

GOVERNMENT TRADING ENTERPRISES

PERFORMANCE INDICATORS

1992–93 TO 1996–97

**STEERING COMMITTEE ON NATIONAL PERFORMANCE
MONITORING OF GOVERNMENT TRADING ENTERPRISES**

APRIL 1998

ISSN 1327 - 1822

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**Steering Committee on National Performance
Monitoring of Government
Trading Enterprises**

This is the sixth annual report in the series. It covers the period 1992–93 to 1996–97. This data volume of the Steering Committee's 1998 annual report is being published separately this year. The main report will be released at a later date.

Financial and non-financial indicators of performance for each GTE, together with each participating GTE's commentary on its own performance are provided in this report. The suite of indicators reported is similar to that published in previous years.

This publication was compiled by the Secretariat under the direction of the Steering Committee on National Performance Monitoring of Government Trading Enterprises. The Steering Committee, with members from the State and Territory Governments, thank all those involved in its preparation, particularly those in the GTE's that furnished the information.

Gary Banks
Acting Chairman

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DELTA ELECTRICITY (continued)

<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
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DELTA ELECTRICITY**New South Wales****Comments on own performance**

In March 1996, Delta Electricity commenced business as a new state owned corporation, operating as a generator in the new competitive State Electricity Market. Its legislative objective is to be a successful generator and provide competitively priced electricity in a safe, efficient and environmentally responsible manner.

Delta Electricity comprises four power stations with a total capacity of 4240 MW and has a work force of around 1100 people. Mt. Piper, the newest coal fired power station in the State, and the recently refurbished Wallerawang, are located in the Central West region of New South Wales near Lithgow. Vales Point and Munmorah power stations are located on the Central coast. The Corporation's portfolio of generators produced approximately 33 per cent of electricity supply in 1996–97.

Delta Electricity has embraced the competitive environment for the electricity industry and has established a vision to be the supplier of first choice in the electricity market. The commencement of a National Electricity Market in 1997 is regarded as an opportunity to realise this vision, to be achieved through strategic alliances with customers and major suppliers plus financial and risk management strategies.

Delta Electricity is committed to the development of the regions in which it operates and will contribute to regional development through its high standard of environmental performance and enhanced economic activity through its commercial success.

DELTA ELECTRICITY (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
Financial Ratios (1,2)						
Return on assets (3)	%	n.r.	n.r.	n.r.	3.3	12.5
Return on operating assets (3)	%	n.r.	n.r.	n.r.	3.3	12.9
Operating sales margin	%	n.r.	n.r.	n.r.	22.1	25.3
Return on equity (3)	%	n.r.	n.r.	n.r.	2.8	3.0
Dividend to equity ratio (3)	%	n.r.	n.r.	n.r.	2.1	25.3
Dividend payout ratio	%	n.r.	n.r.	n.r.	76.6	849.6
Debt to equity	%	n.r.	n.r.	n.r.	98.2	73.4
Total liabilities to equity	%	n.r.	n.r.	n.r.	119.2	110.2
Current ratio	%	n.r.	n.r.	n.r.	279.3	81.5
Interest cover	%	n.r.	n.r.	n.r.	247.3	338.0
Cost recovery ratio	%	n.r.	n.r.	n.r.	128.4	100.0
Operational performance (3)	%	n.r.	n.r.	n.r.	3.3	0.0
Non-financial Ratios						
GENERAL						
Economic Factors						
Total factor productivity	Index	n.r.	n.r.	n.r.	n.p.	n.p.
Economic rate of return	%	n.r.	n.r.	n.r.	n.p.	n.p.
Efficiency						
Total days lost:						
- industrial disputes	%	n.r.	n.r.	n.r.	n.p.	n.p.
- sick leave	%	n.r.	n.r.	n.r.	n.p.	n.p.
- industrial accidents	%	n.r.	n.r.	n.r.	n.p.	n.p.
- all	%	n.r.	n.r.	n.r.	n.p.	n.p.
Size						
Total assets	\$M	n.r.	n.r.	n.r.	1 481	1 495
Total revenue	\$M	n.r.	n.r.	n.r.	220	701
System maximum demand	MW	n.r.	n.r.	n.r.	n.p.	n.p.
Average total employment	No	n.r.	n.r.	n.r.	1 248	1 091
Service area	Sq km	n.r.	n.r.	n.r.	n.p.	n.p.
Safety						
Lost time injury frequency rate	No/Mil.Hrs	n.r.	n.r.	n.r.	n.p.	n.p.

DELTA ELECTRICITY (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
GENERATION						
<i>Efficiency</i>						
Load factor	%	n.r.	n.r.	n.r.	n.p.	n.p.
Capacity factor:	%	n.r.	n.r.	n.r.	n.p.	n.p.
Reserve plant margin:	%	n.r.	n.r.	n.r.	n.p.	n.p.
Equivalent available factor	%	n.r.	n.r.	n.r.	n.p.	n.p.
Labour productivity (excluding construction & mine employees)	GWh/Emp	n.r.	n.r.	n.r.	n.p.	n.p.
Thermal efficiency	%	n.r.	n.r.	n.r.	n.p.	n.p.
<i>Service Quality</i>						
Equivalent forced outage factor	%	n.r.	n.r.	n.r.	n.p.	n.p.
Planned outage factor	%	n.r.	n.r.	n.r.	n.p.	n.p.
<i>Size</i>						
Total physical output generated	GWh	n.r.	n.r.	n.r.	n.p.	n.p.
Generating plant capacity	MW	n.r.	n.r.	n.r.	n.p.	n.p.
Changes in generating plant capacity						
- plant added	MW	n.r.	n.r.	n.r.	n.p.	n.p.
- plant decommissioned	MW	n.r.	n.r.	n.r.	n.p.	n.p.
- plant in dry storage	MW	n.r.	n.r.	n.r.	n.p.	n.p.
<i>Cost & Revenue Measures</i>						
Operation and maintenance costs:						
- excluding fixed costs:						
- - excluding fuel cost	\$/MWh	n.r.	n.r.	n.r.	n.p.	n.p.
- - including fuel cost	\$/MWh	n.r.	n.r.	n.r.	n.p.	n.p.
- including fixed costs:						
- - excluding fuel cost	\$/MWh	n.r.	n.r.	n.r.	n.p.	n.p.
- - including fuel cost	\$/MWh	n.r.	n.r.	n.r.	n.p.	n.p.
<i>Environmental Indicators</i>						
CO ₂ emissions	kg/MWh	n.r.	n.r.	n.r.	n.p.	n.p.
Particulate emissions	kg/MWh	n.r.	n.r.	n.r.	n.p.	n.p.
NO _x emissions	kg/MWh	n.r.	n.r.	n.r.	n.p.	n.p.

DELTA ELECTRICITY (continued)

NOTES TO INDICATORS FOR DELTA ELECTRICITY

Key: n.p. - not provided; n.r. - not relevant.

- 1) Assets are valued at cost on transfer.
- 2) Delta Electricity commenced operations on 1 March 1996. Figure reported is the annualised result for the four months to 30 June 1996.
- 3) Delta Electricity is liable for all taxes including income tax equivalents being paid directly to the NSW Government under its tax equivalents regime.

MACQUARIE GENERATION

New South Wales

Comments on own performance

Macquarie Generation's aim is to be the leading electricity generator in the competitive National Electricity Market.

The Corporation owns and operates two major coal-fired power stations. Bayswater and Liddell Power Stations are located near the township of Muswellbrook in the upper Hunter Valley of New South Wales. The Hunter Valley is well known for its plentiful supply of black coal, and our power stations source their supplies from local mines.

Bayswater and Liddell both operated at high levels of efficiency, reliability and safety during 1996–97. Bayswater achieved record energy output and reliability in the last year and, with its high thermal efficiency, operated at base load in comparison to Liddell which operated in a planned intermediate role. Their combined operation ensure the most cost effective and reliable electricity supply to customers. Plant availability for the 12 month period exceeded 94 per cent for both power stations.

The two stations have a combined generating capacity of 4640 MW, making Macquarie Generation the largest electricity generator in the competitive first stage of the National Electricity Market.

The first stage of the National Electricity Market started in May 1997, opening up competition by allowing transfer of electricity between New South Wales and Victoria. The second stage of the market will commence when transmission interconnections to South Australia and Queensland have been built.

The performance of Macquarie Generation in the first stage of the market indicates that it is well positioned to continue to be a competitive force as the market further develops and opens to broader competition in the future.

Macquarie Generation's share of the New South Wales market over the 12 months period was 40 per cent, and takes into account the transfer of energy between New South Wales and Victoria for the months of May and June.

Health, safety and the environment have been priorities for Macquarie Generation. The Board has approved an environmental policy promoting very high standards of leadership. An Executive Safety Committee and local safety committees have been established and safety outcomes are regularly reviewed at all levels.

Macquarie Generation performed well in 1996–97, establishing a strong identity and market position as well as controlling costs below budget levels. These pleasing results are reflected in our Annual Report and the following financial indicators.

MACQUARIE GENERATION(continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1)						
Return on assets (2)	%	n.r.	n.r.	n.r.	3.6	11.9
Return on operating assets (2)	%	n.r.	n.r.	n.r.	3.7	11.9
Operating sales margin	%	n.r.	n.r.	n.r.	28.9	30.9
Return on equity (2)	%	n.r.	n.r.	n.r.	3.5	12.0
Dividend to equity ratio (2)	%	n.r.	n.r.	n.r.	2.7	13.5
Dividend payout ratio (2)	%	n.r.	n.r.	n.r.	76.6	112.4
Debt to equity	%	n.r.	n.r.	n.r.	149.5	108.4
Total liabilities to equity	%	n.r.	n.r.	n.r.	171.1	144.4
Current ratio	%	n.r.	n.r.	n.r.	100.9	43.8
Interest cover	%	n.r.	n.r.	n.r.	224.4	282.8
Cost recovery ratio	%	n.r.	n.r.	n.r.	139.5	144.2
Operational performance (2)	%	n.r.	n.r.	n.r.	3.6	11.7
Non-financial Ratios						
GENERAL						
Economic Factors						
Total factor productivity	Index	n.r.	n.r.	n.r.	n.p.	n.p.
Economic rate of return	%	n.r.	n.r.	n.r.	n.p.	n.p.
Efficiency						
Total days lost:						
- industrial disputes	%	n.r.	n.r.	n.r.	n.p.	0.02
- sick leave	%	n.r.	n.r.	n.r.	n.p.	1.78
- industrial accidents	No	n.r.	n.r.	n.r.	n.p.	23
- all	%	n.r.	n.r.	n.r.	n.p.	n.p.
Size						
Total assets	\$M	n.r.	n.r.	n.r.	2 518	2 260
Total revenue	\$M	n.r.	n.r.	n.r.	311	866
System maximum demand	MW	n.r.	n.r.	n.r.	n.p.	n.p.
Average total employment	No	n.r.	n.r.	n.r.	826	799
Service area	Sq km	n.r.	n.r.	n.r.	n.p.	n.p.
Safety						
Lost time injury frequency rate	No/Mil.Hrs	n.r.	n.r.	n.r.	n.p.	12.4

MACQUARIE GENERATION(continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
GENERATION						
<i>Efficiency</i>						
Load factor	%	n.r.	n.r.	n.r.	n.p.	78.53
Capacity factor:	%	n.r.	n.r.	n.r.	n.p.	60.42
Reserve plant margin:	%	n.r.	n.r.	n.r.	n.p.	17.10
Equivalent available factor	%	n.r.	n.r.	n.r.	n.p.	94.81
Labour productivity (excluding construction & mine employees)	GWh/Emp	n.r.	n.r.	n.r.	n.p.	30.73
Thermal efficiency	%	n.r.	n.r.	n.r.	n.p.	35.07
<i>Service Quality</i>						
Equivalent forced outage factor	%	n.r.	n.r.	n.r.	n.p.	1.11
Planned outage factor	%	n.r.	n.r.	n.r.	n.p.	4.09
<i>Size</i>						
Total physical output generated	GWh	n.r.	n.r.	n.r.	n.p.	24556.9
Generating plant capacity	MW	n.r.	n.r.	n.r.	n.p.	4640
Changes in generating plant capacity						
- plant added	MW	n.r.	n.r.	n.r.	n.p.	n.p.
- plant decommissioned	MW	n.r.	n.r.	n.r.	n.p.	n.p.
- plant in dry storage	MW	n.r.	n.r.	n.r.	n.p.	n.p.
<i>Cost & Revenue Measures</i>						
Operation and maintenance costs:						
- excluding fixed costs:						
- - excluding fuel cost	\$/MWh	n.r.	n.r.	n.r.	n.p.	n.p.
- - including fuel cost	\$/MWh	n.r.	n.r.	n.r.	n.p.	14.02
- including fixed costs:						
- - excluding fuel cost	\$/MWh	n.r.	n.r.	n.r.	n.p.	7.06
- - including fuel cost	\$/MWh	n.r.	n.r.	n.r.	n.p.	21.07
<i>Environmental Indicators</i>						
CO ₂ emissions	kg/MWh	n.r.	n.r.	n.r.	n.p.	931.1
Particulate emissions	kg/MWh	n.r.	n.r.	n.r.	n.p.	0.034
NO _x emissions	kg/MWh	n.r.	n.r.	n.r.	n.p.	1.63

MACQUARIE GENERATION (continued)

NOTES TO INDICATORS FOR MACQUARIE GENERATION

Key: n.p. - not provided; n.r. - not relevant.

- 1) Macquarie Generation provided a community service obligation (CSO) in the form of Targeted Industry Development Incentive Scheme rebate and loss on sale of electricity to Northern Rivers. This CSO cost \$2.45 million and was funded internally.
- 2) Macquarie Generation commenced operations on 1 March 1996. Figure reported is the annualised result for the four months to 30 June 1996.

PACIFIC POWER

New South Wales

Comments on own performance

Pacific Power has made a successful transition into the National Electricity Market.

Pacific Power's business is the provision of integrated energy services in Australia and internationally. Four separate, but inter-related businesses, form the core of Pacific Power's future: Pacific Power International, an existing portfolio of Eraring and Hydro generation, the development of alternative sources of renewable energy, and domestic and international coal business through Powercoal.

Financial performance

The Pacific Power entity achieved an operating result of \$551.7 million in 1996-97, and will make a \$13.3 million income tax equivalent payment and a \$219.9 million dividend payment to the New South Wales Government.

The operating result includes \$400 million abnormal profit resulting from the Government's decision to assume Pacific Power's unfunded superannuation liability. No dividend and tax equivalent payments were made on this notional increase in profit.

Return on assets and return on equity after excluding abnormal items were 9.6 per cent and 8.4 per cent respectively.

Non-financial performance

Pacific Power has demonstrated its strength and capacity to succeed in the energy services market. Pacific Power is the only energy company in Australia with the capacity to manage the creation of a major new coal or gas fired power station from initial concept through design and construction to operation and ongoing maintenance drawing solely on in-house resources.

Pacific Power International has continued its pursuit of opportunities both domestically and overseas. A major contract was won in Vietnam and promising progress was made on a number of projects in India and China.

Eraring Power Station demonstrated its efficiency by posting a world record for the continuous operation of a coal-fired power station of 674 days in December 1996.

PACIFIC POWER (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
Financial Ratios (1–6)						
Return on assets	%	12.5	11.8	8.9	14.1	9.6
Return on operating assets	%	12.6	12.3	8.9	14.5	9.9
Operating sales margin	%	37.9	41.1	27.7	30.8	22.5
Return on equity	%	10.1	9.9	6.8	13.2	8.4
Dividend to equity ratio	%	7.2	6.5	8.1	12.9	22.8
Dividend payout ratio	%	71.1	65.7	118.9	97.1	271.7
Debt to equity	%	99.1	61.5	57.9	59.2	65.5
Total liabilities to equity	%	142.1	91.5	101.7	192.7	106.6
Current ratio	%	106.5	105.0	90.6	77.2	66.7
Interest cover	%	215.0	246.7	256.4	322.9	300.6
Cost recovery ratio	%	161.8	169.8	138.2	144.7	130.7
Operational performance	%	12.5	12.3	8.8	14.5	10.3
Non-financial Ratios						
GENERAL						
Economic Factors						
Total factor productivity (7)	Index	1.24	1.26	1.13	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
Efficiency						
Total days lost:						
- industrial disputes	%	0.00	0.00	0.00	n.p.	n.p.
- sick leave	%	6.50	7.30	6.90	n.p.	n.p.
- industrial accidents	%	0.50	0.20	0.20	n.p.	n.p.
- all	%	7.00	7.50	7.10	n.p.	n.p.
Size						
Total assets (6)	\$M	10 495	11 708	8 111	2 609	2 139
Total revenue (4)	\$M	3 369	3 178	3 070	2 369	937
System maximum demand	MW	9 792	9 888	10 613	n.r.	n.r.
Average total employment (8)	No	6 122	5 769	4 486	3 258	1 389
Service area	Sq km	659 000	659 000	659 000	n.r.	n.r.
Safety						
Lost time injury frequency rate	No/Mil.Hrs	22.0	11.0	10.6	n.p.	n.p.

