

**Question No: 88**

**Question: Public Sector Finance**

**Date: 25/02/92**

**Member: Mr EDE**

**To: TREASURER**

1. Does the Northern Territory government intend to publish forward estimates of income and expenditure in the 1992-93 budget.
2. Are such forward estimates published as part of other state budgets.
3. What was the Northern Territory's per capita net Public Sector debt at 30 June 1990 and estimated for 30 June 1991.
4. How do these figures compare to the net Public Sector debt of the states.
5. What was the Northern Territory's per capita General Government net debt at 30 June 1990 and estimated for 30 June 1991.
6. How do these figures compare to the per capita General Government net debt of the states.
7. What is the profile of the Northern Territory's gross Public Sector debt.
8. Has the Northern Territory government requested any ratings agency to prepare a credit rating for the Northern Territory; if so, what was the result.
9. What is the Northern Territory's gross unfunded superannuation liability.
10. What was the Northern Territory's net debt as a percentage of gross State Product at 30 June 1991.
11. How does this compare to the situation in each of the states.

**ANSWER**

1. The government does not intend to publish forward estimates of income and expenditure in the 1992-93 budget. However, forward estimates of expenditure for 1992-93 and 1993-94 will be published in the near future.
2. While most states and territories are developing forward estimates systems, only 3 have published the estimates as part of, or at the same time as, their budgets -

Forward Estimates  
Developed Published  
New South Wales Yes Yes  
Victoria Yes No  
South Australia No No  
Queensland Yes No  
Tasmania Yes Yes  
Western Australia No No  
ACT Yes Yes

3. Based upon Northern Territory Treasury figures, Public Sector Net Debt at 30 June 1990 was \$1032m and at 30 June 1991 was \$1015m.

Estimated Public Sector Net Debt on a per capita basis was \$5561 at 30 June 1990 and \$6392 at 30 June 1991.

4. The latest valid and comparable ABS estimates available are for 30 June 1988. The ABS has indicated that it hopes to be able to publish Public Sector Debt, Australia (Catalogue 5513.0) for 1989 and 1990 before 30 June 1992.

5. Treasury records of public sector debt do not distinguish between the General Government Sector and the Total Public Sector, since the Territory's Trading Enterprise Sector does not borrow in its own right. The ABS has not yet provided the statistics sought for 1990 and 1991.

6. The following table from the ABS Public Sector Debt Survey compares net General Government debt in the states with the Northern Territory as at 30 June 1988 (the latest available ABS information) -

Net General Net General  
Government Government Debt  
Debt per Capita  
\$m \$

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Northern Territory	383 2 457
New South Wales	8 223 1 422
Victoria	10 392 2 438
Queensland	-771 -281
South Australia	849 603
Western Australia	1 649 1 067
Tasmania	826 1 842
Six States	21 168 1 314

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Source: ABS 5513.0 Public Sector Debt, Australia  
ABS 3101.0 Australian Demographic Statistics

Note: Substantial revision to the above data is anticipated, as the ABS are revising aspects of the survey methodology.

7. A profile of the Territory's gross Public Sector debt is as follows -  
% of Total As at 30 June 1991 \$m Debt

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Commonwealth Advances	757 48.7
Semi-government borrowings by the Northern Territory government	673 43.3
Loans attributed to assets transferred from the Commonwealth at self-government	125 8.0

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GROSS DEBT 1 555 100.0

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Source: Treasurer's Annual Financial Statements, 30 June 1991, Schedules 5.1 and 5.3.

8. At this stage the government has not sought a credit rating from any ratings agency. Informal discussions have been held by Northern Territory Treasury with a rating agency, covering the process of ratings and what might be required of the Territory if it were to proceed to obtain a rating.

9. On an actuarial basis the valuation of the future benefits in respect of existing members and pensioners already in the fund is calculated at \$513m (June 1990 prices).

10. Net debt as a percentage of estimated Gross Territory Product at 30 June 1991 was 24%.

11. Data are not yet available to enable comparison of net debt as a proportion of GSP between the states and territories as at 30 June 1991.