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GAA/HFES 4

Revenue and expenses ratios

What is in this workbook

This file presents tables for each of the assessment years and for each State showing:

- Table S7-1: Ratios of assessed to average revenue
- Table S7-2: Ratios of actual to assessed revenue
- Table S7-3: Ratios of assessed to average expenses
- Table S7-4: Ratios of actual to assessed expenses
- Table S7-5: Ratios of assessed to average investment and net borrowing
- Table S7-6: Ratios of actual to assessed investment and net borrowing

About the data

Considerable caution is needed in interpreting these ratios. Firstly, actual revenues, expenses, investment or net borrowing for each State used to derive these ratios may not be strictly comparable between States because States sometimes classify similar revenues, expenses, investment or net lending differently. In particular, for the ACT, its revenue and expenses in some categories include municipal transactions, making its ratios of actuals to assessed revenue and expenses not directly comparable with those of other States.

Secondly, the assessed figures for each State may not capture all influences on State expenses or revenue raising capacities. Consistent with the terms of reference, the Commission has not assessed some influences where they could not be reliably calculated. Also, discounting has been applied to some influences when there was uncertainty surrounding the results.

Terminology

The **ratio of assessed to average revenue** of a State is the ratio of the State's assessed revenue per capita to the Australian average revenue per capita. The assessed revenue is the revenue the State could have raised from its revenue bases, if it taxed them at Australian average tax rates. A ratio of 100 suggests that the State has the capacity to raise revenue at the average level. A ratio greater than 100 suggests the State has a capacity to raise revenue above the average. A ratio below 100 suggests below average capacity.

The **ratio of actual to assessed revenue** of a State is the ratio of the State's actual revenue per capita to its assessed revenue per capita. A ratio of 100 suggests the State is raising revenue at the average rate. A ratio greater than 100 suggests the State is making a greater effort than average, given its revenue base. A ratio below 100 suggests the State is making less effort than average.

The **ratio of assessed to average expenses** of a State is the ratio of the State's assessed expenses per capita to the Australian average expenses per capita. The assessed expenses are what the State would have needed to spend to provide the Australian average level of services to its population. A ratio of 100 suggests the State has no assessed disabilities. A ratio greater than 100 suggests the State faced costs above the average to provide average levels of service. A ratio below 100 suggests below average costs.

The **ratio of actual to assessed expenses** of a State is the ratio of the State's actual expenses per capita to its assessed expenses per capita. A ratio of 100 suggests a State is spending at average levels. A ratio greater than 100 suggests the State is spending more than average, given its characteristics. A ratio below 100 suggests below average levels of spending.

The **ratio of assessed to average investment** of a State is the ratio of the State's assessed investment requirements per capita to the Australian average investment requirements per capita. The assessed investment requirements are what the State would have needed to invest to have the average level of infrastructure for its population. A ratio greater than 100 indicates the State faced above average requirements for investment. A ratio below 100 indicates below average requirements.

The **ratio of actual to assessed investment** of a State is the ratio of the State's estimated investment per capita to its assessed investment per capita. A ratio greater than 100 indicates the State invested at a level above the average. A ratio below 100 indicates the State invested at below the average level.

The **ratio of assessed to average net borrowing** of a State is the ratio of the State's assessed new borrowing (or lending) per capita to the Australian average net borrowing (or lending) per capita. Assessed net borrowing is what the State would have needed to borrow to have the average level of net financial worth per capita. A ratio greater than 100 indicates the State faced above average requirements for borrowing. A ratio below 100 indicates below average requirements.

The **ratio of actual to assessed net borrowing** of a State is the ratio of the State's estimated net borrowing (or lending) per capita to its assessed net borrowing (or lending) per capita. A ratio greater than 100 indicates the State borrowed at a level above the average. A ratio below 100 indicates the State borrowed at below the average level.

Summary tables

Final assessment year, 2017-18

Payroll tax

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Actual revenue (\$pc)	1109	933	782	1 256	695	671	1156	1 458	979
Assessed revenue (\$pc)	1054	937	881	1 256	721	653	1017	1 193	979
Difference (\$pc)	55	-4	-100	1	-26	18	139	265	0
Ratio of actual to assessed revenue (%)	105.2	99.5	88.7	100.0	96.4	102.8	113.7	122.2	100.0

Land tax

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Actual revenue (\$pc)	491	583	340	490	361	282	595	0	468
Assessed revenue (\$pc)	588	500	353	441	284	261	292	360	468
Difference (\$pc)	-97	83	-13	48	77	21	302	-360	0
Ratio of actual to assessed revenue (%)	83.5	116.6	96.3	110.9	127.3	107.9	203.4	0.0	100.0