PACIFIC POWER (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
GENERATION						
Efficiency						
Load factor	%	64.6	64.9	63.2	n.p.	n.p.
Capacity factor: (9)						
- incl. Snowy Mts and NSW Hydro	%	46.7	44.8	42.2	n.p.	n.p.
- excl. Snowy Mts and NSW Hydro	%	53.4	51.2	52.7	n.p.	n.p.
Reserve plant margin: (10)						
- including Snowy; excluding Blowering and non-winter hydro	%	41.6	48.2	38.1	n.r.	n.r.
- excluding Snowy, Blowering and non-winter hydro	%	15.3	22.0	13.6	n.r.	n.r.
Equivalent available factor (11)	%	88.8	90.6	87.5	n.p.	n.p.
Labour productivity (excluding constr'n & mine employees) (12)	GWh/Emp	12.4	13.2	34.1	n.p.	n.p.
Thermal efficiency	%	35.2	35.5	35.7	n.p.	n.p.
Service Quality						
Equivalent forced outage factor	%	3.4	2.8	2.3	n.p.	n.p.
Planned outage factor	%	7.8	6.6	8.7	n.p.	n.p.
Size						
Total physical output generated	GWh	51 412	52 252	54 232	n.p.	n.p.
Generating plant capacity (13)	MW	11 490	12 150	12 150	n.p.	n.p.
Changes in generating plant capacity						
- plant added	MW	660	660	0	n.p.	n.p.
- plant decommissioned	MW	0	0	0	n.p.	n.p.
- plant in dry storage	MW	600	600	600	n.p.	n.p.
Cost & Revenue Measures (14)						
Operation and maintenance costs:						
- excluding fixed costs:						
- - excluding fuel cost	\$/MWh	8.80	6.40	6.90	n.p.	n.p.
- - including fuel cost	\$/MWh	22.90	20.30	20.70	n.p.	n.p.
- including fixed costs:						
- - excluding fuel cost	\$/MWh	19.10	14.40	13.20	n.p.	n.p.
- - including fuel cost	\$/MWh	33.20	28.20	27.10	n.p.	n.p.
Environmental Indicators						
CO ₂ emissions	kg/MWh	870	860	857	n.p.	n.p.
Particulate emissions	kg/MWh	0.23	0.10	0.10	n.p.	n.p.
NO _x emissions	kg/MWh	2.20	2.20	2.20	n.p.	n.p.

PACIFIC POWER (continued)

NOTES TO INDICATORS FOR PACIFIC POWER

Key: n.p. - not provided; n.r. - not relevant.

- 1) The restructure of Pacific Power on 1 March 1996 greatly reduced asset and liability balances as at June 1996. Profit and loss items reflect eight months of Pacific Power operating at similar generation levels to previous years and four months operating under the new structure with considerable reductions in revenue and expenditure levels.

The restructure has substantially effected 1995–96 results and must be considered when reviewing ratios. Also, historical comparisons are not possible due to the restructure.

There may be some discrepancy between financial ratios and figures published in Pacific Power's Annual Report and those contained in this publication because of differences in formulas used.
- 2) The Pacific Power building was sold for \$153.6 million.
- 3) Dividend paid in 1991–92 includes a notional tax payment of \$219.6 million.
- 4) Unfunded superannuation liability of \$399.3 million was assumed by the crown. This abnormal revenue was excluded from total revenue and financial ratio calculations.
- 5) Pacific Power entered an income tax equivalent regime on 1 July 1992, adopting the liability method of tax effect accounting. This resulted in an income tax equivalent of \$272.8 million (at 39 per cent) and an adjustment in net reduction in future income (at 33 per cent) of \$9.5 million for 1992–93.
- 6) Asset revaluations::

<i>Category of asset</i>	<i>Method of valuation</i>	<i>Date</i>	<i>Impact of revaluation (\$ million)</i>
Operating Power Stations - Building, Plant & Equipment	Recoverable Amount Test	1995–96	Write-down of 847.9
Grid System	Written down replacement cost	1992–93	Increase of 246.2
Land & Staff Cottages - Building	Market Value	1996–97	Increase of 23.5

TRANSGRID**New south Wales**

NOTES TO INDICATORS FOR PACIFIC POWER (continued)

- 7) These are unilateral Total Factor Productivity (TFP) results measuring Pacific Power's TFP growth (decline) over time. The index is based at 1978–79=1. The TFP series up to 1993–94 is based on both generation and transmission activities whereas the 1994–95 result is based on generation activities only and as such is not comparable to results recorded in previous years.
- From 1995–96 Pacific Power no longer calculates TFP.
- 8) Average total employment calculated on a monthly basis.
- 9) Capacity factor figures include both energy limited and non-limited.
- 10) Reserve plant margin calculated on a calendar year basis.
- 11) Applies to Pacific Power's thermal plant only.
- 12) Labour productivity for 1994–95 based on core generation staff.
- 13) Generating plant capacity based on maximum dependable capacity and includes NSW hydro and 50 per cent of Hume (25 MW) but excludes Snowy plant.
- 14) Operation and maintenance costs include site costs, as well as head office labour and operation and maintenance costs. Excludes labour employed in capital works. Consistency across utilities might be difficult to obtain due to differences in the valuation and treatment of on-costs and in accounting practices in relation to fixed costs.

PACIFIC POWER (continued)

TRANSGRID

New south Wales

Comments on own performance

TransGrid operates and maintains the New South Wales electricity transmission network, and investigates and plans for future electricity transmission needs, including interconnections with other networks. TransGrid is responsible for ensuring the security and reliability of the network and for the administration of the wholesale electricity market. The organisation is structured around its six separate business units of network market development, system control, engineering, financial and commercial services.

TransGrid has played a central role in facilitating the change that will take the State into the future National Electricity Market. The role of market and system operator in 1996–97 required the further development of wholesale trading arrangements, including opening up the market to new participants, thus facilitating greater retail competition, and establishing competitive trading arrangements between New South Wales and Victoria. In 1996–97, significant cost reduction strategies were implemented throughout the organisation while continuing to maximise operating efficiency and also meet a demanding program of extensions to the transmission network.

The operating profit of \$78.3 million reflects the significant reduction in network charges flowing from the determination of the New South Wales Independent Prices and Regulatory Tribunal. The reduction in cash flow has been partially offset by a reduction in controllable costs of 11.4 per cent. A significant dividend of \$55 million was paid to the New South Wales Government. TransGrid has also reduced its outstanding debt by \$40 million and achieved lower than benchmark interest charges.

After a comprehensive re-assessment of the New South Wales–Queensland electricity interconnection, commitment to the project has been re-affirmed. The interconnection will open the door to a more diverse and larger eastern seaboard electricity market. Greater competition in the electricity industry will promote efficiency as market participants meet the challenges of a national market.

As part of this competitive focus, TransGrid has continued to develop processes which ensure the organisation's assets are effectively and efficiently managed. TransGrid's competitive focus is demonstrated by its ongoing participation in three international benchmarking studies. The success of TransGrid's best practice maintenance is demonstrated by a loss of supply of 4.6 parts per million of demand. Improved and integrated maintenance scheduling resulted in decreased outages and outage durations in 1996–97.

A major initiative aimed at lifting TransGrid's business performance has been the implementation of new personnel and financial computer systems, as part of a longer term strategy to update the organisation's entire information systems.

TRANSGRID (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1)						
Return on assets (2)	%	n.p.	n.p.	3.6	9.5	8.5
Return on operating assets (2)	%	n.p.	n.p.	3.6	9.6	8.5
Operating sales margin (2)	%	n.p.	n.p.	44.3	49.6	46.9
Return on equity (2)	%	n.p.	n.p.	2.0	5.9	4.4
Dividend to equity ratio	%	n.p.	n.p.	1.7	5.9	5.1
Dividend payout ratio (3)	%	n.p.	n.p.	84.9	100.6	115.7
Debt to equity	%	n.p.	n.p.	99.8	83.3	79.8
Total liabilities to equity	%	n.p.	n.p.	112.9	102.1	97.9
Current ratio	%	n.p.	n.p.	22.7	40.9	45.1
Interest cover	%	n.p.	n.p.	159.7	192.0	174.9
Cost recovery ratio	%	n.p.	n.p.	204.4	196.0	182.4
Operational performance (2)	%	n.p.	n.p.	4.2	9.3	7.9
Non-financial Ratios (1)						
GENERAL						
Economic Factors						
Total factor productivity (4)	Index	0.87	0.95	1.00	1.05	1.14
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
Efficiency						
Total days lost:						
- industrial disputes	%	n.p.	n.p.	0.00	0.00	0.00
- sick leave	%	n.p.	n.p.	3.37	2.58	2.79
- industrial accidents	%	n.p.	n.p.	0.05	0.13	0.04
- all	%	n.p.	n.p.	3.42	2.71	2.83
Size						
Total assets	\$M	n.p.	n.p.	2 021	2 166	2 115
Total revenue	\$'000	n.p.	n.p.	165	402	386
System maximum demand	MW	9 504	9 548	10 245	10 228	10 554
Average total employment	Emp	n.p.	n.p.	1 298	1 265	1 082
Service area	Sq km	659 000	659 000	659 000	659 000	659 000
Safety						
Lost time injury frequency rate	No/Mil.Hrs	n.p.	n.p.	5.79	8.00	6.00

TRANSGRID (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
TRANSMISSION						
Efficiency						
Transmission system reliability (5)	1/Mill	11.7	11.7	14.6	1.8	4.6
Transmission labour productivity	GWh/Emp	n.p.	n.p.	41.7	44.5	52.3
Transmission equipment utilisation factor (6)	Ratio	0.3	0.3	0.3	0.27	0.27
Transmission losses	%	2.9	2.8	2.8	2.7	3.0
Size						
Transmission transformer capacity (7)	MVA	26 954	26 954	27 719	27 632	27 664
Transmission circuit kilometres (8)	km	12 840	12 839	12 798	12 861	11 465
Cost & Revenue Measures (9)						
Operation and maintenance costs:						
- excluding fixed costs:						
- - per circuit km (10)	\$/km	8 972	9 169	7 937	6 940	7 466
- - per MWh sold	\$/MWh	2.20	2.30	1.89	1.60	1.51
- including fixed costs:						
- - per circuit km (10)	\$/km	24 226	20 253	23 736	23 723	26 401
- - per MWh sold	\$/MWh	6.10	5.00	5.67	5.40	5.35

NOTES TO INDICATORS FOR TRANSGRID

Key: n.p. - not provided; n.r. - not relevant.

- 1) All figures prior to 1994–95 relate to the transmission function of Pacific Power.
- 2) TransGrid commenced operations on 1 February 1995. Figure reported for 1994–95 is the annualised result for the five months from February to June 1995.

There may be some discrepancy between financial ratios and figures published in the Annual Report and those contained in this publication because of differences in formulas used.
- 3) TransGrid's pre-tax dividend payout ratio was fixed at 85 per cent for 1995–96 and 1996–97 by agreement with the NSW Treasurer.

TRANSGRID (continued)

NOTES TO INDICATORS FOR TRANSGRID (continued)

- 4) Total factor productivity in this case compares energy delivered with an index of all transmission network inputs. Inputs include network operation and maintenance, engineering and planning, system control and all corporate overheads excluding the market development function, as this is only attributable to TransGrid since 1995–96. The total factor productivity index has been adjusted downwards to remove the significant impact of recent asset transfers.
- 5) Transmission system reliability has been calculated as a parts per million ratio of energy not supplied to energy demanded.
- 6) Transmission equipment utilisation factor includes transmission transformers MVA capacity only (that is, 500kV, 330kV or 220kV), and excludes all transformers less than or equal to 132kV.
- 7) Station spare (or disconnected) transformers are not included in the transmission transformer capacity figure. The figure also excludes generator transformers, auxiliary transformers, and all transformers less than 77kV.
- 8) Transmission circuit kilometres includes transmission overhead lines and underground cables 77kV and above.
- 9) Consistency across utilities for operation and maintenance costs might be difficult to obtain due to differences in the valuation and treatment of on-costs, and in accounting practices in relation to fixed costs.
- 10) Figure for 1994–95 has been annualised.

ADVANCE ENERGY

New South Wales

Comments on own performance

Background

Advance Energy was established as a state owned corporation in 1996. Since then, Advance has positioned itself as a leader in the energy industry. Responsiveness and flexibility give Advance a clever edge in the development of new markets and business opportunities.

Current operations

Advance Energy supplies energy to 116 500 customers within and outside our franchise region. Our franchise region and distribution network is located in central New South Wales and covers a geographic area of 167 000 square kilometres. Advance Energy has total assets of \$330 million with approximate sales revenue of \$200 million per annum.

Performance

Advance Energy was the first New South Wales distributor to secure a major contract outside its franchise area when the market opened up on 1 October 1996. Since then, Advance Energy has continued to buy energy well and aggressively seek new business. This has led to growing opportunities for Advance with a significant retail load increase from 1996 to 1997.

Improving services to Advance Energy customers is one way to ensure customer satisfaction but lowering prices will secure it. A report released by the Independent Pricing and Regulatory Tribunal in January 1997 revealed that Advance Energy provided regional customers with some of the cheapest electricity in Australia.

Advance Energy has transformed an organisation based on five very different county council cultures into a cohesive and unified business. This was identified early as a major ingredient for business success. Through an intensive effort in staff selection, team building and communication, Advance Energy achieved the amalgamation of five former distributors without industrial disputation. Advance Energy is now a cohesive, competitive, customer focused and commercially astute team.

In a challenging business environment, Advance Energy has exceeded its financial targets for the 1996–97 year. The financial performance of Advance Energy, measured by return on assets of 8.4 per cent and a return on equity of 6.3 per cent represents a significant improvement on the prior years results. Our financial success has added to the value of our shareholders' investment in Advance Energy and enabled greater than anticipated financial distributions to the New South Wales State Government.

