Attachment E

DEBT STATEMENT

This Statement provides information on current and projected Government gross debt on issue and estimated and projected Government net debt. The concepts of 'gross debt' and 'net debt' are explained further below.

Net debt is expected to be 18.2 per cent of GDP ($351.9 billion) in 2018-19. Net debt is then projected to decline as a share of GDP to 14.3 per cent in 2021-22, and further over the medium term to 1.5 per cent of GDP ($48.4 billion) in 2028-29 — representing an 86 per cent reduction in nominal terms over the medium term from 2018-19.

Gross debt, measured as the face value of Commonwealth Government Securities (CGS) on issue subject to the Treasurer's Direction, is expected to be $542 billion at the end of 2018-19 before increasing to $567 billion by the end of the forward estimates. By the end of the medium term (2028-29), the total face value of CGS on issue is projected to fall to $455 billion.

Commonwealth Government Securities issuance

The Government finances its activities either through receipts or borrowing. When receipts fall short of payments, the Government borrows by issuing CGS to investors.

The Australian Office of Financial Management (AOFM) is responsible for issuing CGS and the management of the Government's financing activities. The AOFM currently issues three types of securities:

Treasury Bonds: medium-term to long-term securities with a fixed annual rate of interest payable every six months;

Treasury Indexed Bonds (TIBs): medium-term to long-term securities for which the capital value of the security is adjusted for movements in the consumer price index (CPI). Interest on TIBs is paid quarterly, at a fixed rate, on the adjusted capital value; and

Treasury Notes: short-term securities generally maturing within six months of issuance. The volume of Treasury Notes on issue will vary over the course of the year, depending on the size and profile of the within-year funding flows.

Within these three broad categories of CGS, issuance is undertaken into a limited number of maturities (known as lines). Each of these lines has a fixed maturity date (the date on which the Government repays the principal it has borrowed) and, for Treasury Bonds and Treasury Indexed Bonds, a coupon rate (the annual fixed interest rate paid on the security).

Concentrating CGS issuance into a limited number of lines (rather than issuing securities with a specific time value, such as 10 years) ensures each line is sufficiently large that it can easily be traded in the secondary market. Strong liquidity in the secondary market is attractive to investors, promotes demand for CGS, and assists in lowering borrowing costs. All CGS issuance is undertaken in Australian dollars.

The AOFM exercises operational independence in the execution of its duties. Its announced issuance program for each year is therefore determined on the basis of maturing CGS, net new issuance required to fund the Budget, and other operational considerations.

Operational considerations often mean that the annual issuance program may not be equivalent to the financing task for a particular year. For example, the AOFM may decide there is merit in partially pre-funding the following year's financing task. Alternatively, the AOFM might choose to smooth issuance across several financial years in order to minimise changes in CGS supply from one financial year to the next.

The AOFM conducts regular buyback tenders for Treasury Bonds shorter than those comprising the primary three year Treasury Bond futures contract. The buybacks are funded by issuance of a corresponding face value amount of longer-dated Treasury Bonds. This operation assists the AOFM in its cash management task ahead of bond maturities and contributes to an orderly and efficient Treasury Bond market.

In recent years, the AOFM has taken the opportunity to lengthen the CGS yield curve through the issuance of 30-year bonds. This has provided for a lower risk profile of maturing debt and has been achieved during a period when borrowing costs have been low by historical standards.

At times when CGS issuance is not required to finance the Government's activities, successive Governments have continued to issue CGS for policy purposes such as to maintain a liquid CGS market.

The Government remains committed to a well-functioning and liquid CGS market. In particular, the Government will focus on ensuring a market of sufficient size to maintain liquidity across the longer yield curve and to support the Treasury Bond futures market.

A well-functioning and liquid CGS market also supports the development of semi-government and corporate bond markets by providing a risk-free benchmark.

Estimates and projections of key debt aggregates

The level of current and projected Government debt on issue is commonly expressed in one of two ways: gross or net debt.

Gross debt measures the face value of CGS on issue at a point in time. While gross debt is measured in face value terms, estimates and projections of CGS on issue are published in both face value and market value terms in this statement.

