

# **2019–20**

# **Outcomes Report**

Uniform Presentation Framework of the  
Queensland Government – 30 June 2020

## Outcomes Report - Overview and Analysis

### Overview

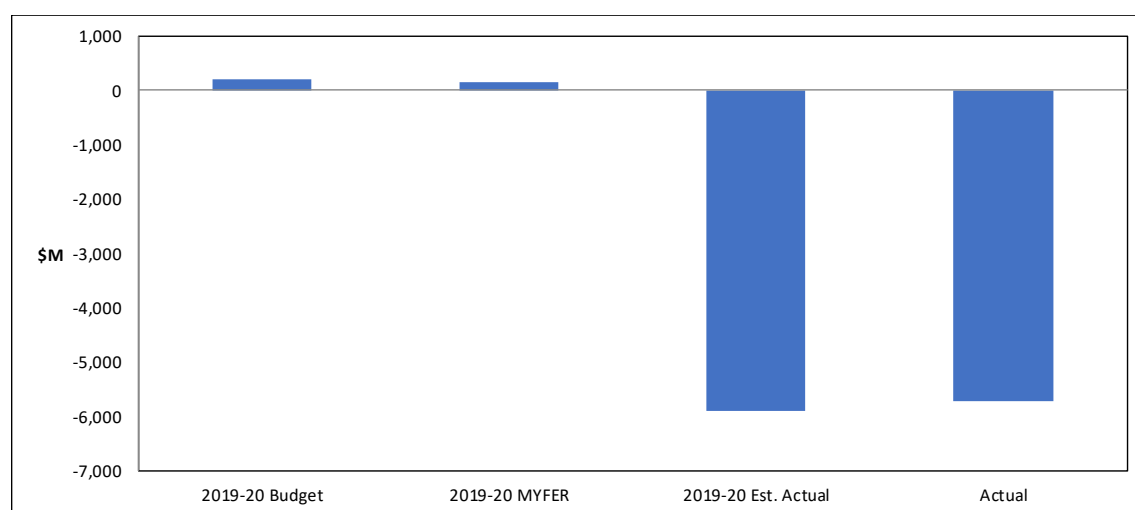
The General Government Sector (GGS) realised a Uniform Presentation Format (UPF) net operating deficit of \$5.734 billion for 2019-20. The net operating balance is a small improvement over the COVID-19 Fiscal and Economic Review (C19-FER) estimated deficit of \$5.898 billion reflecting slightly higher revenue and lower expenses.

The deterioration in the operating balance from the forecast surplus of \$151 million at the time of the 2019-20 Mid-Year Fiscal and Economic Review (MYFER) and the operating surpluses achieved over the past six consecutive years, is primarily due to the impact of the global COVID-19 pandemic on GGS revenue sources and measures taken by the Queensland Government in response to the crisis.

In 2019-20, GGS revenue totalled \$57.764 billion, a reduction of \$2.623 billion from the original Budget estimate of \$60.387 billion. Since the 2019-20 Budget, revenue has been significantly impacted by the COVID-19 crisis, with a decline across key revenue sources of taxation, GST and royalties. In its immediate response to the pandemic, the Government provided payroll tax and land tax relief measures to support businesses and jobs, directly impacting taxation revenue.

Conversely, expenses increased by \$3.3 billion from the 2019-20 Budget to total \$63.498 billion in 2019-20. Higher expenses were due to fiscal stimulus measures to support businesses, workers and households in the immediate wake of the COVID-19 crisis, provisioning for acknowledgement of historical serious child physical abuse claims, revision of expected costs of historical child sexual abuse claims and other litigation.

**Chart 3.1: 2019-20 General Government Sector UPF net operating balance compared to budget forecasts**

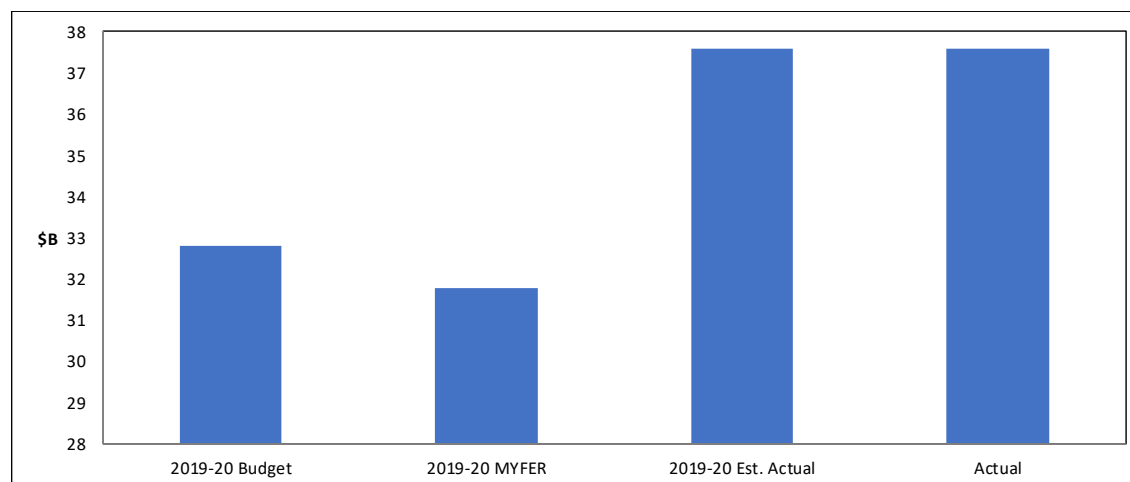


GGS borrowing with QTC at 30 June 2020 was \$37.57 billion, \$4.789 billion higher than the 2019-20 Budget estimate of \$32.781 billion and in line with the C19-FER forecast. The higher borrowing is predominantly due to the impact of COVID-19 on key revenue sources, COVID-19 revenue and expense measures, as well as balance sheet measures such as the Jobs Support Loans Scheme. The Government's decision not to proceed with the planned \$1 billion repatriation of surplus defined benefit assets under the Debt Action Plan also contributed to higher borrowings with QTC than originally estimated.