ADVANCE ENERGY (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios						
Return on assets (1,2)	%	n.r.	n.r.	n.r.	-1.4	8.4
Return on operating assets (1)	%	n.r.	n.r.	n.r.	-2.4	8.4
Operating sales margin (1)	%	n.r.	n.r.	n.r.	-3.9	13.6
Return on equity (1)	%	n.r.	n.r.	n.r.	-3.8	6.3
Dividend to equity ratio	%	n.r.	n.r.	n.r.	0.8	7.8
Dividend payout ratio (1)	%	n.r.	n.r.	n.r.	-20.1	124.9
Debt to equity	%	n.r.	n.r.	n.r.	12.3	13.2
Total liabilities to equity	%	n.r.	n.r.	n.r.	41.6	45.6
Current ratio	%	n.r.	n.r.	n.r.	98.7	106.8
Interest cover (1)	%	n.r.	n.r.	n.r.	-188.5	925.4
Cost recovery ratio (1)	%	n.r.	n.r.	n.r.	106.8	117.0
Operational performance (1)	%	n.r.	n.r.	n.r.	3.9	8.9
Non-financial Ratios						
GENERAL						
Economic Factors						
Total factor productivity	Index	n.r.	n.r.	n.r.	n.p.	n.p.
Economic rate of return	%	n.r.	n.r.	n.r.	n.p.	n.p.
Efficiency						
Total days lost:						
- industrial disputes	%	n.r.	n.r.	n.r.	0.00	0.00
- sick leave	%	n.r.	n.r.	n.r.	3.05	2.54
- industrial accidents	%	n.r.	n.r.	n.r.	0.23	0.59
- all	%	n.r.	n.r.	n.r.	3.28	3.14
Effectiveness						
Percentage price change:						
- residential	%	n.r.	n.r.	n.r.	0.0	3.0
- other	%	n.r.	n.r.	n.r.	-3.6	-21.0
- overall	%	n.r.	n.r.	n.r.	-1.5	-13.0
Real price index:						
- residential	Index	n.r.	n.r.	100.0	95.2	91.2
- other	Index	n.r.	n.r.	100.0	91.8	60.0
- overall	Index	n.r.	n.r.	100.0	93.8	71.4

ADVANCE ENERGY (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
GENERAL (continued)						
Size						
Total assets (2)	\$M	n.r.	n.r.	n.r.	319	341
Total revenue	\$M	n.r.	n.r.	n.r.	189	199
System maximum demand	MW	n.r.	n.r.	n.r.	360	383
Average total employment	No	n.r.	n.r.	n.r.	588	483
Service area	Sq km	n.r.	n.r.	n.r.	167 272	167 272
Energy imported	GWh	n.r.	n.r.	n.r.	0	0
Energy exported	GWh	n.r.	n.r.	n.r.	0	0
Energy wheeled	GWh	n.r.	n.r.	n.r.	25	67
Safety						
Lost time injury frequency rate	No/Mil.Hrs	n.r.	n.r.	n.r.	27.0	28.8
DISTRIBUTION						
Efficiency						
Distribution labour productivity	Cus/Emp	n.r.	n.r.	n.r.	197	271
Distribution equipment utilisation factor	Ratio	n.r.	n.r.	n.r.	0.2	0.1
Sub-transmission equipment utilisation factor	Ratio	n.r.	n.r.	n.r.	0.2	0.2
Distribution losses	%	n.r.	n.r.	n.r.	7.60	6.72
Service Quality						
Outage response time factor	Min	n.r.	n.r.	n.r.	127.40	173.00
- planned	Min	n.r.	n.r.	n.r.	163.40	223.00
- unplanned	Min	n.r.	n.r.	n.r.	121.62	166.00
System average outage frequency factor	No/Cus	n.r.	n.r.	n.r.	1.72	0.99
- planned	No/Cus	n.r.	n.r.	n.r.	0.24	0.09
- unplanned	No/Cus	n.r.	n.r.	n.r.	1.48	0.90
Loss of supply factor	Min/Cus	n.r.	n.r.	n.r.	218.89	192.00
- planned	Min/Cus	n.r.	n.r.	n.r.	38.80	42.00
- unplanned	Min/Cus	n.r.	n.r.	n.r.	180.09	150.00

ADVANCE ENERGY (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
<i>DISTRIBUTION (continued)</i>						
<i>Size</i>						
Total number of customers:						
- residential	'000	n.r.	n.r.	n.r.	86	74
- other	'000	n.r.	n.r.	n.r.	30	42
- overall	'000	n.r.	n.r.	n.r.	116	117
Total physical output sold to:						
- residential	GWh	n.r.	n.r.	n.r.	545	820
- other	GWh	n.r.	n.r.	n.r.	1 418	1 541
- overall	GWh	n.r.	n.r.	n.r.	1 963	2 361
Distribution transformer capacity	MVA	n.r.	n.r.	n.r.	1 115	1 119
Distribution circuit kilometres	km	n.r.	n.r.	n.r.	40 198	40 325
Customer density:						
- customers per distribution circuit kilometre	Cus/km	n.r.	n.r.	n.r.	2.88	2.88
- sales (MWh) per circuit kilometre	MWh/km	n.r.	n.r.	n.r.	48.83	53.19
<i>Cost & Revenue Measures</i>						
Average price of product:						
- residential	\$/MWh	n.r.	n.r.	n.r.	94.20	103.00
- other	\$/MWh	n.r.	n.r.	n.r.	92.90	70.00
- overall	\$/MWh	n.r.	n.r.	n.r.	93.30	81.00
Operating and maintenance costs						
- excluding fixed costs:						
- - per circuit km	\$/km	n.r.	n.r.	n.r.	791	666
- - per MWh sold	\$/MWh	n.r.	n.r.	n.r.	16.4	12.5
- including fixed costs:						
- - per circuit km	\$/km	n.r.	n.r.	n.r.	1 157	919
- - per MWh sold	\$/MWh	n.r.	n.r.	n.r.	24.0	17.3

ADVANCE ENERGY (continued)

NOTES TO INDICATORS FOR ADVANCE ENERGY

Key: n.p. - not provided; n.r. - not relevant.

- 1) Reported financial ratios incorporate abnormal expenses of \$19.0 million relating to the amalgamation and corporatisation process. When these expenses are excluded from total expenses, financial ratios for Advance Energy for 1995–96 are:

Return on assets	4.6 per cent
Return on operating assets	3.9 per cent
Operating sales margin	6.3 per cent
Return on equity	4.7 per cent
Dividend to equity ratio	0.8 per cent
Dividend payout ratio	16.2 per cent
Debt to equity	12.3 per cent
Total liabilities to equity	41.6 per cent
Current ratio	98.7 per cent
Interest cover	631.9 per cent
Cost recovery ratio	120.0 per cent
Operational performance	10.1 per cent

- 2) Asset revaluations:

<i>Category of asset</i>	<i>Method of valuation</i>	<i>Date of revaluation</i>	<i>Impact of revaluation (\$ million)</i>
System assets	Recoverable amount	29 February 1996	Write-down of 91
Land and buildings	Market value	29 February 1996	No material adjustment

AUSTRALIAN INLAND ENERGY

New South Wales

Comments on own performance

Background

Under the provision of the *Electricity Act 1995*, Far West Energy was formed on 1 October 1995 from a merger of Broken Hill Electricity and the Wentworth and Balranald Regions of Murray River Electricity.

Far West Energy was then corporatised under the *Energy Service Corporation Act 1995* on 1 March 1996 as a statutory state owned corporation with an issued capital of two dollars. Shares of one dollar each were issued to the Treasurer and the Minister of Police.

On 1 May 1996, Far West Energy was renamed Australian Inland Energy by the new board of directors.

Australian Inland Energy is responsible for electricity distribution in the far west region of New South Wales. The area of supply is bordered by the Queensland, South Australian and Victorian borders to the north, west and south respectively.

Current operations

Australian Inland Energy distributes electricity to an area of approximately 170 000 square kilometres and serves approximately 20000 customers.

The major population centres in its distribution area are: Broken Hill, Menindee, Wilcannia, White Cliffs, Tibooburra, Wentworth, Balranald, Moulamein, Tooleybuc, Euston, Buronga, Wakool, Dareton, Gol and Koraleigh. Electricity is also provided to parts of Central Darling Shire and the Unincorporated Area of Western New South Wales.

Our current operations include system maintenance, system operation, system construction and augmentation of electricity reticulation assets, meter reading and community service obligations.

Our mission is to provide quality electricity at competitive prices to satisfy our customers' needs.

Performance

Australian Inland Energy's financial performance should be considered in light of the amalgamation and corporatisation reform process. In particular, the \$10.9 million write down on non-current assets and restructuring provision of \$0.3 million have had a significant effect on operating results. Details of the impact of abnormal expenses on the published financial ratios are given in a footnote.

AUSTRALIAN INLAND ENERGY(continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios						
Return on assets (1)	%	n.r.	n.r.	n.r.	-25.2	15.7
Return on operating assets (1)	%	n.r.	n.r.	n.r.	-28.3	17.0
Operating sales margin (1)	%	n.r.	n.r.	n.r.	-39.1	19.1
Return on equity (1)	%	n.r.	n.r.	n.r.	-30.2	11.8
Dividend to equity ratio	%	n.r.	n.r.	n.r.	0.0	8.0
Dividend payout ratio (1)	%	n.r.	n.r.	n.r.	0.0	67.6
Debt to equity	%	n.r.	n.r.	n.r.	0.0	0.0
Total liabilities to equity	%	n.r.	n.r.	n.r.	20.0	31.6
Current ratio	%	n.r.	n.r.	n.r.	251.7	231.0
Interest cover (1)	%	n.r.	n.r.	n.r.	n.r.	n.p.
Cost recovery ratio (1)	%	n.r.	n.r.	n.r.	99.3	120.6
Operational performance (1)	%	n.r.	n.r.	n.r.	-0.5	14.9
Non-financial Ratios						
GENERAL						
Economic Factors						
Total factor productivity	Index	n.r.	n.r.	n.r.	n.p.	n.p.
Economic rate of return	%	n.r.	n.r.	n.r.	n.p.	n.p.
Efficiency						
Total days lost:						
- industrial disputes	%	n.r.	n.r.	n.r.	0.00	0.00
- sick leave	%	n.r.	n.r.	n.r.	1.88	3.07
- industrial accidents	%	n.r.	n.r.	n.r.	0.31	2.90
- all	%	n.r.	n.r.	n.r.	2.19	5.97
Effectiveness						
Percentage price change:						
- residential	%	n.r.	n.r.	n.r.	-3.45	-1.1
- other	%	n.r.	n.r.	n.r.	9.83	-1.6
- overall	%	n.r.	n.r.	n.r.	6.03	-1.5
Real price index:						
- residential	Index	n.r.	n.r.	n.r.	91.9	100.0
- other	Index	n.r.	n.r.	n.r.	104.6	100.0
- overall	Index	n.r.	n.r.	n.r.	100.9	100.0

AUSTRALIAN INLAND ENERGY(continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
GENERAL (continued)						
Size						
Total assets	\$M	n.r.	n.r.	n.r.	45	53
Total revenue	\$'000	n.r.	n.r.	n.r.	30	38
System maximum demand	MW	n.r.	n.r.	n.r.	65	78
Average total employment	No	n.r.	n.r.	n.r.	100	101
Service area	Sq km	n.r.	n.r.	n.r.	170 000	170 000
Energy imported	GWh	n.r.	n.r.	n.r.	73	76
Energy exported	GWh	n.r.	n.r.	n.r.	n.p.	n.p.
Energy wheeled	GWh	n.r.	n.r.	n.r.	n.p.	n.p.
Safety						
Lost time injury frequency rate	No/Mil.Hrs	n.r.	n.r.	n.r.	37.0	54.0
DISTRIBUTION						
Efficiency						
Distribution labour productivity	Cus/Emp	n.r.	n.r.	n.r.	189	188
Distribution equipment utilisation factor	Ratio	n.r.	n.r.	n.r.	0.23	0.15
Sub-transmission equipment utilisation factor	Ratio	n.r.	n.r.	n.r.	0.31	0.18
Distribution losses	%	n.r.	n.r.	n.r.	6.68	5.60
Service Quality						
Outage response time factor	Min	n.r.	n.r.	n.r.	94.0	115.8
- planned	Min	n.r.	n.r.	n.r.	130.0	32.8
- unplanned	Min	n.r.	n.r.	n.r.	65.0	83.0
System average outage frequency factor	No/Cus	n.r.	n.r.	n.r.	1.71	3.29
- planned	No/Cus	n.r.	n.r.	n.r.	0.59	0.70
- unplanned	No/Cus	n.r.	n.r.	n.r.	1.11	2.60
Loss of supply factor	Min/Cus	n.r.	n.r.	n.r.	161.30	382.00
- planned	Min/Cus	n.r.	n.r.	n.r.	83.60	108.00
- unplanned	Min/Cus	n.r.	n.r.	n.r.	77.71	274.00

AUSTRALIAN INLAND ENERGY(continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
<i>DISTRIBUTION (continued)</i>						
<i>Size</i>						
Total number of customers:						
- residential	'000	n.r.	n.r.	n.r.	12	12
- other	'000	n.r.	n.r.	n.r.	7	7
- overall	'000	n.r.	n.r.	n.r.	19	19
Total physical output sold to:						
- residential	GWh	n.r.	n.r.	n.r.	74	80
- other	GWh	n.r.	n.r.	n.r.	290	306
- overall	GWh	n.r.	n.r.	n.r.	364	386
Distribution transformer capacity	MVA	n.r.	n.r.	n.r.	174	174
Distribution circuit kilometres	km	n.r.	n.r.	n.r.	9 093	9 109
Customer density:						
- customers per distribution circuit kilometre	Cus/km	n.r.	n.r.	n.r.	2.08	2.08
- sales (MWh) per circuit kilometre	MWh/km	n.r.	n.r.	n.r.	40.02	42.38
<i>Cost & Revenue Measures</i>						
Average price of product:						
- residential	\$/MWh	n.r.	n.r.	n.r.	92.55	92.94
- other	\$/MWh	n.r.	n.r.	n.r.	78.63	79.24
- overall	\$/MWh	n.r.	n.r.	n.r.	82.22	82.09
Operating and maintenance costs						
- excluding fixed costs:						
- - per circuit km	\$/km	n.r.	n.r.	n.r.	2948.72	2928.96
- - per MWh sold	\$/MWh	n.r.	n.r.	n.r.	73.68	69.06
- including fixed costs:						
- - per circuit km	\$/km	n.r.	n.r.	n.r.	3132.36	3149.97
- - per MWh sold	\$/MWh	n.r.	n.r.	n.r.	78.27	74.27

AUSTRALIAN INLAND ENERGY(continued)

NOTES TO INDICATORS FOR AUSTRALIAN INLAND ENERGY

Key: n.p. - not provided: n.r. - not relevant.

- 1) Reported financial ratios incorporate \$11.5 million of abnormal expenses attributable to the restructuring and corporatisation process. When these expenses are excluded from total expenses, financial ratios for Australian Inland Energy for 1995–96 are:

Return on assets	0.5 per cent
Return on operating assets	-0.5 per cent
Operating sales margin	-0.7 per cent
Return on equity	0.6 per cent
Dividend to equity ratio	0.0 per cent
Dividend payout ratio	0.0 per cent
Debt to equity	0.0 per cent
Total liabilities to equity	20.0 per cent
Current ratio	251.7 per cent
Cost recovery ratio	160.5 per cent
Operational performance	27.3 per cent

ENERGYAUSTRALIA

New South Wales

Comments on own performance

In 1996–97 New South Wales commenced the journey towards a fully competitive electricity market. EnergyAustralia has eagerly embraced the challenge of competition with a renewed focus on operating efficiency and customer service.

EnergyAustralia is the largest electricity retailer and distributor in Australia with 1.3 million customers and revenues of over \$2 billion. We are committed to using our physical infrastructure (the ‘poles and wires’), our human resources (the skills, knowledge and commitment of our people) and our relationships with customers, the government and the broader community towards better serving our customers.

In its first full financial year of operation following the merger of Sydney Electricity and Orion Energy in March 1996, EnergyAustralia achieved substantial gains in performance, including:

- providing the best system reliability of any like distribution company in Australia;
- a lift in earnings, despite a slight fall in operating revenues, which allowed for a dividend to the New South Wales Government of just under \$200 million;
- a return on operating assets of 12.6 per cent close to double last years result before abnormals of 6.3 per cent;
- an increase in labour productivity (measured by customers/staff) of 10 per cent; and
- a continuing fall in average real prices, with particularly large gains experienced by larger businesses experiencing the benefits of competition.

In addition to significant performance gains, we have maintained our commitment to quality with programs under way to ensure that EnergyAustralia will be amongst the first large organisations in Australia to receive certification to international quality and environmental management standards. Our commitment to the environment is also reflected in our successful promotion of ‘Pure Energy’ options, which allow customers to choose renewable energy products, and our major sponsorship of the Sydney 2000 Olympics ‘Green Games’.

