

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

10 – 11 February 2010

Question: aet 115

Topic: State Government Entities

Hansard Page: E62 (11/02/2010)

Senator JOYCE asked:

Senator JOYCE—Do you take into account the debt owned by government-owned or government controlled entities?

Mr Ray—When we talk about net debt, we are talking about the general government sector.

Senator JOYCE—So do you concern yourself with the debt held by a government owned entity such as Ergon?

Mr Ray—They are state entities.

Senator JOYCE—They are state government entities, sorry.

Mr Ray—We would need to check. But I suspect that they are outside their GGS.

Answer:

State and Territory governments generally base their budget reporting on the Australian Accounting Standards Board's AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Government owned entities such as Ergon Energy are classified in the public non-financial corporations sector under AASB 1049. They are therefore outside of the general government sector. The public non-financial corporations sector is defined as the institutional sector comprising resident government controlled corporations and quasi-corporations mainly engaged in the production of market goods and/or non-financial services.