Stamp duty

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Actual revenue (\$pc)	1 260	1316	766	743	571	568	634	446	1040
Assessed revenue (\$pc)	1 287	1215	863	639	602	649	940	438	1040
Difference (\$pc)	-27	101	-97	105	-31	-81	-306	8	0
Ratio of actual to assessed revenue (%)	97.9	108.3	88.7	116.4	94.9	87.5	67.4	101.9	100.0

Insurance tax

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Actual revenue (\$pc)	264	203	174	250	275	210	46	185	224
Assessed revenue (\$pc)	242	211	213	219	244	184	211	246	224
Difference (\$pc)	23	-8	-38	31	31	26	-165	-61	0
Ratio of actual to assessed revenue (%)	109.4	96.2	82.0	114.1	112.5	114.0	21.7	75.2	100.0

Motor taxes

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Actual revenue (\$pc)	369	262	358	390	271	258	323	211	330
Assessed revenue (\$pc)	299	329	346	383	349	388	274	304	330
Difference (\$pc)	70	-68	12	7	-77	-130	49	-93	0
Ratio of actual to assessed revenue (%)	123.6	79.5	103.5	101.9	77.8	66.4	117.9	69.5	100.0

Mining revenue

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Actual revenue (\$pc)	223	16	881	2 274	137	80	0	1391	514
Assessed revenue (\$pc)	252	36	812	2 283	160	145	0	909	514
Difference (\$pc)	-30	-20	69	-9	-23	-65	0	482	0
Ratio of actual to assessed revenue (%)	88.2	44.3	108.4	99.6	85.7	55.1	na	153.1	100.0

Other revenue (a)

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Actual revenue (\$pc)	2 001	1 574	2 301	2 060	1 842	1 688	3 975	2 852	1 981

Assessed revenue (\$pc)	1 981	1 981	1 981	1 981	1 981	1 981	1 981	1 981	1 981
Difference (\$pc)	20	-407	320	79	-140	-293	1 993	870	0
Ratio of actual to assessed revenue (%)	101.0	79.5	116.2	104.0	93.0	85.2	200.6	143.9	100.0

Total tax revenue

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Actual revenue (\$pc)	3 955	3 591	2 668	3 329	2 637	2 210	2 945	2 581	3 378
Assessed revenue (\$pc)	3 806	3 530	2 993	3 275	2 537	2 472	3 071	2 877	3 378
Difference (\$pc)	149	60	-325	54	100	-262	-126	-296	0
Ratio of actual to assessed revenue (%)	103.9	101.7	89.1	101.7	103.9	89.4	95.9	89.7	100.0

Total revenue (a)

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Actual revenue (\$pc)	5 716	4 887	5 602	7 463	4 152	3 756	6 728	6 542	5 536
Assessed revenue (\$pc)	5 702	5 210	5 450	7 202	4 341	4 261	4 715	5 430	5 536
Difference (\$pc)	14	-323	153	262	-189	-505	2 013	1 112	0
Ratio of actual to assessed revenue (%)	100.2	93.8	102.8	103.6	95.6	88.1	142.7	120.5	100.0

na means not applicable.

Summary tables

Final assessment year, 2017-18

Schools education

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Actual expense (\$pc)	2 243	1 904	2 382	2 530	2 277	2 493	2 243	3 561	2 234
Assessed expense (\$pc)	2 178	2 073	2 408	2 303	2 231	2 428	2 148	3 773	2 234
Difference (\$pc)	65	-168	-26	227	47	65	95	-213	0
Ratio of actual to assessed expenses (%)	103.0	91.9	98.9	109.9	102.1	102.7	104.4	94.4	100.0

Post-secondary education

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Actual expense (\$pc)	202	310	181	197	199	150	273	483	228
Assessed expense (\$pc)	226	220	233	228	225	235	241	341	228
Difference (\$pc)	-24	89	-52	-31	-27	-85	32	142	0
Ratio of actual to assessed expenses (%)	89.2	140.6	77.8	86.5	88.2	63.8	113.3	141.6	100.0

Health

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Actual expense (\$pc)	2 262	2 401	2 936	3 051	2 750	2 986	2 798	5 449	2 605
Assessed expense (\$pc)	2 554	2 479	2 647	2 638	2 750	3 236	2 387	4 352	2 605
Difference (\$pc)	-292	-79	290	413	0	-250	411	1097	0
Ratio of actual to assessed expenses (%)	88.6	96.8	110.9	115.7	100.0	92.3	117.2	125.2	100.0

Housing

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Actual expense (\$pc)	177	181	167	228	74	129	92	1 000	180
Assessed expense (\$pc)	171	160	188	193	195	206	138	567	180
Difference (\$pc)	6	21	-21	34	-121	-78	-46	433	0
Ratio of actual to assessed expenses (%)	103.2	112.8	89.0	117.8	38.1	62.3	66.5	176.3	100.0