The new deregulated Australian electricity environment requires EnergyAustralia to be competitive not only in New South Wales, but the national and global energy markets where our competitors operate. Hence our vision: *EnergyAustralia will maximise shareholder value by becoming the leading multi-utility energy services company in the Asia Pacific region.*

ENERGYAUSTRALIA(continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1,2,3)						
Return on assets	%	n.r.	n.r.	n.r.	1.5	12.2
Return on operating assets	%	n.r.	n.r.	n.r.	1.2	12.6
Operating sales margin	%	n.r.	n.r.	n.r.	2.0	20.8
Return on equity	%	n.r.	n.r.	n.r.	-1.2	13.0
Dividend to equity ratio	%	n.r.	n.r.	n.r.	2.1	13.1
Dividend payout ratio	%	n.r.	n.r.	n.r.	-184.3	100.0
Debt to equity	%	n.r.	n.r.	n.r.	83.2	83.7
Total liabilities to equity	%	n.r.	n.r.	n.r.	138.0	136.6
Current ratio	%	n.r.	n.r.	n.r.	76.1	67.3
Interest cover	%	n.r.	n.r.	n.r.	76.6	335.1
Cost recovery ratio	%	n.r.	n.r.	n.r.	112.3	125.1
Operational performance	%	n.r.	n.r.	n.r.	6.3	12.0
Non-financial Ratios						
GENERAL						
Economic Factors						
Total factor productivity	Index	n.r.	n.r.	n.r.	n.p.	n.p.
Economic rate of return	%	n.r.	n.r.	n.r.	n.p.	n.p.
Efficiency						
Total days lost:						
- industrial disputes	%	n.r.	n.r.	n.r.	0.00	0.00
- sick leave	%	n.r.	n.r.	n.r.	2.77	3.10
- industrial accidents	%	n.r.	n.r.	n.r.	0.15	0.06
- all	%	n.r.	n.r.	n.r.	2.92	3.16
Effectiveness						
Percentage price change:						
- residential	%	n.r.	n.r.	n.r.	0.3	2.5
- other	%	n.r.	n.r.	n.r.	-2.9	-8.1
- overall	%	n.r.	n.r.	n.r.	-1.7	-3.8
Real price index:						
- residential	Index	n.r.	n.r.	n.r.	97.1	98.1
- other	Index	n.r.	n.r.	n.r.	94.0	85.1
- overall	Index	n.r.	n.r.	n.r.	95.1	90.2

ENERGYAUSTRALIA (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
GENERAL (continued)						
Size						
Total assets	\$M	n.r.	n.r.	n.r.	3 634	3 609
Total revenue	\$M	n.r.	n.r.	n.r.	1 981	2 042
System maximum demand	MW	n.r.	n.r.	n.r.	4 252	4 660
Average total employment	No	n.r.	n.r.	n.r.	4 407	3 610
Service area	Sq km	n.r.	n.r.	n.r.	22 275	22 275
Safety						
Lost time injury frequency rate	No/Mil.Hrs	n.r.	n.r.	n.r.	12.8	11.3
DISTRIBUTION						
Efficiency						
Distribution labour productivity	Cus/Emp	n.r.	n.r.	n.r.	337	373
Distribution equipment utilisation factor	Ratio	n.r.	n.r.	n.r.	0.23	0.21
Sub-transmission equipment utilisation factor	Ratio	n.r.	n.r.	n.r.	0.26	0.24
Distribution losses	%	n.r.	n.r.	n.r.	4.60	4.60
Service Quality						
Outage response time factor	Min	n.r.	n.r.	n.r.	73.3	39.7
- planned	Min	n.r.	n.r.	n.r.	214.3	217.8
- unplanned	Min	n.r.	n.r.	n.r.	70.0	37.2
System average outage frequency factor	No/Cus	n.r.	n.r.	n.r.	1.13	1.80
- planned	No/Cus	n.r.	n.r.	n.r.	0.03	0.03
- unplanned	No/Cus	n.r.	n.r.	n.r.	1.10	1.80
Loss of supply factor	Min/Cus	n.r.	n.r.	n.r.	82.80	73.20
- planned	Min/Cus	n.r.	n.r.	n.r.	5.40	5.50
- unplanned	Min/Cus	n.r.	n.r.	n.r.	77.40	67.60

ENERGYAUSTRALIA (continued)

	Units	1992–93	1993–94	1994–95	1995–96	1996–97
DISTRIBUTION (continued)						
Size						
Total number of customers:						
- residential (4)	'000	n.r.	n.r.	n.r.	1 192	1 208
- other (4)	'000	n.r.	n.r.	n.r.	138	139
- overall	'000	n.r.	n.r.	n.r.	1 330	1 347
Total physical output sold to:						
- residential	GWh	n.r.	n.r.	n.r.	7 804	8 182
- other	GWh	n.r.	n.r.	n.r.	13 380	13 295
- overall	GWh	n.r.	n.r.	n.r.	21 184	21 477
Distribution transformer capacity	MVA	n.r.	n.r.	n.r.	9 332	9 528
Distribution circuit kilometres	km	n.r.	n.r.	n.r.	50 322	50 495
Customer density:						
- customers per distribution circuit kilometre	Cus/km	n.r.	n.r.	n.r.	26.24	26.68
- sales (MWh) per circuit kilometre	MWh/km	n.r.	n.r.	n.r.	421	425
Cost & Revenue Measures						
Average price of product:						
- residential	\$/MWh	n.r.	n.r.	n.r.	95.40	97.76
- other	\$/MWh	n.r.	n.r.	n.r.	90.60	83.22
- overall	\$/MWh	n.r.	n.r.	n.r.	92.24	88.76
Operating and maintenance costs						
- excluding fixed costs:						
- - per circuit km	\$/km	n.r.	n.r.	n.r.	5 989	5 212
- - per MWh sold	\$/MWh	n.r.	n.r.	n.r.	14.2	12.3
- including fixed costs:						
- - per circuit km	\$/km	n.r.	n.r.	n.r.	10 588	11 126
- - per MWh sold	\$/MWh	n.r.	n.r.	n.r.	25.2	26.2

NOTES TO INDICATORS FOR ENERGYAUSTRALIA

Key: n.p. - not provided; n.r. - not relevant.

- 1) Some numbers reported will differ from those presented in the 1996–97 EnergyAustralia annual report due to differences in accounting conventions and because 1995–96 numbers in the annual report cover only from 1 March 1996 when the company was formed to 30 June 1996.

ENERGYAUSTRALIA (continued)

NOTES TO INDICATORS FOR ENERGYAUSTRALIA (continued)

- 2) Community service obligations:

<i>Category of CSO</i>	<i>Method of valuation</i>	<i>Source of funding</i>	<i>Year</i>	<i>Cost (\$ million)</i>
Pensioner rebates	Discount on bill	Reimbursed by NSW Department of Community Services	1996–97	24.1

- 3) Reported financial ratios incorporate abnormal expenses of \$175.3 million arising from the amalgamation and corporatisation process. When these abnormal expenses are excluded from total expenses, 1995–96 financial ratios for EnergyAustralia are:

Return on assets	6.3 per cent
Return on operating assets	6.3 per cent
Operating sales margin	10.9 per cent
Return on equity	10.3 per cent
Dividend to equity ratio	2.1 per cent
Dividend payout ratio	20.7 per cent
Debt to equity	83.2 per cent
Total liabilities to equity	138.0 per cent
Current ratio	76.1 per cent
Interest cover	320.0 per cent
Cost recovery ratio	124.7 per cent
Operational performance	11.5 per cent

- 4) Consistent with Energy Australia's Annual Report, customer numbers are reported as year end not year average. The difference in the outcomes from the two methods is minor.

GREAT SOUTHERN ENERGY**New South Wales****Comments on own performance***Background*

Great Southern Energy was constituted as a state owned corporation on 1 March 1996 following the merger of nine electricity distributors in southern New South Wales on 1 October 1995. Two water supply businesses were operated in trust by Great Southern Energy during 1995–96 and 1996–97. From 1 July 1997 operation of these entities was transferred to newly formed county councils and consequently their results were not included in the audited financial statements of Great Southern Energy for 1996–97 except by way of note. During 1996–97 Great Southern Energy purchased the Wagga Wagga Natural Gas Business (with the assets being transferred on 29 June 1997) and established Great Southern Energy (Victoria) Pty Ltd. Our headquarters are located in Queanbeyan.

Current operations

The core business involves electricity distribution to approximately 223 000 rural customers in an area representing about one quarter of New South Wales with a network of 61 500 kilometres of overhead power lines. Ancillary business activities include specialist-engineering services, advice on energy efficiency, electrical appliance sales, wind generation and natural gas retailing. Great Southern Energy has total assets of \$578 million as at 30 June 1997, and achieved sales revenue of \$309 million for the 1996–97 financial year.

Great Southern Energy operates under a taxation equivalent regime which requires it to make income tax equivalent and sales tax equivalent payments to the New South Wales Treasury. Total financial distributions to New South Wales Treasury represents 70 per cent of accounting profit excluding capital contributions. The balance of the total distribution and the tax equivalent payment is paid as a dividend.

Performance

Great Southern Energy's operating profit before tax, capital contributions and abnormal items for the 1996–97 financial year is \$38.2 million — 1997–98 will see the natural gas business contributing to our net profit.

GREAT SOUTHERN ENERGY (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1,2,3,4)						
Return on assets	%	n.r.	n.r.	n.r.	-3.2	8.9
Return on operating assets	%	n.r.	n.r.	n.r.	-5.4	8.3
Operating sales margin	%	n.r.	n.r.	n.r.	-8.9	13.5
Return on equity	%	n.r.	n.r.	n.r.	-5.9	6.8
Dividend to equity ratio	%	n.r.	n.r.	n.r.	1.0	7.8
Dividend payout ratio	%	n.r.	n.r.	n.r.	-16.4	115.4
Debt to equity	%	n.r.	n.r.	n.r.	17.2	25.0
Total liabilities to equity	%	n.r.	n.r.	n.r.	41.3	57.0
Current ratio	%	n.r.	n.r.	n.r.	185.0	153.6
Interest cover	%	n.r.	n.r.	n.r.	-920.4	1 098.4
Cost recovery ratio	%	n.r.	n.r.	n.r.	105.6	115.3
Operational performance	%	n.r.	n.r.	n.r.	3.3	8.1
Non-financial Ratios						
GENERAL						
Economic Factors						
Total factor productivity	Index	n.r.	n.r.	n.r.	n.p.	n.p.
Economic rate of return	%	n.r.	n.r.	n.r.	n.p.	n.p.
Efficiency						
Total days lost:						
- industrial disputes	%	n.r.	n.r.	n.r.	0.00	0.00
- sick leave	%	n.r.	n.r.	n.r.	3.48	1.99
- industrial accidents	%	n.r.	n.r.	n.r.	0.43	0.41
- all	%	n.r.	n.r.	n.r.	3.91	2.40
Effectiveness						
Percentage price change:						
- residential	%	n.r.	n.r.	n.r.	0.00	0.04
- other	%	n.r.	n.r.	n.r.	-4.50	0.61
- overall	%	n.r.	n.r.	n.r.	-1.00	0.44
Real price index:						
- residential	Index	n.r.	n.r.	n.r.	95.0	-1.4
- other	Index	n.r.	n.r.	n.r.	90.5	-0.8
- overall	Index	n.r.	n.r.	n.r.	94.0	-1.0

GREAT SOUTHERN ENERGY (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
GENERAL (continued)						
Size						
Total assets	\$M	n.r.	n.r.	n.r.	497	579
Total revenue	\$M	n.r.	n.r.	n.r.	291	315
System maximum demand	MW	n.r.	n.r.	n.r.	572	572
Average total employment	No	n.r.	n.r.	n.r.	970	839
Service area	Sq km	n.r.	n.r.	n.r.	175 840	175 840
Safety						
Lost time injury frequency rate	No/Mil.Hrs	n.r.	n.r.	n.r.	47.7	39.2
DISTRIBUTION						
Efficiency						
Distribution labour productivity	Cus/Emp	n.r.	n.r.	n.r.	226	266
Distribution equipment utilisation factor	Ratio	n.r.	n.r.	n.r.	0.20	0.12
Sub-transmission equipment utilisation factor	Ratio	n.r.	n.r.	n.r.	0.18	0.17
Distribution losses	%	n.r.	n.r.	n.r.	6.33	6.30
Service Quality						
Outage response time factor	Mins	n.r.	n.r.	n.r.	94.6	85.0
- planned	Mins	n.r.	n.r.	n.r.	0.0	86.5
- unplanned	Mins	n.r.	n.r.	n.r.	94.6	83.0
System average outage frequency factor	No/Cus	n.r.	n.r.	n.r.	1.97	1.60
- planned	No/Cus	n.r.	n.r.	n.r.	0.00	1.07
- unplanned	No/Cus	n.r.	n.r.	n.r.	1.97	0.51
Loss of supply factor	Min/Cus	n.r.	n.r.	n.r.	186.32	135.00
- planned	Min/Cus	n.r.	n.r.	n.r.	0.00	92.00
- unplanned	Min/Cus	n.r.	n.r.	n.r.	186.32	43.00

GREAT SOUTHERN ENERGY (continued)

	Units	1992-93	1993-94	1994-95	1995-96	1996-97
DISTRIBUTION (continued)						
Size						
Total number of customers:						
- residential	'000	n.r.	n.r.	n.r.	154	156
- other	'000	n.r.	n.r.	n.r.	66	67
- overall	'000	n.r.	n.r.	n.r.	220	223
Total physical output sold to:						
- residential	GWh	n.r.	n.r.	n.r.	995	1 085
- other	GWh	n.r.	n.r.	n.r.	2 165	2 293
- overall	GWh	n.r.	n.r.	n.r.	3 159	3 379
Distribution transformer capacity	MVA	n.r.	n.r.	n.r.	1 847	2 320
Distribution circuit kilometres	km	n.r.	n.r.	n.r.	55 900	61 500
Customer density:						
- customers per distribution circuit kilometre	Cus/km	n.r.	n.r.	n.r.	3.93	3.63
- sales (MWh) per circuit kilometre	MWh/km	n.r.	n.r.	n.r.	56.52	54.94
Cost & Revenue Measures						
Average price of product:						
- residential	\$/MWh	n.r.	n.r.	n.r.	88.98	88.70
- other	\$/MWh	n.r.	n.r.	n.r.	87.90	88.50
- overall	\$/MWh	n.r.	n.r.	n.r.	88.24	88.60
Operating and maintenance costs						
- excluding fixed costs:						
- - per circuit km	\$/km	n.r.	n.r.	n.r.	1082.00	1049.72
- - per MWh sold	\$/MWh	n.r.	n.r.	n.r.	19.00	19.11
- including fixed costs:						
- - per circuit km	\$/km	n.r.	n.r.	n.r.	1464.00	1422.26
- - per MWh sold	\$/MWh	n.r.	n.r.	n.r.	26.00	25.89

NOTES TO INDICATORS FOR GREAT SOUTHERN ENERGY

Key: n.p. - not provided; n.r. - not relevant.

1) All data is based on audited financial statements.

GREAT SOUTHERN ENERGY (continued)

NOTES TO INDICATORS FOR GREAT SOUTHERN ENERGY (continued)

- 2) Great Southern Energy operates under a taxation equivalent regime which requires it to make income tax equivalent and sales tax equivalent payments to the NSW Treasury. Total financial distributions to NSW Treasury represents 70 per cent of accounting profit excluding capital contributions. The balance of the total distribution and the tax equivalent payment is paid as a dividend. Great Southern Energy is also liable for all other Commonwealth and State taxes such as fringe benefits tax, payroll tax, land tax and stamp duty.
- 3) Real price index for sales: 1995–96 = 100.
- 4) There is a discrepancy between the financial ratios published in the Great Southern Energy Annual Report for 1996–97 and those contained in this publication because of differing formulas applied between NSW Treasury and the Steering Committee.

INTEGRAL ENERGY

New South Wales

Comments on own performance

Integral Energy is one of Australia's keenest competitors in the national energy services business. As a New South Wales state owned corporation incorporated under the *Energy Services Act 1995*, Integral Energy operates with a sharp customer focus, within the terms and conditions of the *Electricity Supply Act 1995*.

Integral Energy was formed on 1 October 1996, following the merger of the former Prospect Electricity and the major portion of Illawarra Electricity, as part of the New South Wales Government's reforms of the electricity industry.

Integral Energy has emerged from the pressure of intense competition and dramatic industry reforms at the end of its first full year of operations to deliver a solid performance for its 722 500 customers and its shareholder, the New South Wales Government.

No longer confined by traditional boundaries, Integral Energy internationally markets engineering consulting services and renewable energy systems, sells major electrical contracting services throughout Australia, and retails integrated energy services to industrial and commercial customers throughout New South Wales and Victoria.