## Outcomes Report - Overview and Analysis

### Overview continued

**Chart 3.2: 2019-20 General Government Sector borrowing with QTC compared to budget forecasts**



Prior to COVID-19, the GGS debt to revenue ratio was estimated at 63% in the 2019-20 MYFER. Predominantly due to the COVID-19 economic downturn, this ratio has increased to 77%, with the reduction in revenues and the Government's targeted expenditure in support of economic activity increasing borrowings in the latter part of the year. Key initiatives such as payroll tax and land tax relief measures, utility assistance packages for households, electricity rebates for small businesses and loans provided under the Jobs Support Loans Scheme contributed to higher borrowings. Previous balance sheet management actions taken by the Government under its Debt Action Plan have enabled it to leverage Queensland's strong balance sheet position to absorb the sharp decline in revenues as well as provide fiscal stimulus to the Queensland economy. The 2019-20 debt to revenue ratio of 77% remains a considerable improvement from its peak in 2012-13 of 91%.

Non-financial Public Sector gross borrowing with QTC of \$76.464 billion in 2019-20 was \$4.51 billion higher than the forecast in the 2019-20 Budget. This increase is predominantly due to additional GGS borrowing with QTC. This outcome has resulted in an increase in the Non-financial Public Sector debt to revenue ratio from the Budget estimate of 115% to 128% but is still lower than the 2012-13 peak of 140%.

### Fiscal principles

#### Impact of the COVID-19 pandemic on the Fiscal Principles

In keeping with the requirement to regularly report progress against the principles set out in the Charter of Fiscal Responsibility, the table on page 3-3 provides an overview of these fiscal principles and progress against them for the 2019-20 financial year.

The COVID-19 crisis has, in the near term, significantly impacted the Government's ability to meet its fiscal principle targets, which were established prior to the pandemic. The Government has prioritised its economic and health response to the pandemic to ensure the State is well placed to commence its recovery.

*Principle 1 - Target ongoing reductions in Queensland's relative debt burden, as measured by the General Government debt to revenue ratio*

In managing GGS debt, a debt to revenue ratio is a key measure of the sustainability of a jurisdiction's debt levels. As mentioned above, Queensland's debt to revenue ratio was 77% in 2019-20, in line with the C19-FER estimated actual but higher than the 63% projected pre-COVID-19 in the 2019-20 MYFER, predominantly due to the COVID-19 economic downturn. While the ratio is elevated above pre-COVID-19 estimates, the ratio of 77% remains below the peak of 91% in 2012-13.

In August 2020, the Government passed legislation to establish the Queensland Future Fund (QFF). The QFF is a long-term plan to alleviate the debt burden on future generations of Queenslanders. All assets within the QFF are ringfenced by legislation, which requires they only be used to reduce the State's borrowings. This means for Credit Rating purposes, Queensland's borrowings are considered net of assets held in the QFF.

## Outcomes Report - Overview and Analysis

### Fiscal principles continued

*Principle 2 - Target net operating surpluses that ensure any new capital investment in the General Government Sector is funded primarily through recurrent revenues rather than borrowing*

The operating deficit of \$5.734 billion, for the reasons mentioned, previously has resulted in all new capital investment within the year being funded from borrowings.

*Principle 3 - The capital program will be managed to ensure a consistent flow of works to support jobs and the economy and reduce the risk of backlogs emerging*

The capital program includes purchases of non-financial assets, capital grants and new finance leases and similar arrangements. The capital program for the State Non-financial Sector in 2019-20 was \$12.482 billion, compared to \$11.149 billion in 2018-19. The Government re-confirmed its commitment to a \$51.8 billion capital program over four years in the C19-FER.

*Principle 4 - Maintain competitive taxation by ensuring that General Government Sector own-source revenue remains at or below 8.5% of nominal gross state product, on average, across the forward estimates*

Government has a clear role in providing an economic environment that supports business and jobs growth and does not place undue strain on households. In 2019-20, own-source revenue represented 8.3% of nominal gross state product, consistent with the Government's fiscal principle.

Own source revenue is estimated to be 7.7% of gross state product in 2020-21 partly due to subdued economic activity following the global COVID-19 outbreak in 2019-20.

*Principle 5 - Target full funding of long term liabilities such as superannuation and WorkCover in accordance with actuarial advice*

Consistent with the long-standing practice of successive governments, the Queensland Government is committed to ensuring that the State sets aside assets, on an actuarially determined basis, to meet long term liabilities such as superannuation and WorkCover. The latest full actuarial review of the QSuper scheme was as at 30 June 2019 and was published in a report dated 4 December 2019. The report found the scheme to be fully funded.

As at 30 June 2020, WorkCover Queensland was fully funded.

*Principle 6 - Maintain a sustainable public service by ensuring that overall growth in full-time equivalents (FTE) employees, on average over the forward estimates, does not exceed population growth*

The Government has committed to providing high quality and appropriate frontline services that keep pace with growth in the population, while maintaining fiscally responsible and affordable levels of expenditure.

Departmental FTEs increased by 1.8% in 2019-20, compared with the original 2019-20 Budget estimate growth of 1.9%, with 89% of the growth attributable to health and education.

At the time of C19-FER, the average growth in FTEs over the two-year period to 2020-21 was estimated to be 2.2%. Average population growth over the two-year period to 2020-21 is estimated to be 1¼%, which is below recent rates of population growth. International and interstate travel restrictions implemented across Australia to combat the spread of COVID-19 has led to a fall in expected population growth.

