



COMMONWEALTH GRANTS COMMISSION

DISCUSSION PAPER CGC 2002/38

SERVICES TO INDUSTRY

Prepared for discussion at the Commission's Staff Conference
November 2002

SEPTEMBER 2002

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INTRODUCTION

1. The Services to Industry group consists of four categories:

- (i) Primary Industry;
- (ii) Mining, Fuel and Energy;
- (iii) Tourism; and
- (iv) Manufacturing and Other Industry.

2. This paper presents arguments outlined in the States' 2004 Review submissions concerning methodological and technical aspects of the assessments for these categories. It also provides an overview of Commission staff responses to the submissions and proposals for the assessments for the 2004 Review.

3. In the 1999 Review, the Commission decided that much of the expense incurred by States on supporting industry was of an economic development nature (that is, promotion and research for private profit) and assessed it by the equal per capita (EPC) method. The proportion of such expenses in each category were:

- (i) Primary Industry 21.4 per cent;
- (ii) Mining, Fuel and Energy 32.3 per cent;
- (iii) Tourism 80.7 per cent; and
- (iv) Manufacturing and Other Industry 52.5 per cent.

4. The remaining expense in each category was assessed differentially. The administrative scale, input costs, dispersion, isolation and native title administration factors were derived by the general methods used for a number of other categories and are not discussed in this paper¹. Some categories, however, had specific factors assessed, and these are discussed in this paper. Details of the category specific factors are set out in Table 1.

GENERAL ASSESSMENT ISSUES

5. Two general assessment issues were raised by States in their submissions,. They were how the Commission should treat:

¹ Those common disability factors are discussed in *Discussion Paper CGC 2002/20, Input Costs; Discussion Paper CGC 2002/22, Dispersion; Discussion Paper CGC 2002/23, Administrative Scale; and Discussion Paper CGC 2002/43, Isolation.*

- (i) expenses aimed at developing and promoting industry — should they be assessed differentially; and
- (i) regulation expenses classified to the Services to Industry categories.

Table 1 CATEGORY SPECIFIC FACTORS, 2002 UPDATE

Category	Expense Component	Factor	Basis of Calculation
Primary Industry	Regulation Training and Research in the Public Interest	Economic environment	Based on per capita numbers of locations and value of production in agriculture and fishing industries, each weighted by 50 per cent.
	Soil Conservation	Physical environment	Average of sub-factors based on per capita actual land care related expenditure for the three years ended 1993-94 and per capita value of production in the agriculture, forestry and fishing industries, discounted to 50 per cent.
	Brucellosis Eradication	Brucellosis	Based on the average over the last five years of per capita actual and estimated expenditure on brucellosis eradication.
Mining, Fuel and Energy	Regulation Training and Research in the Public Interest	Economic environment	Based on per capita number of mining locations weighted by 60 per cent and per capita value of mining production weighted by 40 per cent.
Manufacturing and Other Industry	Regulation Training and Research in the Public Interest	Economic environment	Based on numbers of locations and value of production of all industries except agriculture, fisheries, mining, tourism, government administration and defence, ownership of all dwellings and general government – locations and output being each weighted 50 per cent.

EXPENSES RELATED TO ECONOMIC DEVELOPMENT

6. A substantial proportion of the expenditure classified to the Services to Industry categories under the 1999 Review method was subject to an EPC or ‘no needs’ assessment. In their submissions, some States have argued that this treatment was not symmetrical with the Commission’s revenue assessments where the benefits of State economic development initiatives were reflected in higher revenue raising capacities.

7. The Commission’s *Discussion Paper CGC 2002/6, Economic Development*, draws together the debate on this issue in the wider context, for all relevant expenditure and revenue assessments. Those issues are not covered in this paper but decisions made on them will flow through to the Services to Industry categories.

TREATMENT OF REGULATION EXPENSES

8. The other general issue for this group of categories concerns the treatment of expenses on industry regulation, and whether such expenses are affected by the administrative scale disability. If the proposal to abolish the Regulatory and Other Services category for the 2004 Review proceeds, higher levels of regulatory expenses may be assigned to the Services to Industry categories, potentially increasing the scale-affected expenses in each of those categories.

States Views

9. **Tasmania** argued that expenses relating to the regulation of the relevant industry are administration type expenses and should therefore be allocated to the scale-affected expenses components and assessed accordingly. It argued that the per capita cost of regulation was lower in a larger State than in a smaller State.