Integral Energy also distributes and retails electricity and value-added energy services to over 1.8 million people in households and businesses across a network franchise area spanning 24 500 square kilometres in Sydney's Greater West, the Illawarra and Southern Highlands regions, as well as operating a gas business centred on the New South Wales South Coast.

Integral Energy's vision is to be the best in customer energy services. In pursuit of this vision, it intends to build sustainable success in every facet of its operation. This includes achieving a pre-eminent position in profitable energy markets by efficiently managing its assets; aggressively seeking opportunities to grow the business; actively developing a differentiated range of products and services; and constantly monitoring our performance to ensure we are competitive in price and service.

At the core of our organisation is an unswerving commitment to quality management principles, promoting a culture driven by the values of customer satisfaction, respect for people, responsible corporate citizenship, management by fact and continuous improvement and innovation.

In an intensely competitive and crowded marketplace, Integral Energy offers one precious resource to all its customers — the power of its people to think creatively to find better solutions.

INTEGRAL ENERGY (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1,2)						
Return on assets	%	n.r.	n.r.	n.r.	4.0	6.3
Return on operating assets	%	n.r.	n.r.	n.r.	4.4	6.2
Operating sales margin	%	n.r.	n.r.	n.r.	7.1	11.1
Return on equity	%	n.r.	n.r.	n.r.	1.4	1.8
Dividend to equity ratio	%	n.r.	n.r.	n.r.	3.5	14.1
Dividend payout ratio	%	n.r.	n.r.	n.r.	243.2	768.8
Debt to equity	%	n.r.	n.r.	n.r.	120.4	99.8
Total liabilities to equity	%	n.r.	n.r.	n.r.	162.7	180.8
Current ratio	%	n.r.	n.r.	n.r.	110.6	94.1
Interest cover	%	n.r.	n.r.	n.r.	236.2	173.6
Cost recovery ratio	%	n.r.	n.r.	n.r.	111.7	120.5
Operational performance	%	n.r.	n.r.	n.r.	6.4	9.5
Non-financial Ratios						
GENERAL						
Economic Factors						
Total factor productivity	Index	n.r.	n.r.	n.r.	n.p.	n.p.
Economic rate of return	%	n.r.	n.r.	n.r.	n.p.	n.p.
Efficiency						
Total days lost:						
- industrial disputes	%	n.r.	n.r.	n.r.	0.00	0.00
- sick leave	%	n.r.	n.r.	n.r.	2.76	2.56
- industrial accidents	%	n.r.	n.r.	n.r.	0.12	0.06
- all	%	n.r.	n.r.	n.r.	2.88	2.62
Effectiveness						
Percentage price change:						
- residential	%	n.r.	n.r.	n.r.	-0.2	-0.4
- other	%	n.r.	n.r.	n.r.	-3.9	-10.4
- overall	%	n.r.	n.r.	n.r.	-2.6	-4.7
Real price index:						
- residential	Index	n.r.	n.r.	n.r.	95.0	82.8
- other	Index	n.r.	n.r.	n.r.	91.5	74.4
- overall	Index	n.r.	n.r.	n.r.	92.7	79.2

INTEGRAL ENERGY (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
GENERAL (continued)						
Size						
Total assets	\$M	n.r.	n.r.	n.r.	2 068	1 954
Total revenue	\$M	n.r.	n.r.	n.r.	1 108	1 047
System maximum demand	MW	n.r.	n.r.	n.r.	2 421	2 230
Average total employment	No	n.r.	n.r.	n.r.	2 677	2 226
Service area	Sq km	n.r.	n.r.	n.r.	24 500	24 500
Safety						
Lost time injury frequency rate	No/Mil.Hrs	n.r.	n.r.	n.r.	20.8	9.7
DISTRIBUTION						
Efficiency						
Distribution labour productivity	Cus/Emp	n.r.	n.r.	n.r.	267	314
Distribution equipment utilisation factor	Ratio	n.r.	n.r.	n.r.	0.3	0.3
Sub-transmission equipment utilisation factor	Ratio	n.r.	n.r.	n.r.	n.p.	0.3
Distribution losses	%	n.r.	n.r.	n.r.	4.97	6.56
Service Quality						
Outage response time factor	Min	n.r.	n.r.	n.r.	148.0	135.0
- planned	Min	n.r.	n.r.	n.r.	368.8	250.0
- unplanned	Min	n.r.	n.r.	n.r.	129.6	116.0
System average outage frequency factor	No/Cus	n.r.	n.r.	n.r.	0.65	0.70
- planned	No/Cus	n.r.	n.r.	n.r.	0.05	0.10
- unplanned	No/Cus	n.r.	n.r.	n.r.	0.60	0.60
Loss of supply factor	Min/Cus	n.r.	n.r.	n.r.	96.00	100.20
- planned	Min/Cus	n.r.	n.r.	n.r.	18.40	26.60
- unplanned	Min/Cus	n.r.	n.r.	n.r.	77.60	73.60

INTEGRAL ENERGY (continued)

	Units	1992–93	1993–94	1994–95	1995–96	1996–97
DISTRIBUTION (continued)						
Size						
Total number of customers:						
- residential	'000	n.r.	n.r.	n.r.	628	642
- other	'000	n.r.	n.r.	n.r.	63	65
- overall	'000	n.r.	n.r.	n.r.	691	707
Total physical output sold to:						
- residential	GWh	n.r.	n.r.	n.r.	4 664	4 833
- other	GWh	n.r.	n.r.	n.r.	7 428	6 577
- overall	GWh	n.r.	n.r.	n.r.	12 092	11 410
Distribution transformer capacity	MVA	n.r.	n.r.	n.r.	4 886	5 040
Distribution circuit kilometres	km	n.r.	n.r.	n.r.	29 447	29 273
Customer density:						
- customers per distribution circuit kilometre	Cus/km	n.r.	n.r.	n.r.	24.29	23.89
- sales (MWh) per circuit kilometre	MWh/km	n.r.	n.r.	n.r.	410.64	389.78
Cost & Revenue Measures						
Average price of product:						
- residential	\$/MWh	n.r.	n.r.	n.r.	93.50	93.15
- other	\$/MWh	n.r.	n.r.	n.r.	87.0	77.9
- overall	\$/MWh	n.r.	n.r.	n.r.	89.14	84.98
Operating and maintenance costs						
- excluding fixed costs:						
- - per circuit km	\$/km	n.r.	n.r.	n.r.	5777.09	6539.64
- - per MWh sold	\$/MWh	n.r.	n.r.	n.r.	14.07	16.78
- including fixed costs:						
- - per circuit km	\$/km	n.r.	n.r.	n.r.	10239.6	12106.9
- - per MWh sold	\$/MWh	n.r.	n.r.	n.r.	24.94	31.06

NOTES TO INDICATORS FOR INTEGRAL ENERGY

Key: n.p. - not provided; n.r. - not relevant.

- 1) Integral Energy was formed on 1 October 1996, following the merger of the former Prospect Electricity and the major portion of Illawarra Electricity, as part of the NSW Government's reforms of the electricity industry. As such, only 1995–96 and 1996–97 results are available for Integral Energy.
- 2) The base year for indicators which are measured as an index is 1995–96.

NORTHPOWER**New South Wales****Comments on own performance**

Great progress has been made in consolidating the eight disparate organisations which were amalgamated to form NorthPower. Work practices and procedures, staffing structures, information technology platforms and other key operational areas have been merged towards the achievement of world's best practice.

The Board's strong drive for environmental responsibility and ecologically sustainable development has been implemented through the appointment of dedicated executive and operational staff. An exhaustive audit identified over 3500 matters that provided improvement opportunities. These are being addressed according to priority of risk and consequence, with the program being on track to have all matters attended to by the end of 1997. This will position NorthPower as a world leader in environmental performance. An ongoing environmental management system is being implemented, to maintain this position in the long term. In a similar way, dedicated executive and operational staff have been appointed to attend to NorthPower's safety performance, which we are very pleased to report has seen a dramatic improvement from a lost time injury frequency rate of 33.4 in June 1996 to 16.8 in June 1997. We are on track to achieve a world's best practice lost time injury frequency rate figure of 4 by June 1998.

Competitive retail trading commenced in October 1996. In an environment of strident competition, NorthPower enjoyed a net gain of retail energy business. In terms of energy units, wins outweighed losses by a factor of 3:1. This has been achieved despite the Board's firm stance that retail market share was not to be gained at the expense of sales margins. Profitability has been further enhanced by astute buying in the wholesale market. Competition is now also a part of the provision of services associated with the electricity supply network, and once again, we are pleased to report that NorthPower has made significant advances in this area. Our business has won several major contracts within New South Wales and interstate. Our maintenance services business has also won contracts, including the provision of services to several energy utilities.

The Board takes an active role in setting the strategic framework and continually reviews the business results of the organisation. In addition to the regular formal Board meetings, the Directors have held workshops with executive and operational staff on several occasions to determine the strategic plan, risk management plan, environmental management system and safety plan. NorthPower's financial performance has been solid. Earnings before abnormals, interest and taxes were \$51.2 million, up from \$37 million in 1995-96. Our credit rating has been retained at AA-, reflecting our underlying financial strength, projected sales growth and significant cost reduction strategy.

NORTHPOWER (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1,2)						
Return on assets	%	n.p.	n.p.	n.p.	19.5	6.6
Return on operating assets	%	n.p.	n.p.	n.p.	20.7	6.5
Operating sales margin	%	n.p.	n.p.	n.p.	30.7	9.6
Return on equity	%	n.p.	n.p.	n.p.	30.2	3.8
Dividend to equity ratio	%	n.p.	n.p.	n.p.	1.8	4.7
Dividend payout ratio	%	n.p.	n.p.	n.p.	5.8	126.1
Debt to equity	%	n.p.	n.p.	n.p.	42.0	35.3
Total liabilities to equity	%	n.p.	n.p.	n.p.	77.3	67.5
Current ratio	%	n.p.	n.p.	n.p.	106.9	112.2
Interest cover	%	n.p.	n.p.	n.p.	1 332.9	342.3
Cost recovery ratio	%	n.p.	n.p.	n.p.	268.4	113.7
Operational performance	%	n.p.	n.p.	n.p.	42.2	8.0
Non-financial Ratios						
GENERAL						
Economic Factors						
Total factor productivity	Index	n.r.	n.r.	n.r.	n.p.	n.p.
Economic rate of return	%	n.r.	n.r.	n.r.	n.p.	n.p.
Efficiency						
Total days lost:						
- industrial disputes	%	n.r.	n.r.	n.r.	0.00	n.p.
- sick leave	%	n.r.	n.r.	n.r.	2.20	n.p.
- industrial accidents	%	n.r.	n.r.	n.r.	0.42	n.p.
- all	%	n.r.	n.r.	n.r.	2.64	n.p.
Effectiveness						
Percentage price change:						
- residential	%	n.r.	n.r.	n.r.	0.0	n.p.
- other	%	n.r.	n.r.	n.r.	-6.6	n.p.
- overall	%	n.r.	n.r.	n.r.	-2.4	n.p.
Real price index:						
- residential	Index	n.r.	n.r.	n.r.	95.2	n.p.
- other	Index	n.r.	n.r.	n.r.	88.9	n.p.
- overall	Index	n.r.	n.r.	n.r.	92.9	n.p.

NORTHPOWER (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
GENERAL (continued)						
Size						
Total assets (2)	\$M	n.r.	n.r.	n.r.	638	665
Total revenue	\$M	n.r.	n.r.	n.r.	397	420
System maximum demand	MW	n.r.	n.r.	n.r.	693	0
Average total employment	No	n.r.	n.r.	n.r.	1 710	1 161
Service area	Sq km	n.r.	n.r.	n.r.	230 000	230 000
Safety						
Lost time injury frequency rate	No/Mil.Hrs	n.r.	n.r.	n.r.	33.4	16.8
DISTRIBUTION						
Efficiency						
Distribution labour productivity	Cus/Emp	n.r.	n.r.	n.r.	225	n.p.
Distribution equipment utilisation factor	Ratio	n.r.	n.r.	n.r.	0.16	n.p.
Sub-transmission equipment utilisation factor	Ratio	n.r.	n.r.	n.r.	0.2	n.p.
Distribution losses	%	n.r.	n.r.	n.r.	8.0	n.p.
Service Quality						
Outage response time factor	Min	n.r.	n.r.	n.r.	121.00	111.60
- planned	Min	n.r.	n.r.	n.r.	209.91	n.p.
- unplanned	Min	n.r.	n.r.	n.r.	95.79	n.p.
System average outage frequency factor	No/Cus	n.r.	n.r.	n.r.	2.28	n.p.
- planned	No/Cus	n.r.	n.r.	n.r.	0.45	n.p.
- unplanned	No/Cus	n.r.	n.r.	n.r.	1.83	n.p.
Loss of supply factor	Min/Cus	n.r.	n.r.	n.r.	266.00	n.p.
- planned	Min/Cus	n.r.	n.r.	n.r.	95.17	n.p.
- unplanned	Min/Cus	n.r.	n.r.	n.r.	171.00	n.p.

NORTHPOWER (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
<i>DISTRIBUTION (continued)</i>						
<i>Size</i>						
Total number of customers:						
- residential	'000	n.r.	n.r.	n.r.	238	n.p.
- other	'000	n.r.	n.r.	n.r.	93	n.p.
- overall	'000	n.r.	n.r.	n.r.	331	n.p.
Total physical output sold to:						
- residential	GWh	n.r.	n.r.	n.r.	1385.0	n.p.
- other	GWh	n.r.	n.r.	n.r.	1900.0	n.p.
- overall	GWh	n.r.	n.r.	n.r.	3285.0	n.p.
Distribution transformer capacity	MVA	n.r.	n.r.	n.r.	4 370	n.p.
Distribution circuit kilometres	km	n.r.	n.r.	n.r.	66 000	n.p.
Customer density:						
- customers per distribution circuit kilometre	Cus/km	n.r.	n.r.	n.r.	5.02	n.p.
- sales (MWh) per circuit kilometre	MWh/km	n.r.	n.r.	n.r.	49.77	n.p.
<i>Cost & Revenue Measures</i>						
Average price of product:						
- residential	\$/MWh	n.r.	n.r.	n.r.	100.90	0.00
- other	\$/MWh	n.r.	n.r.	n.r.	112.90	0.00
- overall	\$/MWh	n.r.	n.r.	n.r.	108.07	0.00
Operating and maintenance costs						
- excluding fixed costs:						
- - per circuit km	\$/km	n.r.	n.r.	n.r.	1110.0	0.0
- - per MWh sold	\$/MWh	n.r.	n.r.	n.r.	22.3	0.0
- including fixed costs:						
- - per circuit km	\$/km	n.r.	n.r.	n.r.	1790.0	0.0
- - per MWh sold	\$/MWh	n.r.	n.r.	n.r.	36.0	0.0

NORTHPOWER (continued)

NOTES TO INDICATORS FOR NORTHPOWER

Key: n.p. - not provided; n.r. - not relevant.

- 1) NorthPower had a tax equivalent regime applying, with taxation based at 36 per cent of *Operating Profit Before Tax* (excluding abnormals). Dividend payments are the balance of 70 per cent of *Operating Profit Before Tax* (excluding abnormals) after the income tax liability is calculated. A further dividend of 30 per cent on Revenue from Pensioner Rebates received as community service obligations is payable.

- 2) Community service obligations:

<i>Category of CSO</i>	<i>Method of valuation</i>	<i>Source of funding</i>	<i>Year</i>	<i>Cost(\$ million)</i>
Public Lighting and Pensioner Rebates	Avoidable cost	Internal	1996–97	6.215

AUSTA ELECTRIC**Queensland****Comments on own performance***Current operations*

The principal activities of the AUSTA Electric group during the year were to develop power stations, and procure and transform energy for sale as electricity in bulk to Queensland customers. No significant changes in the nature of activities occurred during the year.

AUSTA Consulting Pty Ltd (a wholly owned subsidiary company) was incorporated on 1 October 1996 to market AUSTA Electric expertise in the generation industry to the national and international supply industry. Due to the restructuring of Queensland Generation Corporation the company remained dormant.