## Outcomes Report - Overview and Analysis

### Fiscal principles continued

<b>The fiscal principles of the Queensland Government 2019-20</b>		
<b>Principle</b>	<b>Indicator</b>	
Target ongoing reductions in Queensland's relative debt burden, as measured by the General Government debt to revenue ratio	<i>Debt to Revenue Ratio</i>	
	Est. Actual	Outcome
	77%	77%
Target net operating surpluses that ensure any new capital investment in the General Government Sector is funded primarily through recurrent revenue rather than borrowings	<i>Net operating cash flows as a proportion of net investments in non-financial assets</i>	
	Est. Actual	Outcome
	Operating cash flows are negative	Operating cash flows are negative
The capital program will be managed to ensure a consistent flow of works to support jobs and the economy and reduce the risk of backlogs emerging	<i>State Non-financial Sector capital program</i>	
	Est. Actual	Outcome
	\$12.428 billion	\$12.482 billion
Maintain competitive taxation by ensuring that General Government Sector own-source revenue remains at or below 8.5% of nominal gross state product, on average, across the forward estimates	<i>Own-source revenue to gross state product ratio</i>	
	Est. Actual	Outcome
	8.2 %	8.3%
Target full funding of long-term liabilities such as superannuation and WorkCover in accordance with actuarial advice	The latest actuarial review of the QSuper scheme as at 30 June 2019 found the scheme to be fully funded. The WorkCover scheme was fully funded as at 30 June 2020.	
Maintain a sustainable public service by ensuring that overall growth in full-time equivalent employees, on average over the forward estimates, does not exceed population growth	Two-year average FTE growth to 2020-21 is 2.2%. Two-year average population growth to 2020-21 is 1¼%	

## Outcomes Report - Overview and Analysis

### Key UPF Financial Aggregates

Outlined in the table below are the key aggregates, by sector for 2019-20. The actual outcome for 2019-20 is compared to the estimated actual (Est. Actual) per the COVID-19 Fiscal and Economic Review.

	General Government Sector		Public Non-financial Corporations Sector		Non-financial Public Sector	
	Est. Actual \$ million	Outcome \$ million	Est. Actual \$ million	Outcome \$ million	Est. Actual \$ million	Outcome \$ million
Revenue	57,719	57,764	13,623	13,589	66,200	66,156
Expenses	63,617	63,498	12,272	12,662	71,825	72,049
<b>Net operating balance</b>	<b>(5,898)</b>	<b>(5,734)</b>	<b>1,351</b>	<b>927</b>	<b>(5,625)</b>	<b>(5,893)</b>
<b>Capital purchases</b>	<b>6,305</b>	<b>6,291</b>	<b>3,142</b>	<b>3,156</b>	<b>9,447</b>	<b>9,467</b>
Fiscal balance	(9,318)	(9,158)	719	306	(9,678)	(9,958)
<b>Borrowing with QTC</b>	<b>37,574</b>	<b>37,570</b>	<b>38,904</b>	<b>38,894</b>	<b>76,478</b>	<b>76,464</b>
Leases and similar arrangements	6,454	6,499	491	492	6,945	6,991
Securities and derivatives	198	198	1,315	1,315	1,513	1,505
Notes:						
1. Numbers may not add due to rounding.						
2. Non-financial Public Sector consolidates the General Government and Public Non-financial Corporations Sector and excludes inter-sector transactions and balances.						

### General Government Sector

#### Revenue

Revenue	2019-20 MYFER \$ million	2019-20 Est. Actual \$ million	2019-20 Outcome \$ million
Taxation revenue	15,145	14,566	14,585
Grants revenue	28,261	27,569	27,641
Sales of goods and services	6,107	5,809	5,618
Interest income	2,047	2,020	2,076
Dividend and income tax equivalent income	2,187	1,895	1,929
Other revenue	6,167	5,859	5,915
<b>Total Revenue</b>	<b>59,914</b>	<b>57,719</b>	<b>57,764</b>
Note:			
1. Numbers may not add due to rounding.			

Total GGS revenue of \$57.764 billion was consistent with the C19-FER and \$2.15 billion, or 3.6%, lower than the 2019-20 MYFER.

Since 2019-20 MYFER, the COVID-19 pandemic significantly impacted Queensland's revenue with falls occurring across all categories of revenue. Taxation revenue declined \$561 million largely reflecting the Government's COVID-19 payroll tax and land tax relief measures resulting in revenue forgone and lower gambling machine tax revenue due to the closure of venues during the height of the crisis. GST revenue was also down, falling \$1.251 billion from the 2019-20 MYFER estimate due to lower national GST collections resulting from subdued economic activity during the crisis. These falls in revenue were partially offset by the Australian Government funding for health services and the bring forward from 2020-21 grants for on-passing to non-State schools and Financial Assistance grants for local councils.

## Outcomes Report - Overview and Analysis

### Key UPF Financial Aggregates continued

#### General Government Sector continued

##### Expenses

Expenses	2019-20 MYFER \$ million	2019-20 Est. Actual \$ million	2019-20 Outcome \$ million
Employee expenses	25,511	25,657	25,660
Superannuation expenses			
Superannuation interest cost	346	346	354
Other superannuation expenses	3,097	3,104	3,183
Other operating expenses	15,176	17,264	17,087
Depreciation and amortisation	3,951	4,033	4,033
Other interest expenses	1,544	1,508	1,486
Grants expenses	10,139	11,704	11,695
<b>Total Expenses</b>	<b>59,763</b>	<b>63,617</b>	<b>63,498</b>