Issues and Options for Assessment

10. The key issues are

- (i) whether, if the States all provided the same level of service, regulation of industries would impose differential costs on the States; and if they did
- (ii) whether these costs would be mainly in the nature of fixed (head office type) costs.

11. In the 1999 Review, regulation expenses in the services to industry categories covered industry specific regulatory issues, including site inspections, occupational health and safety issues, environmental protection issues, and building construction standards.

12. If expenses relating to other functions in the Regulatory and Other Services category are allocated to these categories, the scope of regulatory functions will expand as the additional functions will cover more general economic and commercial matters².

13. In practice, the degree of regulation undertaken in the public interest appears to vary with the nature, size and structure of the industry being regulated. The more establishments there are in the industry, the greater the regulation expenses are likely to be. Regulation expenses could also depend on the distribution of establishments and be influenced by dispersion type expenses. In summary, costs relating to some aspects of regulation of industries could be variable rather than fixed.

² Such as regulation of monopolies and other restraints on trade and market entry, consumer interest and protection affairs, sales practices and price control, administration of crown land tenures, management of crown land reserves, and general environment protection programs covering pollution and air quality.

14. On the other hand, it is likely that States have to set up one or more regulatory bodies, depending on the mix of industries to be regulated. To do this, a minimum level of establishment costs would be incurred. If the functions which were in the Regulatory and Other Services category were redistributed among relevant categories as proposed, staff think it would be appropriate to increase the scale-affected components of the enlarged categories to reflect the minimum establishment costs of the extra services.

15. Subject to the outcome of the November Conference, staff propose to recommend that the scale-affected expenses component in Service to Industry categories be expanded to account for the establishment type costs associated with the services that were previously included in the Regulatory and Other Services category.

ISSUES FOR INDIVIDUAL CATEGORIES

16. The rest of this paper considers issues that have been raised in relation to the assessments in individual categories.

PRIMARY INDUSTRY

17. In the 1999 Review, the Primary Industry category covered expenses on the administration, regulation, planning, support and management of agriculture and fisheries services, brucellosis eradication (including expenses funded by the Commonwealth specific purpose payments for the eradication of Bovine Brucellosis and Tuberculosis) and soil conservation. More specifically, the category included expenses on:

- (i) grants, subsidies and other assistance for agricultural land clearing and reclamation;
- (ii) land settlement schemes such as grants, interest subsidies and other assistance for farm acquisition;
- (iii) programs of rural debt reconstruction, farm rehabilitation and retraining displaced farmers;
- (iv) provision of veterinary and pest control services;
- (v) services designed to stabilise or improve farm prices and farmers' incomes, such as price support and marketing schemes for unprocessed agricultural products;
- (vi) schemes to encourage or restrict output of particular primary products;
- (vii) subsidies to induce farmers to purchase and use fertilisers, improved seeds and so forth;

- (viii) eradication or control of pests, vermin, plant diseases and other destructive agents;
- (ix) provision of services, grants, subsidies and advances for agriculture water resources such as land irrigation, rural drainage and flood mitigation systems;
- (x) freshwater, ocean and coastal fishing and fish farming;
- (xi) fish hatcheries, stocking or culling activities, licensing of fishing and extension services;
- (xii) research into fish management related problems;
- (xiii) compensation for slaughtered beasts;
- (xiv) restocking and freight rebates and additional holding costs;
- (xv) the provision of advisory, technical and research services on soil conservation, erosion control and the reclamation of areas affected by soil degradation;
- (xvi) erosion control and reclamation works;
- (xvii) development and application of policies relating to the prevention of soil degradation; and
- (xviii) the rehabilitation of degraded areas.

18. Standard expenses in the category included those funded from Commonwealth specific purpose payments associated with the Bovine Brucellosis and Tuberculosis Eradication program, and the Farm Assistance Package for Central/NE South Australia.