AUSTA Electric was successful in purchasing an 80 per cent share in the Mica Creek Power Station from the MIM Group on 20 March 1997. The investment is owned by a wholly owned subsidiary company North–West Energy Pty Ltd and funded by a mix of debt and equity provided by the Queensland Treasury Corporation. The power station is operated and maintained by another wholly owned subsidiary North–West Operations Pty Ltd.

Financial performance

The 1996–97 profit after tax and abnormal items of \$47.6 million was 79 per cent below results for the previous year, due to a \$306.4 million decrement in asset revaluation.

Non-financial performance

AUSTA Electric generated 28 289 GWh. Plant performance has been efficient with an available capacity factor of 93.2per cent.

AUSTA ELECTRIC (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1,2,3)						
Return on assets	%	n.r.	n.r.	5.0	10.8	9.9
Return on operating assets	%	n.r.	n.r.	4.9	10.8	10.5
Operating sales margin	%	n.r.	n.r.	36.8	37.0	34.2
Return on equity	%	n.r.	n.r.	3.4	8.0	11.7
Dividend to equity ratio	%	n.r.	n.r.	2.6	6.0	0.0
Dividend payout ratio	%	n.r.	n.r.	75.0	75.0	0.0
Debt to equity	%	n.r.	n.r.	45.1	37.8	45.2
Total liabilities to equity	%	n.r.	n.r.	56.3	54.8	52.9
Current ratio	%	n.r.	n.r.	77.0	122.7	51.0
Interest cover	%	n.r.	n.r.	250.9	404.9	520.0
Cost recovery ratio	%	n.r.	n.r.	158.2	156.1	195.7
Operational performance	%	n.r.	n.r.	4.9	10.3	15.0
Non-financial Ratios						
GENERAL						
Economic Factors						
Total factor productivity	Index	n.r.	n.r.	n.p.	n.p.	n.p
Economic rate of return	%	n.r.	n.r.	n.p.	n.p.	n.p
Efficiency						
Total days lost:						
- industrial disputes	%	n.r.	n.r.	0.25	0.00	0.00
- sick leave	%	n.r.	n.r.	2.86	2.47	3.07
- industrial accidents	%	n.r.	n.r.	0.15	0.14	0.00
- all	%	n.r.	n.r.	3.25	2.61	3.08
Size						
Total assets	\$M	n.r.	n.r.	4 366	4 568	4 418
Total revenue	\$M	n.r.	n.r.	581	1 279	1 280
System maximum demand	MW	n.r.	n.r.	4 863	4 102	n.p
Average total employment	No	n.r.	n.r.	1 403	1 313	1 319
Service area	Sq km	n.r.	n.r.	n.r.	n.r.	n.r.
Safety						
Lost time injury frequency rate	No/Mil.Hrs	n.r.	n.r.	14.2	12.8	12.0

AUSTA ELECTRIC (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
GENERATION						
Efficiency						
Load factor	%	n.r.	n.r.	75.4	75.7	77.7
Capacity factor	%	n.r.	n.r.	72.4	60.6	63.0
Reserve Plant Margin	%	n.r.	n.r.	19.2	16.5	23.3
Equivalent available factor	%	n.r.	n.r.	93.5	91.7	93.2
Labour productivity (excluding construction and mine employees)	GWh/Emp	n.r.	n.r.	18.8	20.6	21.4
Thermal efficiency	%	n.r.	n.r.	38.1	38.5	38.5
Service Quality						
Equivalent forced outage factor	%	n.r.	n.r.	1.7	2.6	1.5
Planned outage factor	%	n.r.	n.r.	4.8	5.7	5.3
Size						
Total physical output generated	GWh	n.r.	n.r.	12 970	27 213	28 289
Generating plant capacity	MW	n.r.	n.r.	4 966	5 128	5 128
Changes in generating plant capacity:						
- plant added	MW	n.r.	n.r.	350	350	0
- plant decommissioned	MW	n.r.	n.r.	0	0	0
- plant in dry storage	MW	n.r.	n.r.	n.p.	188	188
Cost & Revenue Measures						
Operation and maintenance costs:						
- excluding fixed costs:						
- - excluding fuel cost	\$/MWh	n.r.	n.r.	6.04	6.27	6.86
- - including fuel cost	\$/MWh	n.r.	n.r.	17.51	18.15	19.01
- including fixed costs:						
- - excluding fuel cost	\$/MWh	n.r.	n.r.	32.04	30.64	26.94
- - including fuel cost	\$/MWh	n.r.	n.r.	20.57	18.78	14.79
Environmental Indicators						
CO ₂ emissions	kg/MWh	n.r.	n.r.	890	860	n.p.
Particulate emissions	kg/MWh	n.r.	n.r.	0.6	0.6	n.p.
NO _x emissions	kg/MWh	n.r.	n.r.	3.4	3.4	n.p.

AUSTA ELECTRIC (continued)

NOTES TO INDICATORS FOR AUSTA ELECTRIC

Key: n.p. - not provided; n.r. - not relevant.

- 1) AUSTA Electric is subject to the Queensland State Tax Equivalents Regime at a rate of 36 per cent.
- 2) Financial data was compiled from audited financial statements.
- 3) Consistent with recent changes to accounting standard the corporation has elected to record its revaluation of assets on a gross basis. Previously these were recorded at net value. This change has no impact on net asset values or profit & loss.

Asset revaluations:

<i>Category of asset</i>	<i>Method of valuation</i>	<i>Date of revaluation</i>	<i>Impact of revaluation (\$ million)</i>
Power Stations	Depreciated, optimised replacement value.	30 June 1997	nil
Land	At Valuer-General valuations or market values.	30 June 1997	nil
Buildings	At market values.	30 June 1997	nil
Vehicles	At market values	30 June 1997	nil
Other assets	Depreciated historical cost where it was not material or reasonable to undertake a detailed revaluation exercise, otherwise at depreciated replacement cost.	30 June 1997	nil

QUEENSLAND TRANSMISSION AND SUPPLY CORPORATION

Queensland

Comments on own performance

Background

The Queensland Transmission and Supply Corporation (QTSC) was formed as a result of the Queensland Government's decision to restructure the Queensland electricity supply industry and commenced operating on 1 January 1995.

Within this framework QTSC is the holding company for eight subsidiary corporations responsible for major transmission and electricity distribution in Queensland.

The subsidiary corporations of QTSC are:

- Queensland Electricity Transmission Corporation;
- Far North Queensland Electricity Corporation;
- North Queensland Electricity Corporation;
- Mackay Electricity Corporation;
- Capricornia Electricity Corporation;
- Wide Bay-Burnett Electricity Corporation;
- South West Queensland Electricity Corporation; and
- South East Queensland Electricity Corporation.

General

Data supplied in this return relates to the QTSC group of corporations and refers to the results for the 12 months to 30 June 1997.

Performance

The QTSC Group reduced real electricity costs for customers while still maintaining a return to its shareholders. Work undertaken during the year will provide a solid foundation for the future of the industry. This work identified future annual savings of more than \$100 million through encouraging closer group co-operation to avoid duplication of effort, establishing and rapidly developing 'Best Practice' methods and collectively undertaking key activities which individual corporations would be unable to achieve as efficiently in isolation.

QUEENSLAND TRANSMISSION AND SUPPLY CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1,2,3,4,5)						
Return on assets	%	n.r.	n.r.	4.2	7.3	7.1
Return on operating assets	%	n.r.	n.r.	4.2	7.2	7.1
Operating sales margin	%	n.r.	n.r.	18.8	16.3	16.4
Return on equity	%	n.r.	n.r.	2.3	5.0	5.6
Dividend to equity ratio	%	n.r.	n.r.	2.2	4.6	3.0
Dividend payout ratio	%	n.r.	n.r.	93.1	93.4	53.6
Debt to equity	%	n.r.	n.r.	49.5	43.7	42.2
Total liabilities to equity	%	n.r.	n.r.	63.2	61.1	58.8
Current ratio	%	n.r.	n.r.	141.1	122.3	125.1
Interest cover	%	n.r.	n.r.	201.1	276.8	342.3
Cost recovery ratio	%	n.r.	n.r.	118.5	113.9	115.1
Operational performance	%	n.r.	n.r.	3.4	5.2	5.4
Non-financial Ratios (1,3)						
GENERAL						
<i>Economic Factors</i>						
Total factor productivity	Index	n.r.	n.r.	n.p.	n.p.	n.p.
Economic rate of return	%	n.r.	n.r.	n.p.	n.p.	n.p.
<i>Efficiency</i>						
Total days lost:						
- industrial disputes	%	n.r.	n.r.	0.00	0.00	0.00
- sick leave	%	n.r.	n.r.	3.02	2.70	3.00
- industrial accidents	%	n.r.	n.r.	0.38	0.30	0.20
- all	%	n.r.	n.r.	3.40	3.00	3.20
<i>Effectiveness</i>						
Percentage price change:						
- residential	%	n.r.	n.r.	1.8	-1.6	-0.5
- other	%	n.r.	n.r.	-1.7	-4.4	-0.7
- overall	%	n.r.	n.r.	-0.6	-3.3	-0.7
Real price index:						
- residential	Index	n.r.	n.r.	93.3	88.4	86.4
- other	Index	n.r.	n.r.	87.6	80.7	78.7
- overall	Index	n.r.	n.r.	89.5	83.3	81.3
GENERAL (continued)						

QUEENSLAND TRANSMISSION AND SUPPLY CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Size						
Total assets (5)	\$M	n.r.	n.r.	5 607	5 727	6 272
Total revenue	\$M	n.r.	n.r.	1 196	2 406	2 507
System maximum demand	MW	n.r.	n.r.	3 624	4 055	4 196
Average total employment	No	n.r.	n.r.	6 185	6 197	5 956
Service area	Sq km	n.r.	n.r.	924 000	924 000	924 000
Safety						
Lost time injury frequency rate	No/Mil.Hrs	n.r.	n.r.	18.7	16.7	13.3
TRANSMISSION						
Efficiency						
Transmission system reliability	1/Mill	n.r.	n.r.	0.9	13.7	4.6
Transmission labour productivity	GWh/Emp	n.r.	n.r.	n.p.	n.p.	n.p.
Transmission equipment utilisation factor	Ratio	n.r.	n.r.	0.3	0.30	0.33
Transmission losses	%	n.r.	n.r.	5.3	5.3	n.p.
Size						
Transmission transformer capacity	MVA	n.r.	n.r.	10 135	10 265	10 424
Transmission circuit kilometres	km	n.r.	n.r.	9 044	9 216	9 228
Cost & Revenue Measures						
Operation and maintenance costs:						
- excluding fixed costs:						
- - per circuit km	\$/km	n.r.	n.r.	4 999	4 724	6 110
- - per MWh sold	\$/MWh	n.r.	n.r.	1.6	1.5	1.9
- including fixed costs:						
- - per circuit km	\$/km	n.r.	n.r.	15 025	12 795	13 355
- - per MWh sold	\$/MWh	n.r.	n.r.	4.8	4.1	4.1
- excluding fixed costs:						
- - per customer	\$/cus	n.r.	n.r.	n.p.	n.p.	n.p.
- including fixed costs:						
- - per customer	\$/cus	n.r.	n.r.	n.p.	n.p.	n.p.

QUEENSLAND TRANSMISSION AND SUPPLY CORPORATION (continued)

NOTES TO INDICATORS FOR QUEENSLAND TRANSMISSION AND SUPPLY CORPORATION

Key: n.p. - not provided; n.r. - not relevant.

- 1) 1994–95 operating results are for the six month period 1 January 1995 to 30 June 1995.
- 2) All financial data is based on audited results.
- 3) Operating results are for the QTSC group of corporations, except those relating to Transmission only which are based on data of the Queensland Electricity Transmission Corporation (Powerlink).
- 4) Asset revaluations:

<i>Category of asset</i>	<i>Method of valuation</i>	<i>Date of revaluation</i>	<i>Impact of revaluation</i>
Supply system	Valuation based on independent expert advice based on depreciated optimised replacement value.	Latest valuation at 30 June 1997	not available
Other assets	Parent entity assets were valued by management and these values were supported by external expert advice. All subsidiary corporation assets were based on market value based on existing use and these valuations were supported by independent expert advice.	Latest valuation at 30 June 1997	not available
Work in progress	at cost	n.r.	n.r.

- 5) Community service obligations:

<i>Category of CSO</i>	<i>Method of valuation</i>	<i>Source of funding</i>	<i>Year</i>	<i>Cost (\$ million)</i>
Regulatory Inspections and tariff equalisation	avoidable cost	State Government	1996–97	88.9
			1995–96	85.5
			1994–95	38.0
Pensioner electricity rebates	avoidable cost	State Government	1996–97	30.0
			1995–96	28.6
			1994–95	13.6

ENERGEX**Queensland****Comments on own performance***Background*

South East Queensland Electricity Corporation (SEQEB) became a subsidiary of the Queensland Transmission and Supply Corporation (QTSC) on 1 January 1995.

On 1 July 1997, the corporation and a newly formed, wholly owned subsidiary were registered under Corporations Law to become South East Queensland Electricity Corporation Limited (SEQEC) and Southern Electricity Retail Corporation Pty Ltd (SERC) respectively.

On 30 October 1997 the Corporation changed its trading name to ENERGEX.

ENERGEX is the largest of the seven electricity distribution corporations in Queensland supplying electricity to over 966 000 customers more than 50 per cent of the State's sales.

Financial performance and non-financial performance

In the year to 30 June 1997, ENERGEX achieved an operating net profit of \$51.4 million after providing \$17.3 million for income tax.

ENERGEX (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1,2,3,4,5)						
Return on assets	%	7.8	8.0	8.7	7.0	6.1
Return on operating assets	%	7.7	8.0	8.5	6.9	5.9
Operating sales margin	%	13.8	14.1	14.3	11.5	9.9
Return on equity	%	7.2	6.9	7.2	5.4	4.9
Dividend to equity ratio	%	0.0	1.6	3.0	4.0	1.4
Dividend payout ratio	%	0.0	23.3	41.5	74.9	29.4
Debt to equity	%	31.5	19.9	49.4	44.7	47.9
Total liabilities to equity	%	35.1	26.0	64.9	62.4	61.7
Current ratio	%	252.9	110.1	142.7	111.5	161.8
Interest cover	%	287.0	443.9	334.3	263.5	262.0
Cost recovery ratio	%	114.5	114.7	115.7	111.2	110.7
Operational performance	%	6.9	7.2	8.0	5.9	5.7
Non-financial Ratios (1)						
GENERAL						
Economic Factors						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
Efficiency						
Total days lost:						
- industrial disputes	%	0.00	0.00	0.00	0.00	0.00
- sick leave	%	3.06	3.28	3.71	3.87	3.70
- industrial accidents	%	0.15	0.15	0.26	0.31	0.18
- all	%	3.21	3.43	3.97	4.18	3.87
Effectiveness						
Percentage price change:						
- residential	%	1.5	0.6	0.3	0.0	-0.3
- other	%	0.5	0.2	-1.2	-5.7	-0.5
- overall	%	0.9	0.3	-0.6	-3.4	-0.4
Real price index:						
- residential	Index	84.2	83.0	80.2	77.3	75.8
- other	Index	83.0	81.5	77.7	70.5	69.1
- overall	Index	83.5	82.1	78.7	73.2	71.8

ENERGEX (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
GENERAL (continued)						
Size						
Total assets (4)	\$M	2 190	2 209	2 242	2 275	2 334
Total revenue	\$M	1 145	1 197	1 282	1 303	1 343
System maximum demand	MW	2 090	2 181	2 330	2 440	2 545
Average total employment	No	2 857	2 814	2 753	2 748	2 654
Service area	Sq km	24 830	24 830	24 830	24 830	24 830
Energy imported	GWh	11 683	12 336	13 183	13 859	14 488
Energy exported	GWh	0	0	0	0	0
Energy wheeled	GWh	0	0	0	0	0
Safety						
Lost time injury frequency rate	No/Mil.Hrs	7.8	10.5	15.1	14.7	10.2
DISTRIBUTION						
Efficiency						
Distribution labour productivity	Cus/Emp	286	304	325	337	359
Distribution equipment utilisation factor	Ratio	0.2	0.2	0.2	0.24	0.23
Sub-transmission equipment utilisation factor	Ratio	n.p.	n.p.	n.p.	n.p.	n.p.
Distribution losses	%	4.9	5.6	5.4	5.5	5.5
Service Quality						
Outage response time factor	Mins	86.1	90.6	90.2	n.p.	n.p.
- planned	Mins	n.p.	n.p.	n.p.	n.p.	n.p.
- unplanned	Mins	n.p.	n.p.	n.p.	n.p.	n.p.
System average outage frequency factor	No/Cus	2.06	1.24	1.37	1.66	0.85
- planned	No/Cus	n.p.	n.p.	n.p.	0.07	n.p.
- unplanned	No/Cus	n.p.	n.p.	n.p.	1.60	n.p.
Loss of supply factor	Min/Cus	78	85	88	117	113
- planned	Min/Cus	n.p.	n.p.	n.p.	13	n.p.
- unplanned	Min/Cus	n.p.	n.p.	n.p.	181	n.p.