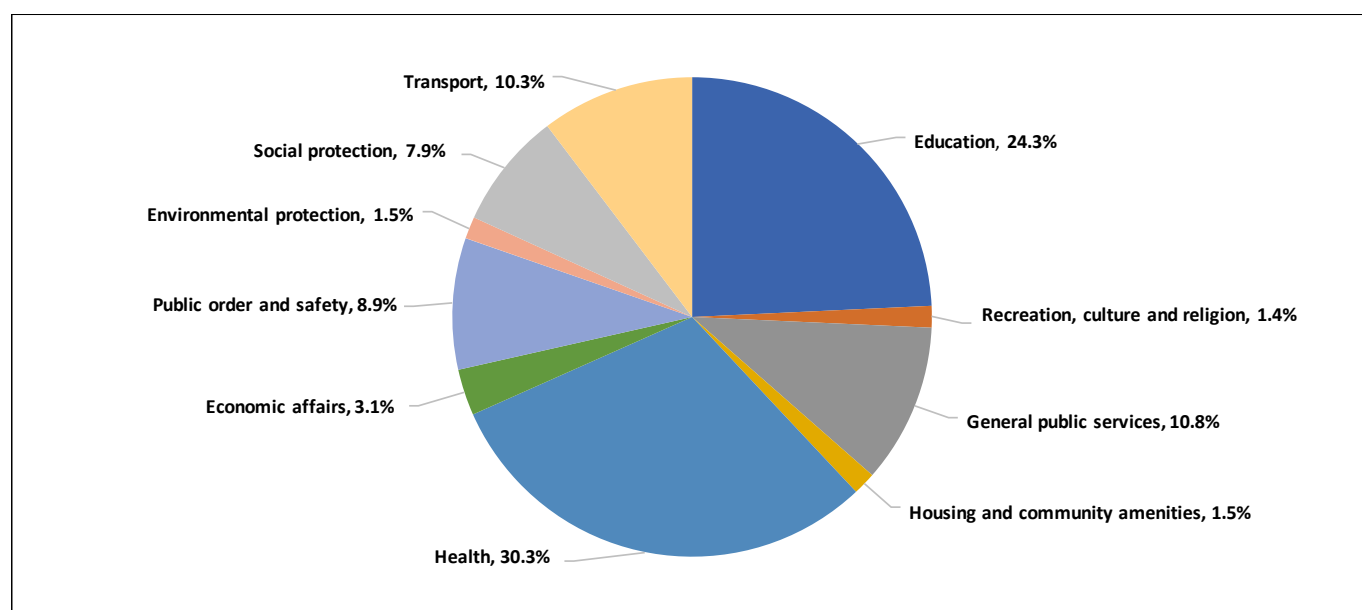
Note:  
1. Numbers may not add due to rounding.

GGS expenses for 2019-20 totalled \$63.498 million, \$119 million lower than expected in the C19-FER and \$3.734 billion, or 6.2%, higher than the 2019-20 MYFER estimate.

In response to the COVID-19 pandemic, the Government provided significant immediate stimulus with funding targeted at boosting health capacity, economic assistance to businesses through payroll and land tax relief refunds, electricity and water utility assistance to households, electricity rebates for small businesses and worker assistance. Expenses also grew relative to the 2019-20 MYFER due to the State providing for historical serious child physical abuse claims following the removal of the limitation periods and an increase in expected historical serious sexual abuse claims as well as other pending litigation.

GGS expenditure is focused on the delivery of core services to the community. As shown in Chart 3.4 below, education and health account for over half of the total expenses, consistent with their share in other jurisdictions.

**Chart 3.4: 2019-20 General Government Sector expenses by function<sup>1</sup>**



<sup>1</sup> Refer to page 3-12 for further detail of expenses in each function.

## Outcomes Report - Overview and Analysis

### Key UPF Financial Aggregates continued

#### General Government Sector continued

##### Net Operating Balance

The net operating balance is the net of revenue and expenses from transactions and was an operating deficit of \$5.734 billion for 2019-20. This was a modest improvement on the \$5.898 billion estimated actual in the C19-FER and a \$5.885 billion deterioration from the 2019-20 MYFER estimated net operating balance of \$151 million, for the reasons discussed above.

##### Capital Purchases

GGs purchases of non-financial assets are the actual cash outlays per the Cash Flow Statement and totalled \$6.291 billion, which was \$14 million lower than the C19-FER estimate.

##### Fiscal Balance

The fiscal deficit of \$9.158 billion for 2019-20 was a modest improvement on the C19-FER projection of a \$9.318 billion deficit. The deterioration of the fiscal balance since the 2019-20 MYFER is due to the impact of COVID-19 on the net operating balance, partly offset by lower than projected capital purchases.

##### Borrowing

Gross borrowing with QTC was \$37.57 billion, compared to the 2019-20 MYFER projection of \$31.774 billion, an increase of \$5.796 billion. The increase reflects the reduction in cash flows from operating activities caused by lower revenues and rise in expenses as a result of the COVID-19 pandemic, COVID-19 balance sheet measures (including payroll tax and land tax deferrals and the Jobs Support Loan Scheme), and not proceeding with the planned \$1 billion repatriation of surplus defined benefit assets. Offsetting this in part were lower capital purchases than projected at MYFER.

Leases and similar arrangements were \$6.499 billion at year end, \$428 million higher than estimated at 2019-20 MYFER. This increase is due to the timing of recognition on the Cross River Rail project and revision of estimates on transition to AASB 16 Leases.

##### Net Worth

The GGS net worth was \$193.731 billion as at 30 June 2020, \$2.224 billion lower than the estimated actual included in the C19-FER. The decrease related mainly to downwards valuation of the investment in public enterprises and an increase in the actuarial valuation of defined benefit superannuation liabilities.

##### Net Debt

Net debt is the sum of deposits held, advances received and borrowings (financial liabilities) less cash and deposits, advances paid and investments, loans and placements (financial assets). Financial liabilities exceeded financial assets in the GGS by \$14.046 billion at 30 June 2020.

Net debt has increased since 2019-20 MYFER due to higher borrowing with QTC resulting from the impact of COVID-19 on net cash flows from operating activities, as well as a decrease in the valuation of investments, loans and placements.