The **face value** of CGS on issue is the amount that the Government pays back to investors at maturity, independent of fluctuations in market prices.[5] The total face value of CGS on issue changes when new securities are issued, or when securities are repurchased or reach maturity.

The **market value** of CGS represents the value of securities as traded on the secondary market, which changes continuously with movements in market prices. Consistent with external reporting standards, the market value of CGS on issue is reported on the Australian Government general government sector balance sheet.

Net debt is equal to the sum of deposits held, government securities (at market value), loans and other borrowing, minus the sum of cash and deposits, advances paid and investments, loans and placements. As net debt incorporates both selected financial assets and liabilities at their fair value, it provides a broader measure of the financial obligations of the Commonwealth than gross debt.

Not all government assets or liabilities are included in the measurement of net debt. For example, the Government's unfunded superannuation liability and the equity holdings of the Future Fund are not included in net debt.

Estimates and projections of net debt

Table 3.36 contains estimates and projections of net debt to the end of the forward estimates period.

In 2018-19, net debt is expected to be $351.9 billion, compared with $349.9 billion at the time of the 2018-19 Budget. Over the forward estimates, net debt is projected to decline as a proportion of GDP from 18.2 per cent in 2018-19 to 14.3 per cent by 2021-22. Over the medium term, net debt is projected to decline to 1.5 per cent of GDP ($48.4 billion) in 2028-29.

5 For TIBs, the final repayment amount paid to investors includes an additional amount owing to inflation growth over the life of the security. This amount is not included in the calculation of face value.

Table 3.36: Liabilities and assets included in net debt

	Estimates		Projections	
	2018-19	2019-20	2020-21	2021-22
	$m	$m	$m	$m
Liabilities included in net debt				
Deposits held	381	381	381	381
Government securities(a)	586,341	600,639	601,594	604,241
Loans	16,615	16,569	16,883	17,166
Other borrowing	1,493	1,460	1,433	1,388
Total liabilities included in net debt	**604,830**	**619,049**	**620,291**	**623,176**
Assets included in net debt				
Cash and deposits	5,849	6,150	6,006	5,861
Advances paid	72,662	84,168	90,027	94,708
Investments, loans and placements	174,371	185,306	194,323	210,055
Total assets included in net debt	**252,882**	**275,624**	**290,356**	**310,624**
Net debt	**351,948**	**343,426**	**329,934**	**312,552**

(a) Government securities are presented at market value.

Changes in net debt since the 2018-19 Budget

Table 3.37 shows the drivers of the change in net debt between the 2018-19 Budget and the 2018-19 MYEFO.

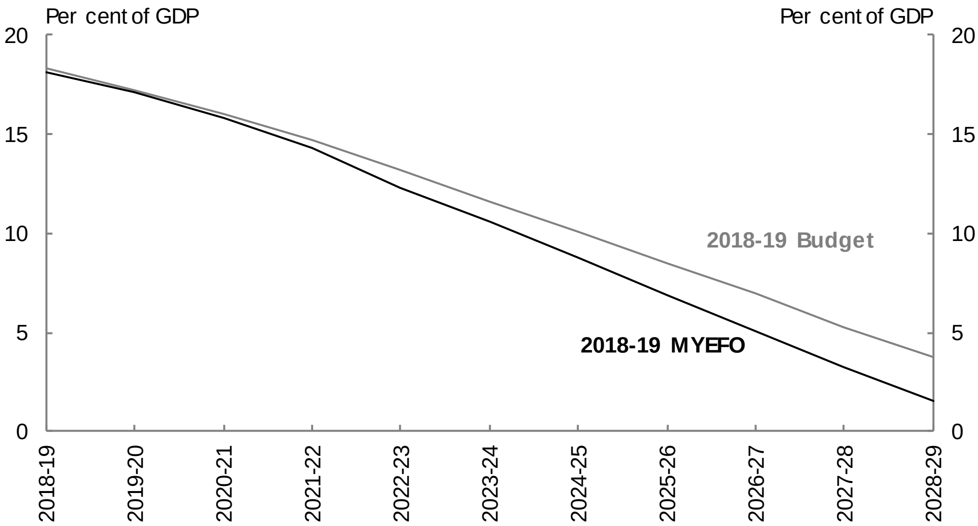
Compared with the 2018-19 Budget, net debt is estimated to slightly increase in 2018-19 but decrease in every other year of the forward estimates. This primarily reflects changes in the financing requirement as a result of improvements in the underlying cash balance, partly offset by a rise in the market value of CGS due to lower yields.