ENERGEX (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
<i>DISTRIBUTION (continued)</i>						
<i>Size</i>						
Total number of customers:						
- residential	'000	751	787	823	849	872
- other	'000	85	87	90	92	95
- overall	'000	836	875	913	941	966
Total physical output sold to:						
- residential	GWh	4 548	4 725	5 033	5 264	5 498
- other	GWh	6 559	6 928	7 438	7 838	8 186
- overall	GWh	11 107	11 654	12 471	13 102	13 685
Distribution transformer capacity	MVA	5 659	5 800	6 086	6 294	6 649
Distribution circuit kilometres	km	39 947	40 497	41 301	42 846	43 726
Customer density:						
- customers per distribution circuit kilometre	Cus/km	20.9	21.6	22.1	22.0	22.1
- sales (MWh) per circuit kilometre	MWh/km	278	288	302	305.8	313.0
<i>Cost & Revenue Measures</i>						
Average price of product:						
- residential	\$/MWh	96.2	96.7	97.0	97.0	96.7
- other	\$/MWh	97.9	98.0	96.9	91.4	91.0
- overall	\$/MWh	97.2	97.5	96.9	93.6	93.3
Operating and maintenance costs						
- excluding fixed costs:						
- - per circuit km	\$/km	3 235	3 101	3 906	3 718	n.p.
- - per MWh sold	\$/MWh	11.6	10.8	13.0	12.2	n.p.
- including fixed costs:						
- - per circuit km	\$/km	7 153	6 704	8 695	7 389	n.p.
- - per MWh sold	\$/MWh	25.7	23.3	29.0	24.2	n.p.

ENERGEX (continued)

NOTES TO INDICATORS FOR ENERGEX

Key: n.p. - not provided; n.r. - not relevant.

- 1) 1994–95 operating results for the six month period ending 31 December 1994 and for the six months ending 30 June 1995 have been combined to give an estimate for the full financial year.
- 2) All financial data is based on audited results.
- 3) ENERGEX's financial indicators have been revised to include capital contributions in operating revenue. Capital contributions are made by customers to provide a return on those assets that would not otherwise be economical for the industry to construct
- 4) Asset revaluations::

<i>Category of asset</i>	<i>Method of valuation</i>	<i>Date of revaluation</i>	<i>Impact of revaluation</i>
Supply system	Management valuation based on depreciated optimised replacement value.	Latest valuation at 30 June 1997	not available
Other assets	Combination of management valuation and cost less accumulated depreciation	Latest valuation at 30 June 1997	not available
Work in progress	at cost	n.r.	n.r.

- 5) Community service obligations:

CAPELEC (continued)

		<i>Units</i>				
		1991–92	1992–93	1993–94	1994–95	1995–96
<i>Category of CSO</i>	<i>Method of valuation</i>	<i>Source of funding</i>		<i>Year</i>	<i>Cost (\$ million)</i>	
Regulatory Inspections and tariff equalisation	avoidable cost	State Government		1996–97	1.97	
				1995–96	1.34	
				1994–95	0.70	
Pensioner electricity rebates	avoidable cost	State Government		1996–97	20.14	
				1995–96	19.48	
				1994–95	9.12	
				1993–94	16.44	
				1992–93	15.25	

CAPELEC**Queensland****Comments on own performance***Background*

Capricornia Electricity Corporation (CAPELEC), became a subsidiary of the Queensland Transmission and Supply Corporation (QTSC) on 1 January 1995. CAPELEC supplies electricity to customers over most of central Queensland and services a variety of large industrial customers, including internationally competitive export oriented customers, involved in coal and metal mining, chemical and metal processing and primary industry processing.

Financial performance

CAPELEC posted a solid profit performance of \$24.98 million (after-tax) in the 1996–97 year. Reductions in wholesale electricity purchases, improved revenue from external streams (non-electricity sales) and sound cost control over both operating expenditure and finance charges contributed to this positive result.

CAPELEC (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1,2,3,4,5)						
Return on assets	%	8.9	8.6	4.1	6.1	9.1
Return on operating assets	%	9.1	8.8	4.0	5.9	9.1
Operating sales margin	%	17.4	16.3	14.0	10.1	15.8
Return on equity	%	8.5	7.3	1.9	3.7	7.6
Dividend to equity ratio	%	0.0	1.7	1.6	3.7	5.6
Dividend payout ratio	%	0.0	23.5	84.1	100.1	74.1
Debt to equity	%	35.8	25.6	48.0	42.3	29.5
Total liabilities to equity	%	39.2	31.7	62.7	58.7	53.4
Current ratio	%	267.8	161.9	192.2	174.4	109.6
Interest cover	%	318.2	375.8	184.2	230.2	445.1
Cost recovery ratio	%	120.5	118.9	105.3	101.6	109.6
Operational performance	%	8.8	8.5	1.3	0.9	4.7
Non-financial Ratios (1)						
GENERAL						
Economic Factors						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
Efficiency						
Total days lost:						
- industrial disputes	%	0.00	0.00	0.00	0.00	0.00
- sick leave	%	2.62	2.25	2.08	2.70	2.40
- industrial accidents	%	n.p.	0.38	0.72	0.20	0.40
- all	%	2.62	2.63	2.80	2.90	2.80
Effectiveness						
Percentage price change: (5)						
- residential	%	1.13	0.52	2.90	-2.00	0.13
- other	%	0.49	-0.51	-1.6	-4.60	-2.54
- overall	%	0.07	0.01	-1.40	-3.90	-2.36
Real price index: (5)						
- residential	Index	95.6	94.3	93.1	87.9	n.p.
- other	Index	92.4	90.2	85.8	78.9	n.p.
- overall	Index	92.5	90.7	86.4	79.9	n.p.

CAPELEC (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
GENERAL (continued)						
Size						
Total assets (4)	\$M	485	498	513	516	539
Total revenue	\$M	243	253	136	282	290
System maximum demand	MW	429	428	455	441	463
Average total employment	No	636	615	588	561	530
Service area	Sq km	432 000	432 000	432 000	432 000	432 000
Total physical output generated	GWh	1.7	1.8	1.0	2.2	2.7
Energy imported	GWh	2 772	2 914	1 503	3 499	3 120
Energy exported	GWh	0	0	0	0	0
Energy wheeled	GWh	n.p.	n.p.	0	0	0
Safety						
Lost time injury frequency rate	No/Mil.Hrs	20.0	12.0	12.1	5.1	11.8
DISTRIBUTION						
Efficiency						
Distribution labour productivity	Cus/Emp	133	145	144	154	172
Distribution equipment utilisation factor	Ratio	0.2	0.2	0.2	0.16	0.27
Sub-transmission equipment utilisation factor	Ratio	n.p.	n.p.	n.p.	n.p.	n.p.
Distribution losses	%	4.1	4.9	2.2	3.0	3.4
Service Quality						
Outage response time factor	Mins	85.0	145.0	65.6	54.0	62.0
- planned	Mins	n.p.	n.p.	n.p.	162.0	201.0
- unplanned	Mins	n.p.	n.p.	n.p.	44.0	56.1
System average outage frequency factor	No/Cus	9.1	5.2	4.2	6.9	4.8
- planned	No/Cus	0.6	0.7	0.6	0.6	0.2
- unplanned	No/Cus	8.6	4.6	3.6	6.3	4.6
Loss of supply factor	Min/Cus	257	341	272	374	298
- planned	Min/Cus	102	116	146	98	40
- unplanned	Min/Cus	155	225	126	278	258

CAPELEC (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
<i>DISTRIBUTION (continued)</i>						
<i>Size</i>						
Total number of customers:						
- residential	'000	68	72	70	71	72
- other	'000	12	16	19	20	19
- overall	'000	79	87	89	91	91
Total physical output sold to:						
- residential	GWh	442	453	217	454	487
- other	GWh	2 218	2 321	1 254	2 507	2 530
- overall	GWh	2 660	2 774	1 471	2 961	3 017
Distribution transformer capacity	MVA	1 579	1 625	1 628	1 665	1 751
Distribution circuit kilometres	km	31 100	31 392	32 766	33 025	32 800
Customer density:						
- customers per distribution circuit kilometre	Cus/km	2.5	2.7	2.7	2.7	3.0
- sales (MWh) per circuit kilometre	MWh/km	85.5	88.4	89.8	89.7	92.0
<i>Cost & Revenue Measures</i>						
Average price of product:						
- residential	\$/MWh	95.9	96.4	99.5	97.5	111.9
- other	\$/MWh	78.5	78.1	76.5	73.0	70.4
- overall	\$/MWh	81.1	81.1	79.9	76.7	75.2
Operating and maintenance costs						
- excluding fixed costs:						
- - per circuit km	\$/km	723	648	846	808	339
- - per MWh sold	\$/MWh	8.4	7.9	9.4	9.0	3.7
- including fixed costs:						
- - per circuit km	\$/km	1 679	1 712	2 188	1 899	1 049
- - per MWh sold	\$/MWh	19.6	19.4	24.4	21.2	11.4

CAPELEC (continued)

NOTES TO INDICATORS FOR CAPELEC

Key: n.p. - not provided; n.r. - not relevant.

- 1) 1994–95 operating results are for the six month period 1 January 1995 to 30 June 1995.
- 2) All financial data is based on audited results.
- 3) Data collected for the 1 January 1995 to 30 June 1995 period excludes figures for the ESAA Class consumers 'Residential–Commercial' from Residential. This had the effect of raising the Average Residential Price and reducing the Average Other Price marginally.

- 4) Asset revaluations:

<i>Category of asset</i>	<i>Method of valuation</i>	<i>Date of revaluation</i>	<i>Impact of revaluation</i>
Supply system	Management valuation based on depreciated optimised replacement value.	Latest valuation at 30 June 1996	n.p.
Other assets	Combination of management valuation and cost less accumulated depreciation	Latest valuation at 30 June 1996	n.p.
Work in progress	at cost	n.p.	n.p.

- 5) Community service obligations::

<i>Category of CSO</i>	<i>Method of valuation</i>	<i>Source of funding</i>	<i>Year</i>	<i>Cost (\$ million)</i>
Regulatory Inspections and tariff equalisation	avoidable cost	State Government	1996–97	23.08
			1995–96	23.64
			1994–95	10.97
Pensioner electricity rebates	avoidable cost	State Government	1996–97	1.40
			1995–96	1.42
			1994–95	0.71
			1993–94	1.29
			1992–93	1.20

ETSA POWER

South Australia

Comments on own performance

ETSA Power is ETSA Corporation's largest business and is Australia's fourth largest electricity retailer with more than 713 000 customers and network assets worth more than \$2 billion. It is responsible for electricity distribution in South Australia and electricity retailing nationally.

During 1996–97, ETSA Power continued to achieve strong financial and operational performance in almost all critical areas of the business. The good performance can be attributed to the continued commitment by all employees to the success of our business. A comparison of business performance between 1995–96 and 1996–97 shows the following results:

- Earnings before depreciation, interest and tax improved by \$69.7 million;
- Net controllable costs (including labour, materials, contractors, external income) decreased by \$5.2 million (five per cent after allowing for inflation);
- Capital expenditure increased by \$10.2 million due mainly to the costs associated with the implementation of the Distribution Management System;
- Customer Service Centre performance for answering account enquiry calls in less than 30 seconds improved from 71 per cent in 1995–96 to 89 per cent in 1996–97;
- The safety lost time injury frequency rate improved from 15 to 8. The target for 1996–97 was 7;
- Actual employee numbers decreased from 1629 to 1500 during the year;
- System reliability (as measured by the average number of minutes a customer is without electricity) was 118.4 minutes against the target of 115 minutes. The increase above target is largely due to the impact of severe storm activity during January 1997 and the effects of a heatwave during February 1997;
- Inventory levels decreased from \$19 million to \$12 million.

The performance was achieved while ETSA Power has been pursuing the major change programs of Distribution Management System implementation, establishment of interstate retail operations, establishing Field Services to be a successful contracting business and review of country operations.

ETSA POWER (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1,2)						
Return on assets	%	n.p.	n.p.	n.p.	n.p.	7.2
Return on operating assets	%	n.p.	n.p.	n.p.	n.p.	7.2
Operating sales margin	%	n.p.	n.p.	n.p.	n.p.	17.2
Return on equity	%	n.p.	n.p.	n.p.	n.p.	4.9
Dividend to equity ratio	%	n.p.	n.p.	n.p.	n.p.	14.8
Dividend payout ratio	%	n.p.	n.p.	n.p.	n.p.	300.8
Debt to equity	%	n.p.	n.p.	n.p.	n.p.	54.6
Total liabilities to equity	%	n.p.	n.p.	n.p.	n.p.	71.9
Current ratio	%	n.p.	n.p.	n.p.	n.p.	128.2
Interest cover (3)	%	n.p.	n.p.	n.p.	n.p.	278.5
Cost recovery ratio	%	n.p.	n.p.	n.p.	n.p.	120.8
Operational performance	%	n.p.	n.p.	n.p.	n.p.	7.2

Non-financial Ratios**GENERAL****Economic Factors**

Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	7.2

Efficiency

Total days lost:						
- industrial disputes	%	n.p.	n.p.	n.p.	n.p.	0.04
- sick leave	%	n.p.	n.p.	n.p.	n.p.	2.57
- industrial accidents	%	n.p.	n.p.	n.p.	n.p.	0.24
- all	%	n.p.	n.p.	n.p.	n.p.	2.85

Effectiveness

Percentage price change						
- residential	%	n.p.	n.p.	n.p.	n.p.	4.2
- other	%	n.p.	n.p.	n.p.	n.p.	2.4
- overall	%	n.p.	n.p.	n.p.	n.p.	3.5
Real price index						
- residential	Index	n.p.	n.p.	n.p.	n.p.	98.9
- other (4)	Index	n.p.	n.p.	n.p.	n.p.	74.1
- overall	Index	n.p.	n.p.	n.p.	n.p.	82.9

GENERAL (continued)

ETSA POWER (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
Size						
Total assets	\$M	n.p.	n.p.	n.p.	n.p.	2 329
Total revenue	\$M	n.p.	n.p.	n.p.	n.p.	971
System maximum demand	MW	n.p.	n.p.	n.p.	n.p.	2 239
Average total employment	No	n.p.	n.p.	n.p.	n.p.	1 543
Service area	Sq km	n.p.	n.p.	n.p.	n.p.	131 000
Energy imported	GWh	n.p.	n.p.	n.p.	n.p.	n.p.
Safety						
Lost time injury frequency rate	No/Mil.Hrs	n.p.	n.p.	n.p.	n.p.	8.00
DISTRIBUTION						
Efficiency						
Distribution labour productivity	Cus/Emp	277.0	340.0	393.3	399.0	462.3
Distribution equipment utilisation factor	Ratio	0.2	0.2	0.2	0.2	0.2
Sub-transmission equipment utilisation factor	Ratio	n.p.	n.p.	0.3	0.3	0.3
Distribution losses	%	n.p.	n.p.	6.4	6.5	5.8
Service Quality						
Outage response time factor	Mins	70.0	94.0	89.6	112.7	96.3
- planned	Mins	n.p.	n.p.	n.p.	n.p.	n.p.
- unplanned	Mins	n.p.	n.p.	n.p.	n.p.	n.p.
System average outage frequency factor	No/Cus	1.9	1.3	1.3	1.0	1.2
- planned	No/Cus	n.p.	n.p.	n.p.	n.p.	n.p.
- unplanned	No/Cus	n.p.	n.p.	n.p.	n.p.	n.p.
Loss of supply factor	Min/Cus	171	120	115	116	118
- planned	Min/Cus	n.p.	n.p.	n.p.	n.p.	n.p.
- unplanned	Min/Cus	n.p.	n.p.	n.p.	n.p.	n.p.