##### Operating Result

The operating result measures the outcome for the State under the Accounting Standards framework, rather than the GFS framework. The GGS operating deficit of \$10.749 billion differs from the net operating balance as it includes valuation adjustments such as gains and losses on financial and non-financial assets.

##### Comprehensive Result - Total Change in Net Worth

The comprehensive result includes the revaluation of assets taken to reserves and actuarial adjustments to defined benefit superannuation liabilities.

The decrease from the C19-FER estimated actual to the actual comprehensive result was due mainly to slightly lower revaluations of non-financial assets, downwards valuation of the investment in public enterprises and the actuarial valuation of defined benefit superannuation liabilities discussed above.



## 2019 - 20 Operating Statement by Sector (\$ million)

	General Government Sector		Public Non-financial Corporations Sector		Non-financial Public Sector <sup>(b)</sup>		Public Financial Corporations Sector <sup>(b)</sup>	State Financial Sector
	Est. Actual	Outcome	Est. Actual	Outcome	Est. Actual	Outcome	Outcome <sup>(c)</sup>	Outcome <sup>(c)</sup>
<b>Revenue from Transactions</b>								
Taxation revenue	14,566	14,585	-	-	14,275	14,254	-	14,146
Grants revenue	27,569	27,641	666	646	27,611	27,674	1	27,571
Sales of goods and services	5,809	5,618	12,401	12,359	15,827	15,596	2,429	17,674
Interest income	2,020	2,076	83	87	2,060	2,140	3,398	935
Dividend and income tax equivalent income	1,895	1,929	13	14	152	141	-	14
Other revenue	5,859	5,915	461	482	6,275	6,351	76	6,425
<b>Total Revenue from Transactions</b>	<b>57,719</b>	<b>57,764</b>	<b>13,623</b>	<b>13,589</b>	<b>66,200</b>	<b>66,156</b>	<b>5,904</b>	<b>66,766</b>
<b>Expenses from Transactions</b>								
Employee expenses	25,657	25,660	2,113	2,087	27,651	27,629	371	27,710
Superannuation expenses								
Superannuation interest cost	346	354	-	(5)	346	349	-	349
Other superannuation expenses	3,104	3,183	214	237	3,318	3,421	26	3,446
Other operating expenses	17,264	17,087	4,729	5,129	19,577	19,768	2,991	22,751
Depreciation and amortisation	4,033	4,033	2,658	2,719	6,691	6,752	28	6,779
Other interest expenses	1,508	1,486	1,842	1,776	3,144	3,070	5,564	3,868
Grants expenses	11,704	11,695	17	(19)	11,097	11,062	103	11,061
Other property expenses	-	-	699	737	-	-	32	-
<b>Total Expenses from Transactions</b>	<b>63,617</b>	<b>63,498</b>	<b>12,272</b>	<b>12,662</b>	<b>71,825</b>	<b>72,049</b>	<b>9,115</b>	<b>75,965</b>
<b>Net Operating Balance</b>	<b>(5,898)</b>	<b>(5,734)</b>	<b>1,351</b>	<b>927</b>	<b>(5,625)</b>	<b>(5,893)</b>	<b>(3,211)</b>	<b>(9,199)</b>
Other economic flows - included in operating result	(4,283)	(5,015)	(1,008)	(944)	(5,361)	(6,033)	2,503	(4,989)
<b>Operating Result</b>	<b>(10,181)</b>	<b>(10,749)</b>	<b>343</b>	<b>(17)</b>	<b>(10,986)</b>	<b>(11,926)</b>	<b>(709)</b>	<b>(14,188)</b>
Other economic flows - other movements in equity	4,632	2,976	(464)	(651)	5,437	4,153	(111)	4,956
<b>Comprehensive Result - Total Change in Net Worth <sup>(d)</sup></b>	<b>(5,549)</b>	<b>(7,773)</b>	<b>(121)</b>	<b>(668)</b>	<b>(5,548)</b>	<b>(7,773)</b>	<b>(820)</b>	<b>(9,232)</b>
<b>KEY FISCAL AGGREGATES</b>								
<b>Net Operating Balance</b>	<b>(5,898)</b>	<b>(5,734)</b>	<b>1,351</b>	<b>927</b>	<b>(5,625)</b>	<b>(5,893)</b>	<b>(3,211)</b>	<b>(9,199)</b>
<b>Net Acquisition/(Disposal) of Non-financial Assets</b>								
Purchases of non-financial assets	6,305	6,291	3,142	3,156	9,447	9,467	17	9,483
Less Sales of non-financial assets	228	230	45	36	272	266	-	266
Less Depreciation	4,033	4,033	2,658	2,719	6,691	6,752	28	6,779
Plus Change in inventories	54	107	40	50	94	156	-	156
Plus Other movements in non-financial assets	1,323	1,289	153	170	1,476	1,460	4	1,464
<b>Equals Total Net Acquisition of Non-financial Assets</b>	<b>3,421</b>	<b>3,424</b>	<b>632</b>	<b>621</b>	<b>4,053</b>	<b>4,065</b>	<b>(7)</b>	<b>4,057</b>
<b>Fiscal Balance</b>	<b>(9,318)</b>	<b>(9,158)</b>	<b>719</b>	<b>306</b>	<b>(9,678)</b>	<b>(9,958)</b>	<b>(3,204)</b>	<b>(13,256)</b>
Notes:								
(a) Numbers may not add due to rounding and have been restated where necessary to ensure comparability.								
(b) The Non-financial Public Sector (NFP) consolidates the GGS and PNFC Sectors, eliminating inter-sector balances and transactions such as dividend and income tax equivalent income. The State Financial Sector consolidates the NFP and the PFC sectors.								
(c) In accordance with UPF requirements, estimates for Public Financial Corporations (PFC) and State Financial Sectors are not included in Budget documentation.								
(d) For GFS, the change in Net Worth is the change from the previous published outcome. This differs from the AASB 1049 statements where prior year adjustments are permitted under IFRS.								