19. However, expenses funded by other Commonwealth specific revenue payments were excluded from the category. These were:

- (i) Payments made under the National Heritage Trust of Australia — required by the terms of reference;
- (ii) Tasmanian Wheat Freight Subsidy — the payments were outside the scope of the equalisation budget;
- (iii) Exotic Diseases Eradication — the payments were minor and assessment was not warranted;
- (iv) War Service Land Settlement Scheme — the payments lay outside of the scope of the equalisation budget;

- (v) Great Artesian Basin Sustainability Initiative — the payments were minor and assessment was not warranted;
- (vi) Citrus Industry Market Diversification — States were acting as a Commonwealth agent under this program;
- (vii) Farm Business Improvement Program (FarmBis) — States were acting as a Commonwealth agent under this program; and
- (viii) Rural Adjustment Scheme — States were acting as a Commonwealth agent this program.

20. The assessment structure used in the 1999 Review is shown in Table 2.

Table 2 ASSESSMENT STRUCTURE FOR PRIMARY INDUSTRY, 1999 REVIEW

Expenses component	Component weight	Factors	Basis of calculation
	%		
Scale-affected expenses	3.41	Input costs	General method, with weights of 80% for wages, 2% for accommodation and 1% for electricity.
Regulation Training and Research in the Public Interest	64.19	Administrative scale	General method.
		Dispersion	General method, based on primary industry employment distribution.
		Economic environment	Based on per capita numbers of locations and value of production in agriculture and fishing industries, each weighted by 50%.
		Input costs	General method, with weights of 60% for wages, 2% for accommodation and 1% for electricity.
Research for Profit and Promotion	21.40	None	Equal per capita
Soil Conservation	9.10	Dispersion	General method, based on primary industry employment distributions.
		Input costs	Based on per capita numbers of locations and value of production in agriculture and fishing industries, each weighted by 50%.
		Physical environment	Average of sub-factors based on per capita actual land care related expenses for the three years ended 1993-94 and per capita value of production in the agriculture, forestry and fishing industries, discounted to 50 per cent.
Brucellosis Eradication	1.42	Brucellosis	Based on the average over the last five years of per capita actual and estimated expenses on brucellosis eradication.
Native Title Administration	0.05	Native Title Administration	Based on the additional costs to the States arising from the <i>Commonwealth Native Title Act 1993</i> (as amended).
Isolation	0.43	Isolation	General method.

21. User charges for this category were assessed differentially, using the economic environment factor employed in the gross expense assessment as measures of revenue raising capacities.

Assessment of a Disability for Salinity

22. In the 1999 Review, the physical environment factor accounted for the disabilities faced by States in providing soil conservation services to agriculture. It was calculated using the average of two sub-factors, based on:

- (i) land care related expenses incurred by broadacre and dairy producers in the three years ended 1993-94, derived from Australian Bureau of Agricultural and Resource Economics (ABARE) farm surveys and summarised in the 1996 ABARE research paper *Landcare Tax Provision: Deductions versus Alternative Instruments*; and
- (ii) the value of production in agriculture, forestry and fishing industries, derived from the annual ABS publication *Australian National Accounts, State Accounts, Main Tables*, (Cat. No. 5220.0).

23. However, because of data inadequacies, (that is, the data were not fully representative of soil conservation disabilities faced by State governments), the Commission discounted the combined factor by 50 per cent.

24. The derivation of the 2000-01 physical environment factors assessed in the 2002 Update is shown in Table 3.

25. **State views.** **Victoria** suggested that the prevalence and severity of salinity should be assessed in the soil conservation component, arguing that the 1999 Review approach ignored some major costs of salinity management. It said that actual annual levels of funding on all land care should be used to assess a physical environment factor.

26. **Western Australia** said that, generally, the extra efforts/contributions it made towards combating salinity were not adequately recognised or compensated in the Commission's assessments. It argued that the State funding shares under the National Action Plan for Salinity and Water Quality (NAPSWQ) should be used as the basis for calculating a physical environment factor in the soil conservation component.

27. **Issues and options for assessment.** Salinity is a growing and serious issue for a number of States and is relevant to the assessment. A key issue is how the Commonwealth payments under the NAPSWQ should be treated.

28. Commonwealth funds available under the NAPSWQ³ (\$700 million over 7 years) are earmarked for distribution to the States on the basis of need — measured by the water control and salinity problems faced by each State. The plan includes a focus on:

³ Some information on NAPSWQ can be accessed on the Internet at the following site:

- (i) achieving nationally agreed outcomes on preventing, stabilising and reversing trends in salinity and quality;
- (ii) development of standards on salinity, water quality and water flows; and
- (iii) basing catchment/regional plans on scientific analysis.

