise primarily engaged in the production of goods or services of a non-financial nature, for sale in the market place, at prices which aim to recover most of the costs involved.
SYSTEM OF NATIONAL ACCOUNTS (1993)	An international statistical framework relating to the whole of an economy with government activities as a component. It is designed to measure production, income and outlays, consumption, capital accumulation and financing of capital accumulation.
TREASURER'S ADVANCE	An Allocation of that name (as specified in an Appropriation Act).
UNIFORM PRESENTATION FRAMEWORK	A uniform reporting framework agreed by the Australian Loan Council in March 1997, which is a revision of the agreement reached at the 1991 Premiers' Conference. It specifies that the Commonwealth Government and State and Territory Governments will present a minimum set of statistics on a standard (ABS) Government Finance Statistics basis, as well as financial asset and liability data according to an agreed format and specified Loan Council reporting arrangements.