**2019 - 20 Balance Sheet by Sector (\$ million)**

	General Government Sector		Public Non-financial Corporations Sector		Non-financial Public Sector <sup>(b)</sup>		Public Financial Corporations Sector <sup>(b)</sup>	State Financial Sector
	Est. Actual	Outcome	Est. Actual	Outcome	Est. Actual	Outcome	Outcome <sup>(c)</sup>	Outcome <sup>(c)</sup>
<b>Assets</b>								
<b>Financial assets</b>								
Cash and deposits	1,168	1,205	889	889	2,057	2,094	2,604	3,045
Advances paid	1,269	1,280	1,491	1,491	1,263	1,274	-	1,274
Investments, loans and placements	29,441	29,580	1,639	1,787	31,080	31,366	154,690	72,160
Receivables	4,333	4,490	1,569	1,484	4,636	4,669	323	4,781
Equity								
Investments in other public sector entities	22,108	21,560	-	-	2,592	2,592	-	-
Investments - other	150	163	270	279	420	442	-	442
<b>Total financial assets</b>	<b>58,468</b>	<b>58,278</b>	<b>5,859</b>	<b>5,930</b>	<b>42,048</b>	<b>42,438</b>	<b>157,617</b>	<b>81,703</b>
<b>Non-Financial Assets</b>								
Land and other fixed assets	223,249	223,280	63,761	63,522	287,008	286,800	185	286,985
Other non-financial assets	6,881	6,928	1,178	1,388	1,272	1,236	179	1,220
<b>Total Non-financial Assets</b>	<b>230,129</b>	<b>230,207</b>	<b>64,938</b>	<b>64,910</b>	<b>288,281</b>	<b>288,037</b>	<b>364</b>	<b>288,205</b>
<b>Total assets</b>	<b>288,597</b>	<b>288,485</b>	<b>70,798</b>	<b>70,840</b>	<b>330,329</b>	<b>330,475</b>	<b>157,981</b>	<b>369,908</b>
<b>Liabilities</b>								
Payables	5,712	5,729	2,232	2,210	6,709	6,676	252	6,743
Superannuation liability	26,859	27,808	(172)	(152)	26,687	27,656	-	27,656
Other employee benefits	7,705	8,327	824	911	8,530	9,238	115	9,353.07
Deposits held	-	-	15	13	15	13	8,826	7,185
Advances received	1,844	1,845	6	6	353	354	-	354
Borrowing with QTC	37,574	37,570	38,904	38,894	76,478	76,464	-	-
Leases and other similar arrangements	6,454	6,499	491	492	6,945	6,991	405	7,396
Securities and derivatives	198	198	1,315	1,315	1,513	1,505	139,739	115,027
Other liabilities	6,295	6,779	7,665	8,183	7,143	7,847	6,053	13,679
<b>Total liabilities</b>	<b>92,641</b>	<b>94,754</b>	<b>51,281</b>	<b>51,871</b>	<b>134,373</b>	<b>136,743</b>	<b>155,389</b>	<b>187,392</b>
<b>Net Worth</b>	<b>195,956</b>	<b>193,731</b>	<b>19,516</b>	<b>18,969</b>	<b>195,956</b>	<b>193,731</b>	<b>2,592</b>	<b>182,516</b>
<b>KEY FISCAL AGGREGATES</b>								
Net Financial Worth	(34,173)	(36,476)	(45,422)	(45,941)	(92,325)	(94,305)	2,228	(105,689)
Net Financial Liabilities	56,281	58,036	NA	NA	94,916	96,897	NA	105,689
Net Debt	14,192	14,046	36,712	36,552	50,904	50,592	(8,325)	53,482
Notes:								
(a) Numbers may not add due to rounding and have been restated where necessary to ensure comparability.								
(b) The Non-financial Public Sector (NFP) consolidates the GGS and PNFC Sectors, eliminating inter-sector balances and transactions such as dividend and income tax equivalent income. The State Financial Sector consolidates the NFP and the PFC sectors.								
(c) In accordance with UPF requirements, estimates for Public Financial Corporations (PFC) and State Financial sectors are not included in Budget documentation.								