Table 3 CALCULATION OF THE 2000-01 PHYSICAL ENVIRONMENT FACTOR FOR PRIMARY INDUSTRY, 2002 UPDATE

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Aust
Land care related expenses									
1991-92 (\$m) ^(a)	31.3	16.7	23.4	15.4	3.5	1.4	0.1	1.4	93.2
1992-93 (\$m) ^(a)	39.5	21.5	25.0	13.1	7.1	1.3	0.1	1.0	108.6
1993-94 (\$m) ^(a)	36.1	18.1	11.0	23.2	3.9	0.8	0.0	1.2	94.3
Aggregate land care related expenses over 3 years (\$m)	106.8	56.3	59.4	51.7	14.6	3.5	0.2	3.7	296.1
Total mean resident population for same 3 years (millions)	17.976	13.386	9.260	5.019	4.379	1.412	0.888	0.509	52.829
Per capita land care related expenses (\$)	5.94	4.20	6.41	10.30	3.32	2.47	0.22	7.26	5.61
Land care expenses sub-factor ^(b)	1.06018	0.74976	1.14429	1.83843	0.59297	0.44080	0.03872	1.29459	1.00000
Value of production (Agriculture, forestry, fishing) 2000-01 (\$m)	5 332	5 248	4 659	2 763	1 862	684	15	293	20 856
Per capita value of production (\$)	820.36	1 093.49	1 295.14	1 456.16	1 241.37	1 454.78	47.99	1 491.50	1 082.15
Value of production sub-factor	0.75809	1.01048	1.19682	1.34562	1.14714	1.34435	0.04435	1.37828	1.00000
Average of two sub-factors	0.90914	0.88012	1.17055	1.59202	0.87005	0.89257	0.04154	1.33643	1.00000
Physical environment factors (ave. factor discounted by 50%)	0.95457	0.94006	1.08528	1.29601	0.93503	0.94629	0.52077	1.16822	1.00000

(a) Based on ABARE farm survey data – estimated expenses for the ACT and actual survey expenses for all other States.

29. The Commission has not yet received details from the Commonwealth on the criteria it uses to allocate the funds among the States. As a result, we are not yet aware of whether it aligns with a Commission assessment of relative needs. In the absence of such knowledge, staff are inclined to treat the Commonwealth payments by inclusion.

30. On other matters, and subject to discussion at the November Conference, staff are inclined to recommend to the Commission that it consider:

- (i) dissecting the soil conservation component into ‘Soil Salinity’ and ‘Soil Conservation-Other’ if data indicate that expenses on the latter are material and, if non-salinity related expenses were not material, assessing the entire component as if it were salinity related expenses;
- (ii) whether the bases of the Commonwealth allocation of the notional NAPSWQ SPPs (once it is known) could be used as an indicator of needs for the Soil Salinity component (or for the whole of conservation expenses if it is not dissected); and
- (iii) basing the assessment of any ‘Soil Conservation-Other’ component on the average of two sub-factors — per capita actual landcare expenses for 1998-99 and later years, and the per capita values of production — each discounted by 50 per cent.

Treatment of Forestry Operations

31. ***State views.*** **Victoria** argued that forestry plantations were a commercial activity and should therefore be assessed in the same way as other commercial activities such as the supply of electricity, gas and water. It proposed that the Commission either assess forestry operations on a net basis (offsetting costs against revenue), or exclude forestry operations from differential assessments.

32. In the 1999 Review, the net impact of forestry operations on the general government sector was included in the Concessions and Other Payments — Other Public Trading Enterprises category, and was assessed on an EPC basis. Under the proposals for the structure of the standard budget for the 2004 Review, any net impact of forestry would be included in the Primary Industry category. However, the reclassification will not change the nature of any expenses included in the standard budget. Staff are inclined to recommend that net expenses on supporting forestry operations are like economic development expenses, and should be assessed in a similar way.

A More Segmented Approach to the Economic Environment Assessment

33. ***State views.*** **Victoria** suggested that a more segmented approach (which allows the possibility of different needs being assessed for each industry segment) be used for the assessment of the economic environment factor. Table 4 sets out the calculation of the 2000-01 economic environment factors for Primary Industry.

34. ***Issues and options for assessment.*** Victoria has not yet produced any evidence to support its argument that there are differences between States in the costs of providing support services to different primary industries, such as viticulture and aquaculture. Supporting data or information in this regard would greatly assist consideration of the issue further. At this stage, staff think that cost differences between the States in providing support services to different primary industries are unlikely to be substantial, and propose to recommend that segmentation of the assessment not be pursued.