Welfare

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Actual expense (\$pc)	757	697	800	865	1 059	800	545	2 106	793
Assessed expense (\$pc)	794	708	842	790	821	945	659	1 746	793
Difference (\$pc)	-37	-11	-42	75	238	-145	-114	359	0
Ratio of actual to assessed expenses (%)	95.3	98.5	95.1	109.5	129.1	84.7	82.7	120.6	100.0

Services to communities

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Actual expense (\$pc)	213	248	196	540	292	96	241	1 743	272
Assessed expense (\$pc)	235	227	291	323	281	285	229	1 675	272
Difference (\$pc)	-22	22	-94	217	11	-189	12	67	0
Ratio of actual to assessed expenses (%)	90.7	109.7	67.5	167.3	103.9	33.7	105.3	104.0	100.0

Justice

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Actual expense (\$pc)	741	794	736	1 085	814	793	725	2 548	814

Assessed expense (\$pc)	788	723	864	867	795	864	715	2 587	814
Difference (\$pc)	-47	71	-128	218	19	-71	11	-39	0
Ratio of actual to assessed expenses (%)	94.0	109.8	85.2	125.2	102.4	91.8	101.5	98.5	100.0

Roads

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Actual expense (\$pc)	279	338	232	429	178	227	138	838	296
Assessed expense (\$pc)	268	253	324	377	347	284	169	728	296
Difference (\$pc)	11	85	-92	52	-169	-57	-31	110	0
Ratio of actual to assessed expenses (%)	104.1	133.5	71.7	113.7	51.3	79.8	81.8	115.1	100.0

Transport

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Actual expense (\$pc)	764	693	481	376	283	109	217	194	586
Assessed expense (\$pc)	626	681	513	572	493	214	439	202	586
Difference (\$pc)	138	13	-32	-195	-210	-105	-221	-8	0
Ratio of actual to assessed expenses (%)	122.1	101.8	93.7	65.8	57.4	51.0	49.5	95.8	100.0

Services to industry

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Actual expense (\$pc)	230	215	245	357	378	511	161	1 202	267
Assessed expense (\$pc)	259	258	272	292	273	284	243	392	267
Difference (\$pc)	-28	-43	-26	65	105	226	-82	811	0
Ratio of actual to assessed expenses (%)	89.0	83.2	90.3	122.3	138.3	179.6	66.4	307.0	100.0

Other expenses (a)

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Actual expense (\$pc)	1 359	1 052	1 587	977	1 446	1 702	3 361	3 077	1 350
Assessed expense (\$pc)	1 286	1 283	1 326	1 423	1 397	1 706	2 089	2 522	1 350
Difference (\$pc)	74	-231	261	-446	50	-4	1272	555	0
Ratio of actual to assessed expenses (%)	105.7	82.0	119.7	68.6	103.6	99.8	160.9	122.0	100.0

Depreciation (a)

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Actual expense (\$pc)	557	453	662	572	545	519	1 045	1 573	570
Assessed expense (\$pc)	542	490	586	678	622	619	490	1 718	570
Difference (\$pc)	16	-37	76	-107	-77	-100	555	-145	0
Ratio of actual to assessed expenses (%)	102.9	92.5	112.9	84.3	87.6	83.9	213.3	91.6	100.0

Total expenses (a)

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Actual expense (\$pc)	9 785	9 286	10 608	11 206	10 296	10 515	11 840	23 774	10 194
Assessed expense (\$pc)	9 927	9 555	10 494	10 684	10 429	11 308	9 945	20 604	10 194
Difference (\$pc)	-142	-269	114	522	-133	-793	1 895	3 170	0
Ratio of actual to assessed expenses (%)	98.6	97.2	101.1	104.9	98.7	93.0	119.1	115.4	100.0

Summary tables**Final assessment year, 2017-18****Investment (a)**

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Actual expense (\$pc)	629	1 342	299	205	262	157	375	1 064	667
Assessed expense (\$pc)	706	847	609	503	399	355	632	208	667
Difference (\$pc)	-78	495	-310	-298	-137	-198	-257	855	0
Ratio of actual to assessed investment (%)	89.0	158.5	49.1	40.7	65.6	44.3	59.4	510.3	100.0

Net borrowing

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Actual expense (\$pc)	-540	-1 260	- 42	- 967	- 515	- 15	- 414	-2 851	- 678
Assessed expense (\$pc)	-677	-697	-680	-655	-651	-662	-695	-640	-678
Difference (\$pc)	137	-563	638	-311	137	647	281	-2 211	0
Ratio of actual to assessed net borrowing (%)	79.8	180.7	6.2	147.5	79.0	2.3	59.6	445.6	100.0