Table 3.37: Net Debt — reconciliation from the 2018-19 Budget to the 2018-19 MYEFO

	Estimates		Projections	
	2018-19	2019-20	2020-21	2021-22
	$b	$b	$b	$b
Net debt as at 2018-19 Budget	**349.9**	**344.0**	**334.3**	**319.3**
Changes in financing requirement	-20.5	-22.1	-3.6	-10.3
Impact of yields on CGS	12.4	11.9	11.3	10.4
Asset and other liability movements	10.2	9.6	-12.0	-6.8
Cash and deposits	*0.0*	*-1.2*	*-0.2*	*-0.6*
Advances paid	*0.4*	*-1.5*	*-22.0*	*-22.6*
Investments, loans and placements	*9.1*	*11.6*	*9.2*	*15.4*
Other movements	*0.6*	*0.7*	*0.9*	*1.1*
Total movements in net debt from 2018-19 Budget to 2018-19 MYEFO	**2.1**	**-0.6**	**-4.3**	**-6.7**
Net debt as at 2018-19 MYEFO	**351.9**	**343.4**	**329.9**	**312.6**

Chart 3.16 shows that net debt is projected to be 1.5 per cent of GDP ($48.4 billion) in 2028-29, compared to 3.8 per cent projected in 2028-29 at the time of the 2018-19 Budget.

Chart 3.16: Net debt projected to 2028-29



Note: The tax-to-GDP cap of 23.9 per cent is reached from 2025-26, a year earlier than at the 2018-19 Budget.
Source: Treasury projections.

Estimates and projections of CGS on issue

Table 3.38 contains projections of the face value (end-of-year and within-year peak)[6] and the market value (end-of-year) of CGS on issue.

The *Commonwealth Inscribed Stock Act 1911* (CIS Act) requires the Treasurer to issue a direction to the AOFM stipulating the maximum face value of relevant CGS that may be on issue.[7] As required by the *Charter of Budget Honesty Act 1998*, Table 3.38 reports projections of CGS on issue subject to the Treasurer's Direction.

When considering these projections, it is important to note that the AOFM publishes an issuance program for the budget year only. Projections beyond the budget year are based on a set of technical assumptions and will vary with changes to these assumptions and budget estimates and projections.

6 End-of-year values are estimates or projections of CGS on issue at 30 June for the particular year. The precise timing of within-year peaks of CGS on issue cannot be determined with a high degree of accuracy. The timing of the within-year peak is therefore reported to the given month in the particular year.

7 On 9 May 2017, the Treasurer directed that the maximum face value of CGS that can be on issue is $600 billion.

Table 3.38: Estimates and projections of CGS on issue subject to the Treasurer's Direction(a)

	Estimates		Projections	
	2018-19	2019-20	2020-21	2021-22
	$b	$b	$b	$b
Face value - end of year	542	558	563	567
Per cent of GDP	28.0	27.8	27.0	26.0
Face value - within-year peak(b)	545	573	582	582
Per cent of GDP(b)	28.1	28.6	27.9	26.7
Month of peak(b)	*Mar-19*	*Apr-20*	*Nov-20*	*Oct-21*
Market value - end of year(c)	586	600	602	604
Per cent of GDP	30.2	29.9	28.8	27.7

(a) The same stock and securities that were excluded from the previous legislative limit are excluded from the current limit set by the Treasurer's Direction. These exclusions are outlined in subsection 51JA(2A) of the CIS Act.
(b) The precise within-year timing of cash receipts and payments is not known. Projected peaks of CGS on issue are therefore subject to considerable uncertainty.
(c) The Treasurer's Direction applies only to the face value of CGS on issue. This table also shows the market value of CGS that are subject to the Treasurer's Direction. These figures will differ from the estimates and projections published in Appendix B: Australian Government Budget Financial Statements Table B2: Australian Government general government sector balance sheet that refer to total CGS on issue.
Source: AOFM.

