

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

21 – 22 October 2009

Question: sbt 25

Topic: Allocation of Aggregate State Debt

Hansard Page: E5 (22/10/09)

Senator JOYCE asked:

Senator JOYCE—Have you been informed of the extent of the current state debt?

Mr Ray—I think we published numbers on state debt in Budget Paper No. 3. Ms Vroombout may have that for you.

Ms Vroombout—The estimate out of state budgets for their aggregate debt for 2009-10 is around \$170 billion.

Senator JOYCE—Is that aggregate or gross?

Ms Vroombout—Aggregate. Their net debt is \$107 billion for the same period.

Senator JOYCE—To be honest, that is under what I have been told before. The point is that we can never get to the bottom of this. Can you give me a break-up of that \$107 billion?

Ms Vroombout—I do not have that in front of me, so I would have to take that on notice.

Senator JOYCE—Do you have any knowledge as to how the numbers are made up? I know that for Queensland it is about \$85 billion—is that correct?

Ms Vroombout—They are derived from state budgets.

Senator JOYCE—Are they current?

Ms Vroombout—No, they are the state estimates for 2009-10 as outlined in their budgets.

Senator JOYCE—I have been informed that it was about \$85 billion for Queensland. I am just doing this from memory. It is about \$75 billion for New South Wales. That totals \$160 billion. There is also approximately \$40 billion for Victoria, so you are up to \$200 billion. You then have South Australia, Northern Territory and Tasmania. It ends up at about \$235 billion. I am trying to work out how we ended up with \$170 billion, unless they have started paying some of the money off.

Ms Vroombout—I would have to take that on notice. I do not have the numbers and how they are divided between the jurisdictions in front of me.

Answer:

The aggregate borrowing of the states' non-financial public sectors is expected to be around \$170 billion in 2009-10.

The net debt of the state non-financial public sector, in aggregate, is expected to be approximately \$107 billion in 2009-10.

Divided between jurisdictions, non-financial public sector net debt in 2009-10 is expected to be: \$40 billion in NSW; \$19 billion in Victoria; \$27 billion in QLD; \$14 billion in WA; \$5

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billion in SA; \$2 billion in Tasmania and the Northern Territory. The ACT is forecasting negative net debt of over \$1 billion in 2009-10.