Table 4 PRIMARY INDUSTRY, 2000-01 CALCULATION OF ECONOMIC ENVIRONMENT FACTORS, 2002 UPDATE

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Aust
Number of locations	45 014	36 773	32 952	14 514	15 853	5000	120	449	150 675
Per capita number of locations	0.00693	0.00766	0.00916	0.00765	0.01057	0.01063	0.00038	0.00229	0.00782
Locations sub-factor ^(a)	0.88586	0.98006	1.17168	0.97840	1.35188	1.36024	0.04911	0.29235	1.00000
Value of production (\$m)	5 332	5 248	4 659	2 763	1 862	684	15	293	20 856
Per capita value of production (\$)	820.36	1 093.49	1 295.14	1 456.16	1 241.37	1 454.78	47.99	1 491.50	1 082.15
Value of production sub-factor ^(b)	0.75809	1.01048	1.19682	1.34562	1.14714	1.34435	0.04435	1.37828	1.00000
Economic environment factors ^(c)	0.82198	0.99527	1.18425	1.16201	1.24951	1.35229	0.04673	0.83532	1.00000

(c) = 0.5 * (a) + 0.5 * (b)

MINING, FUEL AND ENERGY

35. In the 1999 Review, the Mining, Fuel and Energy category covered expenses on the administration, regulation, planning and support services in the areas of mining, fuel and energy affairs concerning coal, oil, natural gas, liquefied petroleum gases and refinery gases, electricity and nuclear energy research. More specifically, the category included expenses on:

- (i) activities relating to prospecting, mining and mineral resources development, in addition to metal bearing minerals; and
- (ii) advances and bounties to foster mineral developments and production; and price control, research, dissemination of information, measures designed to reduce consumption or increase production of mineral products and support in the form of advances, grants, or subsidies.

36. The category excluded expenses funded by specific purpose payments associated with the Commonwealth Electricity Grid Infrastructure Program — because the payments were minor and assessment was not warranted; and the Regional Minerals Program — because the payments were minor and assessment was not warranted.

37. The assessment used in the 1999 Review is shown in Table 5.

38. The proportions of expenses affected by administrative scale, isolation, land rights and native title administration, which were assessed by the general method, were estimated using the general approaches adopted in the assessment of those disabilities. Based on expense information provided by States, 60 per cent of the remaining expenses were attributed to the Regulation, Training and Research in the Public Interest (RTRPI)

component and assessed differentially. The other 40 per cent was assessed equal per capita in the Research for Private Profit and Promotion (RPPP) component.

Table 5 ASSESSMENT STRUCTURE FOR MINING, FUEL AND ENERGY, 1999 REVIEW

Expenses component	Component weight	Factors	Basis of calculation
Scale-affected expenses	16.53	Input costs	General method, with weights of 80% for wage, 2% for accommodation and 1% for electricity.
		Administrative scale	General method.
Regulation, training and research in the public interest	48.44	Dispersion	General method, based on mining employment distribution.
		Economic environment	Based on per capita number of mining locations weighted by 60% and per capita value of mining production weighted by 40%.
		Input costs	General method, with weights of 60% for wages, 2% for accommodation and 1% for electricity.
Research for profit and promotion	32.30	None	Equal per capita.
Land rights	0.26	Land rights	Based on the additional costs in the Northern Territory arising from the Commonwealth <i>Aboriginal Land Rights (Northern Territory) Act 1976</i> .
Isolation	0.84	Isolation	General method.
Native title administration	1.63	Native title administration	The additional costs of administering the Commonwealth legislation associated with the <i>Native Title Act (as amended 1998)</i> assessed using expenses in the three years 1996-97 to 1998-99.

Economic Environment

39. In the 1999 Review and subsequent updates, economic environment was the key disability assessed in the RTRPI component of Mining Fuel and Energy. It was based on the calculation of two sub-factors — one based on the per capita number of mining industry establishments in each State, and the other on the per capita value of mining production in each State.

40. The Commission considered that cost disabilities faced by States in regulating, providing training and undertaking research in the public interest, were more influenced by the numbers of mining establishments than by the contributions the mining industry made to State economic output. The economic environment factor was calculated by weighting the mining establishments sub-factor by 60 per cent, and the mining value of production sub-factor by 40 per cent, and adding the results.