The total amount of CGS on issue subject to the Treasurer's Direction is reported weekly on the AOFM website.

In 2018-19, the end-of-year face value of CGS on issue subject to the Treasurer's Direction is expected to be $542 billion (28.0 per cent of GDP), compared to $561 billion (29.5 per cent of GDP) at the time of the 2018-19 Budget. The end-of-year face value of CGS on issue subject to the Treasurer's Direction is expected to reach $567 billion (26.0 per cent of GDP) in 2021-22.

In 2018-19, the face value of CGS on issue subject to the Treasurer's Direction is expected to reach a within-year peak of $545 billion (28.1 per cent of GDP). In 2021-22, this is projected to rise to a within-year peak of $582 billion (26.7 per cent of GDP).

Changes in CGS on issue since the 2018-19 Budget

Table 3.39 shows the change in the projected end-of-year face value of CGS on issue subject to the Treasurer's Direction between the 2018-19 Budget and the 2018-19 MYEFO.

Table 3.39: Estimates and projections of CGS on issue subject to the Treasurer's Direction — reconciliation from the 2018-19 Budget to the 2018-19 MYEFO

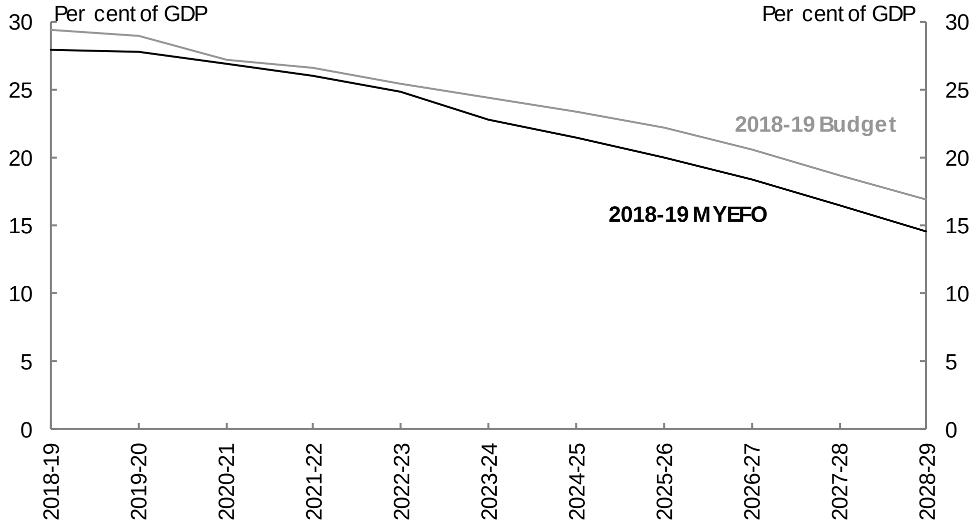
	Estimates		Projections	
	2018-19	2019-20	2020-21	2021-22
	$b	$b	$b	$b
Total face value of CGS on issue subject to the Treasurer's Direction as at 2018-19 Budget	**561**	**578**	**566**	**578**
Factors affecting the change in face value of CGS on issue from 2018-19 Budget to 2018-19 MYEFO(a)				
Cumulative receipts decisions	-0.6	-0.2	2.2	4.1
Cumulative receipts variations	-7.7	-9.9	-12.4	-14.2
Cumulative payment decisions	2.5	6.1	9.4	12.2
Cumulative payment variations	-3.8	-8.2	-12.8	-18.1
Cumulative change in net investments in financial assets(b)	-7.2	-6.1	15.9	11.4
Other contributors	-2.0	-2.1	-4.8	-6.1
Total face value of CGS on issue subject to the Treasurer's Direction as at 2018-19 MYEFO	**542**	**558**	**563**	**567**

(a) Cumulative impact of decisions and variations from 2018-19 to 2021-22. Increases to payments are shown as positive, and increases to receipts are shown as negative.
(b) Change in net cash flows from investments in policy and liquidity purposes.
Note: End of year data.