## 2019 - 20 Cash Flow Statement by Sector (\$ million)

	General Government Sector		Public Non-financial Corporations Sector		Non-financial Public Sector <sup>(b)</sup>		Public Financial Corporations Sector <sup>(b)</sup>	State Financial Sector
	Est. Actual	Outcome	Est. Actual	Outcome	Est. Actual	Outcome	Outcome <sup>(c)</sup>	Outcome <sup>(c)</sup>
<b>Cash Receipts from Operating Activities</b>								
Taxes received	13,884	13,870	-	-	13,593	13,543	-	13,460
Grants and subsidies received	28,587	28,841	649	643	28,612	28,875	1	28,772
Sales of goods and services	6,129	6,055	14,748	14,582	18,124	18,222	2,667	20,539
Interest receipts	1,942	1,997	83	88	1,982	2,061	3,398	932
Dividends and income tax equivalents	2,791	2,756	13	14	172	81	-	14
Other receipts	7,339	7,048	354	373	7,642	7,441	140	7,579
	<b>60,672</b>	<b>60,567</b>	<b>15,847</b>	<b>15,701</b>	<b>70,125</b>	<b>70,223</b>	<b>6,206</b>	<b>71,297</b>
<b>Cash Payments for Operating Activities</b>								
Payments for employees	(29,490)	(29,332)	(2,328)	(2,219)	(31,699)	(31,432)	(420)	(31,562)
Payments for goods and services	(19,095)	(19,019)	(6,438)	(6,307)	(22,741)	(22,875)	(1,764)	(24,632)
Grants and subsidies	(10,897)	(10,928)	(268)	(263)	(10,541)	(10,581)	(103)	(10,580)
Interest paid	(1,487)	(1,460)	(1,859)	(1,771)	(3,140)	(3,041)	(5,462)	(3,840)
Other payments	-	(8)	(1,416)	(1,471)	(562)	(571)	(182)	(796)
	<b>(60,970)</b>	<b>(60,747)</b>	<b>(12,309)</b>	<b>(12,030)</b>	<b>(68,683)</b>	<b>(68,500)</b>	<b>(7,931)</b>	<b>(71,410)</b>
<b>Net Cash Flows from Operating Activities</b>	<b>(297)</b>	<b>(180)</b>	<b>3,538</b>	<b>3,671</b>	<b>1,442</b>	<b>1,723</b>	<b>(1,725)</b>	<b>(113)</b>
<b>Cash Flows from Investing Activities</b>								
<b>Non-financial Assets</b>								
Purchases of non-financial assets	(6,305)	(6,291)	(3,142)	(3,156)	(9,447)	(9,467)	(17)	(9,483)
Sales of non-financial assets	228	230	45	36	272	266	-	266
	<b>(6,078)</b>	<b>(6,061)</b>	<b>(3,097)</b>	<b>(3,120)</b>	<b>(9,175)</b>	<b>(9,201)</b>	<b>(17)</b>	<b>(9,217)</b>
<b>Financial Assets (Policy Purposes)</b>	<b>(939)</b>	<b>(941)</b>	<b>707</b>	<b>707</b>	<b>(907)</b>	<b>(916)</b>	<b>-</b>	<b>(916)</b>
<b>Financial Assets (Liquidity Purposes)</b>	<b>4,505</b>	<b>4,391</b>	<b>-</b>	<b>(29)</b>	<b>4,505</b>	<b>4,362</b>	<b>(2,959)</b>	<b>1,383</b>
<b>Net Cash Flows from Investing Activities</b>	<b>(2,512)</b>	<b>(2,611)</b>	<b>(2,390)</b>	<b>(2,442)</b>	<b>(5,576)</b>	<b>(5,755)</b>	<b>(2,975)</b>	<b>(8,750)</b>
<b>Net Cash Flows from Financing Activities</b>								
Advances received (net)	(866)	(847)	(1)	5	(88)	(64)	-	(64)
Borrowing (net)	2,975	2,975	742	733	3,717	3,708	(5,203)	(1,494)
Dividends paid	-	-	(1,799)	(1,799)	-	-	(109)	-
Deposits received (net)	-	-	1	(1)	1	(1)	1,652	1,951
Other financing (net)	-	-	94	19	(9)	(88)	9,291	9,223
	<b>2,109</b>	<b>2,128</b>	<b>(963)</b>	<b>(1,043)</b>	<b>3,620</b>	<b>3,555</b>	<b>5,631</b>	<b>9,617</b>
<b>Net Increase/(Decrease) in Cash Held</b>	<b>(700)</b>	<b>(663)</b>	<b>186</b>	<b>186</b>	<b>(514)</b>	<b>(477)</b>	<b>931</b>	<b>754</b>
<b>KEY FISCAL AGGREGATES</b>								
Net cash from operating activities	(297)	(180)	3,538	3,671	1,442	1,723	(1,725)	(113)
Net cash from investments in non-financial assets	(6,078)	(6,061)	(3,097)	(3,120)	(9,175)	(9,201)	(17)	(9,217)
Dividends paid	-	-	(1,799)	(1,799)	-	-	(109)	-
<b>Cash Surplus/(Deficit)</b>	<b>(6,375)</b>	<b>(6,241)</b>	<b>(1,357)</b>	<b>(1,248)</b>	<b>(7,733)</b>	<b>(7,478)</b>	<b>(1,850)</b>	<b>(9,330)</b>
<b>Derivation of ABS GFS Cash Surplus/Deficit</b>								
Cash surplus/(deficit)	(6,375)	(6,241)	(1,357)	(1,248)	(7,733)	(7,478)	(1,850)	(9,330)
Acquisitions under finance leases and similar arrangements	(1,248)	(1,263)	(45)	(54)	(1,293)	(1,316)	(4)	(1,320)
<b>ABS GFS Cash Surplus/(Deficit) Including Finance Leases and Similar Arrangements</b>	<b>(7,623)</b>	<b>(7,503)</b>	<b>(1,402)</b>	<b>(1,302)</b>	<b>(9,025)</b>	<b>(8,794)</b>	<b>(1,854)</b>	<b>(10,650)</b>

Notes:

(a) Numbers may not add due to rounding and have been restated where necessary to ensure comparability.

(b) The Non-financial Public Sector (NFP) consolidates the GGS and PNFC Sectors, eliminating inter-sector balances and transactions such as dividend and income tax equivalent income. The State Financial Sector consolidates the NFP and the PFC sectors.

(c) In accordance with UFF requirements, estimates for Public Financial Corporations (PFC) and State Financial sectors are not included in Budget documentation.

## Outcomes Report - Other General Government UPF Data

Data in the following tables is presented in accordance with the Uniform Presentation Framework.