41. Table 6 sets out the calculation of the 2000-01 factors.

Table 6 MINING FUEL AND ENERGY, CALCULATION OF ECONOMIC ENVIRONMENT FACTORS, 2000-01

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Aust
Number of locations	829	429	830	1 253	222	82	10	120	3775
Per capita number of locations	0.00013	0.00009	0.00023	0.00066	0.00015	0.00017	0.00003	0.00061	0.00020
Locations sub-factor ^(a)	0.65118	0.45636	1.17795	3.37137	0.75562	0.89040	0.16334	3.11864	1.00000
Value of production (\$m)	3 148	2 745	5 845	15 449	978	217	2	2 620	31 004
Per capita value of production (\$)	484	572	1 625	8 142	652	462	6	13 337	1 609
Value of production sub-factor ^(b)	0.30108	0.35554	1.01003	5.06122	0.40531	0.28690	0.00398	8.29058	1.00000
Economic environment factors ^(c)	0.51114	0.41603	1.11078	4.04731	0.61550	0.64900	0.09959	5.18742	1.00000

(c)= 0.6 * (a) + 0.4 * (b)

Extra Needs for Underground Mining

42. **State views.** **Tasmania** submitted that the extra costs associated with services to underground mining be incorporated into the assessment. It argued that underground mining was one of the most dangerous mining activities and required a higher level of expenses on safety, regulation, training and research in the public interest.

43. **Issues and options for assessment.** Dissection of data on the number of mining establishments and the value of production into underground and open cut mines would be necessary for all States. Inquiries indicate that the necessary data are not available from the ABS.

44. The Mining, Fuel and Energy category is not large and, coupled with the absence of data and the expectation that the effect on relativities would not be material, Commission staff are inclined to recommend that this refinement not be undertaken. However, this is subject to discussion at the November Conference.

NATIONAL CAPITAL ASSESSMENTS

Primary Industry

45. *State views.* The ACT argued that the Commission should assess a national capital factor in Primary Industry to recognise the extra costs of adhering to the National Capital Plan (NCP) for forestry operations.

46. *Issues and options for assessment.* Staff are inclined to agree that the special requirements imposed by the Commonwealth on the ACT's forestry management — such as proximity of plantations to urban populations — under the National Capital Plan and the high level of recreational use of forest areas add to the costs of services provided to the forestry industry by the ACT. Subject to the outcome of the November Conference, they are inclined to recommend that a national capital allowance be assessed in Primary Industry for the 2004 Review.

Tourism

47. *States views.* The ACT proposed that the Commission assess a National Capital allowance of \$5.7 million to recognise the impact of Commonwealth regulations and obligations imposed on the Canberra Tourism and Events Corporation (CTEC) regarding the staging of events within the Parliamentary triangle.

48. *Issues and options for assessment.* The issue is whether the Commission should consider an unavoidable expense is incurred by the ACT government because events are staged within the Parliamentary triangle. Commission staff think that the events are the results of the ACT Government's policy decisions and are commercially motivated. As such, they may be seen as economic development expenses which are discussed in Discussion Paper CGC 2002/6.

49. At present, similar promotional expenses incurred by the States are assessed equal per capita. Subject to the outcome of discussions on the treatment of economic development expenses, staff propose to recommend to the Commission that the ACT's claim for a national capital allowance for expenses incurred by CTEC not be assessed differentially.

DATA

50. Staff seek the assistance of States to secure data which:

- (i) disaggregates expenses in each category into relevant components;
and

- (ii) identifies the numbers of agricultural, mining and manufacturing establishments in each State.

51. The issue with the data on the number of establishments is that prior to 2001, the data were obtained from the ABS business register. However, in 2001 the ABS changed the basis of its data to reflect information obtained from business activity statements. The new data represent single businesses entities for tax purposes. Multi-location entities within a State or across States are counted as a single business. As a result, the number of locations or establishments in an industry, in each State, is no longer available from the ABS.

52. Staff have endeavoured to find alternative data for each of these categories but have not yet been successful. If States are unable to provide alternative data, it may be necessary to estimate the numbers of commercial fisheries establishments based on the new business entity counts and the old data. State comments on this possibility are sought.

53. Details of the data requirements for each category will be sent to States in the near future.