The total face value of CGS on issue is projected to fall to around 14.6 per cent of GDP ($455 billion) by 2028-29, compared to 17.0 per cent of GDP ($532 billion) at the 2018-19 Budget (Chart 3.17). By the end of the medium term, gross debt is now projected to be $77 billion lower than at the 2018-19 Budget. The reduction in the total face value of CGS across the medium term is largely driven by an improvement in the underlying cash balance, and its associated lower interest expense accumulating over the medium term. The improved outlook for gross debt means the Government is expected to remain within the $600 billion limit.

Further details on the changes to the underlying cash balance since the 2018-19 Budget can be found in *Part 3: Fiscal Strategy and Outlook*.

Chart 3.17: Face value of CGS on issue projected to 2028-29



Note: The tax-to-GDP cap of 23.9 per cent is reached from 2025-26, a year earlier than at the 2018-19 Budget.
Source: AOFM and Treasury projections.

Breakdown of CGS currently on issue

Table 3.40 provides a breakdown of the CGS on issue by type of security as at 10 December 2018.

Table 3.40: Breakdown of current CGS on issue

	On issue as at 10 December 2018	
	Face value	Market value
	$m	$m
Treasury Bonds(a)	498,760	533,315
Treasury Indexed Bonds(a)	36,077	46,096
Treasury Notes(a)	2,500	2,490
Total CGS subject to Treasurer's Direction(a)(b)	537,337	581,901
Other stock and securities	396	714
Total CGS on issue	**537,732**	**582,615**

(a) The Treasurer's Direction applies only to the face value of CGS on issue. This table also shows the market value of CGS that are subject to the Treasurer's Direction.
(b) The same stock and securities that were excluded from the previous legislative limit are excluded from the current limit set by the Treasurer's Direction. These exclusions, outlined in subsection 51JA(2A) of the CIS Act, are:
- stock and securities issued in relation to money borrowed under the *Loan (Temporary Revenue Deficits) Act 1953*;
- stock and securities loaned by the Treasurer under a securities lending arrangement under section 5BA of the *Loans Securities Act 1919*, or held by or on behalf of the Treasurer for the purpose of such an arrangement;
- stock and securities invested under subsection 58 of the *Public Governance, Performance and Accountability Act 2013*; and
- stock and securities on issue as at the start of 13 July 2008, other than Treasury Fixed Coupon Bonds.

Source: AOFM.

Treasury Bonds

Table 3.41 lists Treasury Bonds currently on issue, as well as the annual interest rate (the coupon) and the timing of coupon payments. As at 10 December 2018, there were 25 Treasury Bond lines on issue, with a weighted average term to maturity of around 7.6 years and the longest maturity extending to March 2047.

Since late 2010-11, the AOFM has incrementally lengthened the CGS yield curve. This increases the average maturity and duration profile of the AOFM's debt portfolio, thereby lowering variability in future debt servicing costs and reducing refinancing risk.

Table 3.41: Treasury Bonds on issue

Coupon Per cent	Maturity	On issue as at 10 December 2018 $m	Timing of interest payments(a)		
5.25	15-Mar-19	13,210	Twice yearly	15 Mar	15 Sep
2.75	21-Oct-19	14,932	Twice yearly	21 Oct	21 Apr
4.50	15-Apr-20	23,619	Twice yearly	15 Apr	15 Oct
1.75	21-Nov-20	25,451	Twice yearly	21 Nov	21 May
5.75	15-May-21	30,198	Twice yearly	15 May	15 Nov
2.00	21-Dec-21	17,800	Twice yearly	21 Dec	21 Jun
5.75	15-Jul-22	25,000	Twice yearly	15 Jul	15 Jan
2.25	21-Nov-22	16,500	Twice yearly	21 Nov	21 May
5.50	21-Apr-23	24,100	Twice yearly	21 Apr	21 Oct
2.75	21-Apr-24	25,500	Twice yearly	21 Apr	21 Oct
3.25	21-Apr-25	27,900	Twice yearly	21 Apr	21 Oct
4.25	21-Apr-26	32,400	Twice yearly	21 Apr	21 Oct
4.75	21-Apr-27	29,700	Twice yearly	21 Apr	21 Oct
2.75	21-Nov-27	28,000	Twice yearly	21 Nov	21 May
2.25	21-May-28	27,800	Twice yearly	21 May	21 Nov
2.75	21-Nov-28	25,600	Twice yearly	21 Nov	21 May
3.25	21-Apr-29	25,900	Twice yearly	21 Apr	21 Oct
2.75	21-Nov-29	18,100	Twice yearly	21 Nov	21 May
2.50	21-May-30	10,000	Twice yearly	21 May	21 Nov
4.50	21-Apr-33	13,900	Twice yearly	21 Apr	21 Oct
2.75	21-Jun-35	6,950	Twice yearly	21 Jun	21 Dec
3.75	21-Apr-37	11,600	Twice yearly	21 Apr	21 Oct
3.25	21-Jun-39	8,000	Twice yearly	21 Jun	21 Dec
2.75	21-May-41	3,600	Twice yearly	21 May	21 Nov
3.00	21-Mar-47	13,000	Twice yearly	21 Mar	21 Sep