### General Government Sector

Taxes	2019-20 Outcome \$ million
Taxes on employers' payroll and labour force	4,211
Taxes on property	
Land taxes	1,406
Other	562
Taxes on the provision of goods and services	
Stamp duties on financial and capital transactions	3,075
Financial Institutions' transactions taxes	272
Taxes on gambling	1,258
Taxes on insurance	1,060
Taxes on use of goods and performance of activities	
Motor vehicle taxes	2,443
Other	296
<b>Total Taxation Revenue</b>	<b>14,585</b>
<p>Note:</p> <p>1. Numbers may not add due to rounding.</p>	

Dividend and Income Tax Equivalent Income	2019-20 Outcome \$ million
Dividend and Income Tax Equivalent income from PNFC sector	1,802
Dividend and Income Tax Equivalent income from PFC sector	127
<b>Total Dividend and Income Tax Equivalent income</b>	<b>1,929</b>
<p>Note:</p> <p>1. Numbers may not add due to rounding.</p>	

## Outcomes Report - Other General Government UPF Data

### General Government Sector continued

<b>Grants Revenue</b>	<b>2019-20 Outcome \$ million</b>
<b>Current grants revenue</b>	
Current grants from the Commonwealth	
General purpose grants	12,794
Specific purpose grants	9,018
Specific purpose grants for on-passing	3,658
Total current grants from the Commonwealth	25,470
Other contributions and grants	330
<b>Total current grants revenue</b>	<b>25,800</b>
<b>Capital grants revenue</b>	
Capital grants from the Commonwealth	
General purpose grants	2
Specific purpose grants	1,803
Total capital grants from the Commonwealth	1,805
Other contributions and grants	37
<b>Total capital grants revenue</b>	<b>1,841</b>
<b>Total grants revenue</b>	<b>27,641</b>
Note:	
1. Numbers may not add due to rounding.	

<b>Grants Expenses</b>	<b>2019-20 Outcome \$ million</b>
<b>Current grants expenses</b>	
Private and not-for-profit sector	2,998
Private and not-for-profit sector on-passing	3,163
Local Government	193
Local Government on-passing	504
Grants to other sectors of Government	2,136
Other	969
<b>Total current grants expense</b>	<b>9,963</b>
<b>Capital grants expenses</b>	
Private and not-for-profit sector	529
Local Government	1,070
Grants to other sectors of Government	34
Other	98
<b>Total capital grants expenses</b>	<b>1,732</b>
<b>Total grants expenses</b>	<b>11,695</b>
Note:	
1. Numbers may not add due to rounding.	

## Outcomes Report - Other General Government UPF Data

### General Government Sector continued

Expenses by Function		2019-20 Outcome \$ million	2019-20 Outcome \$ million	
<b>General Public Services</b>		<b>6,829</b>	<b>Health</b>	<b>19,258</b>
Executive and legislative organs, financial and fiscal affairs, external affairs	1,148		Outpatient services	3,016
General services	286		Hospital services	10,794
Public debt transactions	1,471		Mental health institutions	550
Transfers of a general character between level of government	508		Community health services	3,847
General public services n.e.c.	3,417		Public health services	384
			R&D - Health	199
			Health n.e.c.	469
<b>Public Order and Safety</b>	<b>5,635</b>		<b>Recreation, Culture and Religion</b>	<b>920</b>
Police services	2,313		Recreation and sporting services	407
Civil and fire protection services	696		Cultural services	365
Law courts	891		Recreation, culture and religion n.e.c.	149
Prisons	1,293			
Public order and safety n.e.c.	442		<b>Education</b>	<b>15,404</b>
			Pre-primary and primary education	7,512
<b>Economic Affairs</b>	<b>1,981</b>		Secondary education	5,073
General economic, commercial and labour affairs	319		Tertiary education	1,303
Agriculture, forestry, fishing and hunting	470		Subsidiary services to education	175
Fuel and energy	516		Education n.e.c.	1,342
Mining, manufacturing and construction	269			
R&D - Economic affairs	187		<b>Social Protection</b>	<b>4,994</b>
Other industries	221		Sickness and disability	1,741
			Old age	12
<b>Environmental Protection</b>	<b>939</b>		Family and children	1,430
Waste water management	12		Housing	421
Protection of biodiversity and landscape	701		Social exclusion n.e.c.	175
Environmental protection n.e.c.	226		Social protection n.e.c.	1,215
<b>Housing and Community Amenities</b>	<b>983</b>		<b>Transport</b>	<b>6,554</b>
Housing development	714		Road transport	2,967
Community development	104		Bus transport	77
Water supply	124		Water transport	147
Housing and community amenities n.e.c.	41		Railway transport	1,973
			Multi-mode urban transport	874
			Transport n.e.c.	516
			<b>Total</b>	<b>63,498</b>

Note:

1. Numbers may not add due to rounding.

## Outcomes Report - Other General Government UPF Data

### General Government Sector continued

Purchases of Non-financial Assets by Function	2019-20 Outcome \$ million
General public services	218
Public order and safety	501
Economic affairs	31
Environmental protection	66
Housing and community amenities	326
Health	706
Recreation, culture and religion	78
Education	1,177
Social protection	50
Transport	3,138
<b>Total</b>	<b>6,291</b>
<p>Note: 1. Numbers may not add due to rounding.</p>	

## Certification of Outcomes Report

### Management Certification

The foregoing Outcomes Report contains financial statements for the Queensland State Government, prepared and presented in accordance with the Uniform Presentation Framework (UPF) agreed to at the 1991 Premiers' Conference and revised in 2008 to align with AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

This report separately discloses outcomes for the General Government, Public Non-financial Corporations, Public Financial Corporations and State Financial Sectors within Queensland. Entities excluded from this report include local governments and universities. Queensland public sector entities consolidated for this report are listed in the AASB 1049 Financial Statements, taking into account intra and inter-agency eliminations.

Only those agencies considered material by virtue of their financial transactions and balances are consolidated in this report.

We certify that, in our opinion, the Outcomes Report has been properly drawn up, in accordance with UPF requirements, to present a true and fair view of:

- (i) the Operating Statement and Cash Flows of the Queensland State Government for the financial year; and
- (ii) the Balance Sheet of the Government at 30 June 2020.

At the date of certification of this report, we are not aware of any material circumstances that would render any particulars included in the Outcomes Report misleading or inaccurate.

William Ryan  
Acting Head of Fiscal  
Queensland Treasury

Rachel Hunter  
Under Treasurer  
Queensland Treasury

23 November 2020