(a) Where the timing of an interest payment falls on a non-business day, the payment will occur on the following business day.
Source: AOFM.

Treasury Indexed Bonds

Table 3.42 lists Treasury Indexed Bonds currently on issue, as well as the annual interest rate (the coupon) and the timing of coupon payments. As at 10 December 2018, there were 8 Treasury Indexed Bond lines on issue, with a weighted average term to maturity of around 10.9 years and the longest maturity extending to February 2050.

Table 3.42: Treasury Indexed Bonds on issue

Coupon Per cent	Maturity	On issue as at 10 December 2018 $m	Timing of interest payments(a)				
4.00	20-Aug-20	3,040	Quarterly	20 Aug	20 Nov	20 Feb	20 May
1.25	21-Feb-22	6,140	Quarterly	21 Feb	21 May	21 Aug	21 Nov
3.00	20-Sep-25	7,193	Quarterly	20 Sep	20 Dec	20 Mar	20 Jun
0.75	21-Nov-27	4,200	Quarterly	21 Nov	21 Feb	21 May	21 Aug
2.50	20-Sep-30	4,643	Quarterly	20 Sep	20 Dec	20 Mar	20 Jun
2.00	21-Aug-35	3,950	Quarterly	21 Aug	21 Nov	21 Feb	21 May
1.25	21-Aug-40	3,550	Quarterly	21 Aug	21 Nov	21 Feb	21 May
1.00	21-Feb-50	3,750	Quarterly	21 Feb	21 May	21 Aug	21 Nov

(a) Where the timing of an interest payment falls on a non-business day, the payment will occur on the following business day.
Source: AOFM.

Treasury Notes

Table 3.43 lists the Treasury Notes currently on issue. The face value of Treasury Notes on issue as at 10 December 2018 was $2.5 billion. Treasury Notes do not pay a coupon, but instead are issued at a discount to their face value.

Table 3.43: Treasury Notes on issue

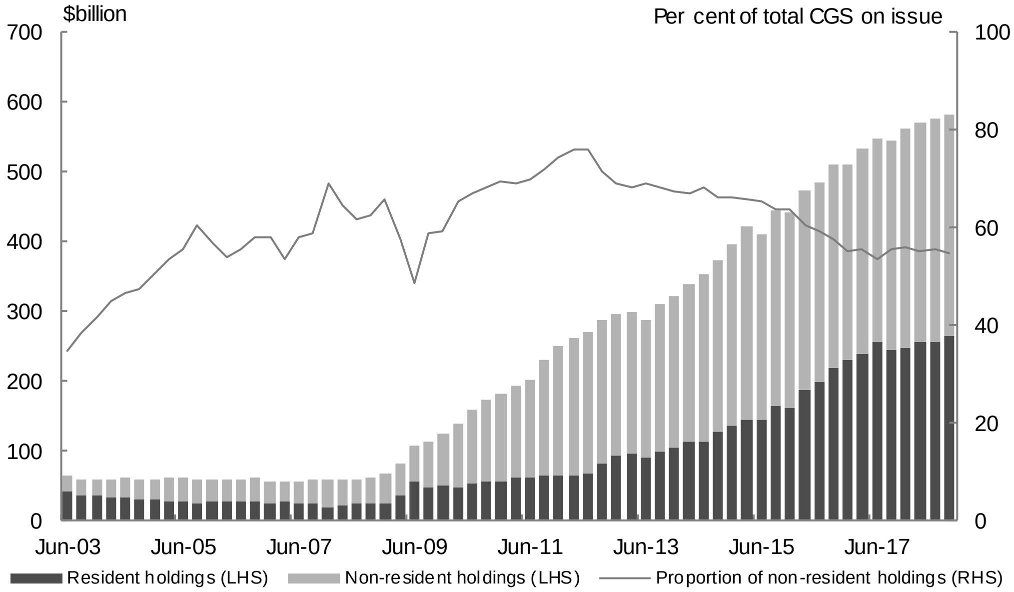
Maturity	On issue as at 10 December 2018 $m	Timing of interest payment	
22-Feb-19	2,000	At maturity	22-Feb
12-Apr-19	500	At maturity	12-Apr

Source: AOFM.

Non-resident holdings of CGS on issue

As at the September quarter 2018, the proportion of non-resident holdings of CGS was around 55 per cent (Chart 3.18). This proportion is down from historical highs of around 76 per cent in 2012.

Chart 3.18: Non-resident holdings of CGS



Note: Data refer to the market value of holdings.
Source: ABS cat. no. 5302.0 and AOFM.

Interest on CGS

The interest costs related to CGS are presented in these statements in both cash and accrual accounting terms. The difference between the cash interest payments and accrual interest expense generally relates to the timing of when the interest cost is recognised.

- **Interest payments** are recognised in the period when they are paid during the life of the security.

- **Interest expense** is recognised in the period in which an expense is incurred during the life of the security, rather when they are actually paid.

Estimates of the interest payments and interest expense of CGS on issue include the cost of CGS already on issue and future CGS issuance. The cost of:

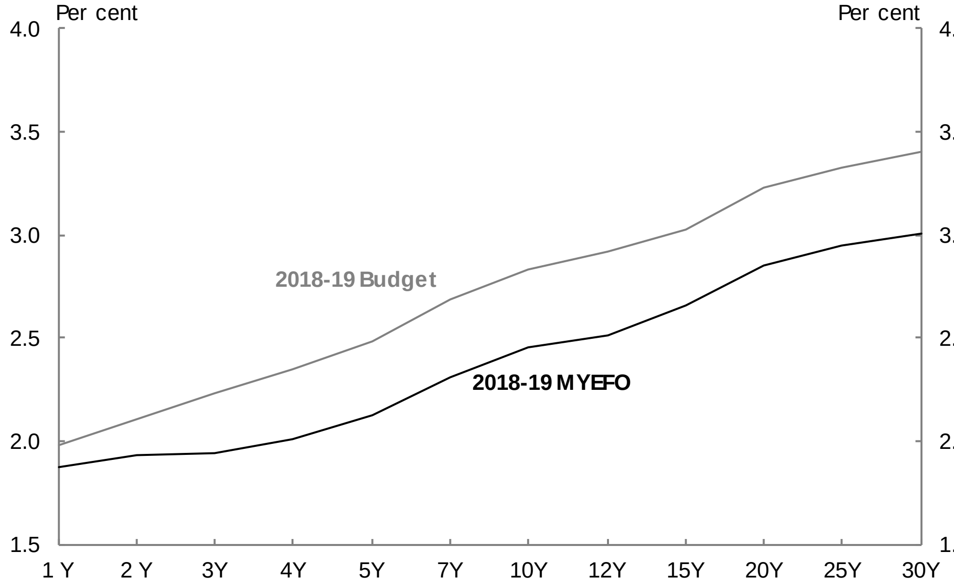
- CGS already on issue uses the actual interest rates incurred at the time of issuance; and

- the expected future issuance of CGS is based on the prevailing market rates across the yield curve at the time of a budget estimates update.

The assumed market yields at the 2018-19 MYEFO result in a weighted average cost of borrowing of around 2.5 per cent for future issuance of Treasury Bonds in the forward estimates period, compared with around 2.8 per cent at the 2018-19 Budget.

Chart 3.19 shows the yield curve assumptions underpinning the 2018-19 Budget and 2018-19 MYEFO.

Chart 3.19: Yield curve assumptions for 2018-19 to 2021-22



Source: AOFM.

The Government's total interest payments in 2018-19 are estimated to be $18.4 billion, of which $18.1 billion relates to CGS on issue (Table 3.44).

Table 3.44: Interest payments, interest receipts and net interest payments[(a)]

	Estimates		Projections	
	2018-19	2019-20	2020-21	2021-22
	$m	$m	$m	$m
Interest payments on CGS	18,147	16,640	17,099	16,456
Per cent of GDP	0.9	0.8	0.8	0.8
Interest payments	18,385	16,874	17,340	16,745
Per cent of GDP	0.9	0.8	0.8	0.8
Interest receipts	4,397	5,413	6,004	6,302
Per cent of GDP	0.2	0.3	0.3	0.3
Net interest payments(b)	13,988	11,461	11,336	10,443
Per cent of GDP	0.7	0.6	0.5	0.5

(a) Interest payments and interest receipts are a cash measure, with the relevant amount recognised in the period in which the interest payment is made or interest is received.
(b) Net interest payments are equal to the difference between interest payments and interest receipts.

The Government's total interest expense in 2018-19 is estimated to be $18.5 billion, of which $17.2 billion relates to CGS on issue. Table 3.45 shows the Government's estimated interest expense, interest expense on CGS, interest income and net interest expense over the forward estimates.

Table 3.45: Interest expense, interest income and net interest expense[(a)]

	Estimates		Projections	
	2018-19	2019-20	2020-21	2021-22
	$m	$m	$m	$m
Interest expense on CGS	17,215	17,484	17,237	17,022
Per cent of GDP	0.9	0.9	0.8	0.8
Interest expense	18,498	19,686	19,368	18,953
Per cent of GDP	1.0	1.0	0.9	0.9
Interest income	4,810	5,785	6,489	6,842
Per cent of GDP	0.2	0.3	0.3	0.3
Net interest expense(b)	13,688	13,901	12,880	12,111
Per cent of GDP	0.7	0.7	0.6	0.6

(a) Interest expense is an accrual measure, with the relevant amount recognised in the period in which the expense is incurred, but not necessarily paid.
(b) Net interest expense is equal to the difference between interest expenses and interest income.

Climate spending

The Government's climate spending is shown on an aggregated basis in Table 3.46.

Table 3.46: Climate spending from 2018-19 to 2021-22

	Estimates		Projections	
	2018-19	2019-20	2020-21	2021-22
	$b	$b	$b	$b
Climate spending(a)	1.95	1.55	1.30	1.25

(a) Spending in this table is on a headline cash balance basis; that is, it includes payments and net cash flows from investments in financial assets for policy purposes, as well as estimated interest receipts associated with Clean Energy Finance Corporation investments.

The key components of climate spending are:

- the Emissions Reduction Fund, which provides incentives to support abatement activities across the economy;
- the Clean Energy Finance Corporation, which invests in renewable energy, energy efficiency and low emissions technologies; and
- the Australian Renewable Energy Agency, which involves funding to support research and development of renewable energy and related technologies.

Impact of climate spending on debt

Climate spending is financed through either receipts or debt. This Statement assumes that the proportion of climate spending being financed through new debt (as opposed to receipts) is equivalent to the proportion of total spending financed by debt. This is shown in Table 3.47.

Table 3.47: Impact on debt — climate spending as a proportion of total spending

	Estimates		Projections	
	2018-19	2019-20	2020-21	2021-22
	$b	$b	$b	$b
Climate spending(a)	1.95	1.55	1.30	1.25
Total Spending(b)	500	513	524	545
Climate spending (per cent of total spending)	0.4	0.3	0.2	0.2
Change in face value of CGS from previous year(c)	10.4	16.2	4.8	4.1
Contribution to change in face value of CGS from climate spending	0.04	0.05	0.01	0.01

(a) The calculation of climate spending in this table is on a headline cash balance basis; that is, it includes payments and net cash flows from investments in financial assets for policy purposes, as well as estimated interest receipts associated with the Clean Energy Finance Corporation investments.
(b) The calculation of total spending in this table is on a headline cash balance basis; that is, it includes total payments and net cash flows from investments in financial assets for policy purposes.
(c) Calculations of the change in the face value of CGS are calculated using total CGS on issue.