Size

ETSA POWER (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Total number of customers						
- residential	'000	591	602	613	619	624
- other	'000	86	87	87	88	89
- overall	'000	676	689	700	707	713
Total physical output						
- residential	GWh	3255.00	3167.00	3359.00	3366.97	3570.00
- other	GWh	5132.00	5423.00	5886.00	5817.20	5919.00
- overall	GWh	8387.00	8590.00	9245.00	9184.17	9489.00
Distribution transformer capacity	MVA	9593.00	8233.00	8452.00	8737.00	9248.00
Distribution circuit kilometres	km	73 640	75 004	75 642	75 879	76 881
Customer Density						
- Customers per distribution. circuit kilometre	Cus/km	9	9	9	9	9
- Sales (MWh) per circuit kilometre	MWh/km	114	115	122	121	123
<i>Cost & Revenue Measures</i>						
Average price of product						
- residential	\$/MWh	109.5	111.6	111.7	113.2	117.5
- other	\$/MWh	100.5	94.7	86.1	84.7	86.4
- overall	\$/MWh	104.00	100.90	95.42	95.14	98.11
Operation and maintenance costs:						
- excluding fixed costs:						
- - per circuit km	\$/km	2196.0	2206.0	1982.0	1602.0	1641.0
- - per MWh sold	\$/MWh	20	20	16	13	13
- including fixed costs:						
- - per circuit km	\$/km	3 032	3 349	2 866	3 831	4 000
- - per MWh sold	\$/MWh	28	30	23	32	32

ETSA POWER (continued)

NOTES TO INDICATORS FOR ETSA POWER

Key: n.p. - not provided; n.r. - not relevant.

1) Audited financial data has been used.

2) Asset valuations:

<i>Category of asset</i>	<i>Method of valuation</i>
Network infrastructure (eg Substations and Distribution Lines)	Deprival
Other (eg Vehicles, PCs)	Historic

3) ETSA Power interest expense increased to \$60 million in 1996–97 from \$49 million in 1995–96 due to restructuring of ETSA Corporation debt.

4) Index shown for ‘other’ (74.1) is for industrial customers. The index for commercial customers is 68.8 for 1996–97.

ETSA TRANSMISSION

South Australia

Comments on own performance

ETSA Corporation is a wholly owned South Australian Government public trading enterprise trading in the South Australian geographic market place; generating, transmitting, distributing and retailing electricity and associated services.

ETSA Corporation emerged from the corporatisation of the Electricity Trust of South Australia on 1 July 1995. This process also saw the creation of four subsidiaries with clear accountabilities and responsibilities; ETSA Generation Corporation, ETSA Transmission Corporation, ETSA Power Corporation and ETSA Energy Corporation.

In 1995–96, ETSA recorded its best financial performance ever. Profitability and returns to shareholders both increased over the previous year driven by improved productivity and cost control. In fact, total expenditure reduced by 5.4 per cent over the previous year and there was a 13 per cent reduction in employee numbers.

Customers also gained from ETSA's improved performance with prices again reduced in real terms and reliability improved. Prices have been progressively restructured such that cross-subsidies between customer classes have been progressively reduced.

During 1995–96 further changes were made to make ETSA ready for the introduction of the National Electricity Market. These changes included significant restructuring and changes to corporate governance, the separation of regulatory activities previously carried out and the introduction of a full taxation equivalent regime. The accounts for this year were effected by the revaluation of assets on an optimised deprival value basis. This change has increased overall asset values, increased depreciation expense, and increased equity thus impacting on a wide range of financial indicators.

The overall effect of the changes to ETSA has been to both improve the commercial focus of the business and ensure that the organisation is able to comply with competition requirements and will eventually allow third party access on fair terms.

ETSA TRANSMISSION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios						
Return on assets	%	n.p.	n.p.	n.p.	n.p.	10.1
Return on operating assets	%	n.p.	n.p.	n.p.	n.p.	10.1
Operating sales margin	%	n.p.	n.p.	n.p.	n.p.	57.6
Return on equity	%	n.p.	n.p.	n.p.	n.p.	2.6
Dividend to equity ratio	%	n.p.	n.p.	n.p.	n.p.	11.7
Dividend payout ratio	%	n.p.	n.p.	n.p.	n.p.	459.3
Debt to equity	%	n.p.	n.p.	n.p.	n.p.	40.7
Total liabilities to equity	%	n.p.	n.p.	n.p.	n.p.	50.2
Current ratio	%	n.p.	n.p.	n.p.	n.p.	7.2
Interest cover	%	n.p.	n.p.	n.p.	n.p.	311.1
Cost recovery ratio	%	n.p.	n.p.	n.p.	n.p.	135.2
Operational performance	%	n.p.	n.p.	n.p.	n.p.	2.6
Non-financial Ratios						
GENERAL						
Economic Factors						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
Efficiency						
Total days lost:						
- industrial disputes	%	n.p.	n.p.	n.p.	n.p.	0.00
- sick leave	%	n.p.	n.p.	n.p.	n.p.	2.04
- industrial accidents	%	n.p.	n.p.	n.p.	n.p.	0.00
- all	%	n.p.	n.p.	n.p.	n.p.	n.p.
Effectiveness						
Percentage price change:						
- residential	%	n.p.	n.p.	n.p.	n.p.	n.p.
- other	%	n.p.	n.p.	n.p.	n.p.	n.p.
- overall	%	n.p.	n.p.	n.p.	n.p.	n.p.
Real price index:						
- residential	Index	n.p.	n.p.	n.p.	n.p.	n.p.
- other	Index	n.p.	n.p.	n.p.	n.p.	n.p.
- overall	Index	n.p.	n.p.	n.p.	n.p.	n.p.

ETSA TRANSMISSION (continued)

	Units	1992-93	1993-94	1994-95	1995-96	1996-97
GENERAL (continued)						
<i>Size</i>						
Total assets	\$M	n.p.	n.p.	n.p.	n.p.	640
Total revenue	\$'000	n.p.	n.p.	n.p.	n.p.	113
System maximum demand	MW	n.p.	n.p.	n.p.	n.p.	2 398
Average total employment	Emp	n.p.	n.p.	n.p.	n.p.	118
Service area	Sq km	n.p.	n.p.	n.p.	n.p.	150 000
<i>Safety</i>						
Lost injury time per million employee hours	1/Mill	n.p.	n.p.	n.p.	n.p.	0.00
TRANSMISSION						
<i>Efficiency</i>						
Transmission system reliability (3)	1/Mill	n.p.	0.4	6.3	3.8	0.4
Transmission labour productivity	GWh/Emp	33.6	39.5	48.1	79.9	85.0
Transmission equipment utilisation factor	Ratio	0.2	0.2	0.2	0.19	0.19
Transmission losses	%	1.3	0.8	2.0	1.2	3.5
<i>Size</i>						
Transmission transformer capacity	MVA	5 751	5 869	5 869	6 008	5 914
Transmission circuit kilometres	km	5 417	5 646	5 791	5 574	5 558
Cost & Revenue Measures						
Operation and maintenance costs:						
- excluding fixed costs:						
- - per circuit km	\$/km	4 056	2 730	2 354	3 460	4 336
- - per MWh sold	\$/MWh	2.40	1.70	1.39	2.10	2.40
- including fixed costs:						
- - per circuit km	\$/km	11 354	8 194	5 699	11 659	12 379
- - per MWh sold	\$/MWh	6.70	5.10	3.37	7.08	6.86
- excluding fixed costs:						
- - per customer	\$/cus	n.p.	n.p.	n.p.	n.p.	n.p.
- including fixed costs:						
- - per customer	\$/cus	n.p.	n.p.	n.p.	n.p.	n.p.

NOTES TO INDICATORS FOR ETSA TRANSMISSION

Key: n.p. - not provided; n.r. - not relevant.

OPTIMA ENERGY**South Australia****Comments on own performance**

SA Generation Corporation was established on 1 December 1996 under the *Electricity Corporations Act 1994*. During the period 1 December to 31 December 1996 the scope of activities was limited by the corporation's Charter to administrative matters in preparation for the commencement of operations on 1 January 1997.

In June 1997 the Corporation launched its corporate identity and adopted the trading name 'Optima Energy'. The principal activity of Optima Energy during the period was the generation and sale of electricity.

Optima Energy performed strongly in the first phase of its new corporate existence, achieving most of its major financial targets for the six months to 30 June 1997. Although revenue at \$169.3 million was slightly below the target of \$169.5 million, profit before interest and tax (PBIT), profit after-tax and the rate of return on equity were all ahead of target. PBIT was \$36.9 million compared with the \$34.8 million target while net profit after-tax was \$24.8 million compared with the \$21.9 million target.

Optima Energy also performed strongly on a wide range of non-financial indicators. Labour productivity was in line with target and the available capacity factor was better than expected. In safety the highlights of the year include a 40 per cent improvement in lost time injury frequency rate and a significant improvement in the days lost through injuries.

The hottest February since 1906 created a record demand for electricity, peaking at 2398 MW on 19 February 1997. This exceeded the previous record of 2132 MW set in February 1995. All of Optima Energy's power stations and gas turbines worked to full capacity for extended periods with no interruptions to production.

Preparing for the National Electricity Market and establishing the new Corporation as an efficient and independent organisation were also major priorities during the period. The aim is to create a highly competitive, customer-focused business.

This means managing and structuring the business with the customer in mind and being positioned to respond quickly to customer needs.

OPTIMA ENERGY (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1)						
Return on assets	%	n.r.	n.r.	n.r.	n.r.	9.0
Return on operating assets	%	n.r.	n.r.	n.r.	n.r.	9.5
Operating sales margin	%	n.r.	n.r.	n.r.	n.r.	21.9
Return on equity	%	n.r.	n.r.	n.r.	n.r.	8.9
Dividend to equity ratio	%	n.r.	n.r.	n.r.	n.r.	6.0
Dividend payout ratio	%	n.r.	n.r.	n.r.	n.r.	67.4
Debt to equity	%	n.r.	n.r.	n.r.	n.r.	0.0
Total liabilities to equity	%	n.r.	n.r.	n.r.	n.r.	49.5
Current ratio	%	n.r.	n.r.	n.r.	n.r.	131.1
Interest cover	%	n.r.	n.r.	n.r.	n.r.	1647.9
Cost recovery ratio	%	n.r.	n.r.	n.r.	n.r.	128.0
Operational performance	%	n.r.	n.r.	n.r.	n.r.	9.5
Non-financial Ratios						
GENERAL						
Economic Factors						
Total factor productivity	Index	n.r.	n.r.	n.r.	n.r.	n.p.
Economic rate of return	%	n.r.	n.r.	n.r.	n.r.	18.8
Efficiency						
Total days lost:						
- industrial disputes	%	n.r.	n.r.	n.r.	n.r.	0.0
- sick leave	%	n.r.	n.r.	n.r.	n.r.	3.2
- industrial accidents	%	n.r.	n.r.	n.r.	n.r.	0.3
- all	%	n.r.	n.r.	n.r.	n.r.	3.5
Size						
Total assets	\$M	n.r.	n.r.	n.r.	n.r.	417.2
Total revenue	\$M	n.r.	n.r.	n.r.	n.r.	169.3
System maximum demand	MW	n.r.	n.r.	n.r.	n.r.	2398.0
Average total employment	No	n.r.	n.r.	n.r.	n.r.	839.0
Service area	Sq km	n.r.	n.r.	n.r.	n.r.	n.p.
Energy imported (2)	GWh	n.r.	n.r.	n.r.	n.r.	0.0
Energy exported	GWh	n.r.	n.r.	n.r.	n.r.	0.0
Energy wheeled	GWh	n.r.	n.r.	n.r.	n.r.	0.0
Safety						
Lost injury time per million						
employee hours	1/Mill	n.r.	n.r.	n.r.	n.r.	5.3

OPTIMA ENERGY (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
GENERATION						
Efficiency						
Load factor	%	n.r.	n.r.	n.r.	n.r.	n.p.
Capacity factor:		n.r.	n.r.	n.r.	n.r.	17.2
Reserve plant margin:		n.r.	n.r.	n.r.	n.r.	n.p.
Equivalent available factor (15)	%	n.r.	n.r.	n.r.	n.r.	87.9
Labour productivity (excl. construction & mine emp.) (20)	GWh/Emp	n.r.	n.r.	n.r.	n.r.	8.0
Thermal efficiency	%	n.r.	n.r.	n.r.	n.r.	n.p.
Service Quality						
Equivalent forced outage factor		n.r.	n.r.	n.r.	n.r.	n.p.
Planned outage factor		n.r.	n.r.	n.r.	n.r.	n.p.
Size						
Total physical output generated	%	n.r.	n.r.	n.r.	n.r.	3361.0
Generating plant capacity	%	n.r.	n.r.	n.r.	n.r.	2230.0
Changes in generating plant capacity						
- plant added	GWh	n.r.	n.r.	n.r.	n.r.	0.0
- plant decommissioned	MW	n.r.	n.r.	n.r.	n.r.	0.0
- plant in dry storage	MW	n.r.	n.r.	n.r.	n.r.	0.0
Cost & Revenue Measures						
Operation and maintenance cost:						
- excluding fixed costs:						
- - excluding fuel cost	\$/MWh	n.r.	n.r.	n.r.	n.r.	n.p.
- - including fuel cost	\$/MWh	n.r.	n.r.	n.r.	n.r.	n.p.
- including fixed costs:						
- - excluding fuel cost	\$/MWh	n.r.	n.r.	n.r.	n.r.	n.p.
- - including fuel cost	\$/MWh	n.r.	n.r.	n.r.	n.r.	n.p.
Environmental Indicators						
CO2 emissions	kg/MWh	n.r.	n.r.	n.r.	n.r.	n.p.
Particulate emissions	kg/MWh	n.r.	n.r.	n.r.	n.r.	n.p.
NOX emissions	kg/MWh	n.r.	n.r.	n.r.	n.r.	n.p.

OPTIMA ENERGY (continued)

NOTES TO INDICATORS FOR OPTIMA ENERGY

Key: n.p. - not provided; n.r. - not relevant.

- 1) The data provided is for the period January 1997 to June 1997, as Optima commenced operation on 1 January 1997. Returns on assets and equity have not been annualised.
- 2) Optima is no longer an importer of electricity.

WESTERN POWER

Western Australia

Comments on own performance

Western Power Corporation was established on 1 January 1995 from the split of the former energy monopoly, SECWA, into separate electricity and gas businesses.

Current operations

Western Power is a vertically integrated utility, undertaking generation, transmission and distribution functions. The Corporation is the principal supplier of electricity to a major power grid in the South–West of the State (96 per cent of sales), and to a smaller grid in the North–West (two per cent). It also operates 29 isolated power systems throughout the State. The installed generation capacity of the South–West Interconnected System is 2880 MW of which 1160 MW is coal fired plant, 880 MW is steam plant (640 MW capable of burning coal, gas or oil and 240 MW capable of burning gas or oil), 838 MW is gas turbines and two MW is hydro. Total installed generation capacity of the North–West Interconnected System and isolated systems is approximately 200 MW of diesel plant and two MW of wind.

At June 1997, Western Power employed 3434 people and supplied energy to approximately 742 000 customers.

Western Power is wholly owned by the Western Australian Government, but is a separate, corporatised business entity operating commercially in an increasingly competitive industry, which is being deregulated progressively.

Financial performance

Profit for the 1996–97 financial year was \$98.8 million. Interest costs were reduced by \$18 million compared with the previous financial year due to continuing lower than anticipated interest rates and capitalisation of interest during the construction of Collie Power Station.

During the financial year, dividend and tax equivalent payments to the State Government increased by \$11 million to \$86.6 million.

Non-financial performance

During the year, Western Power adopted a new mission and new strategic result areas to keep Western Power focused on the key issues for the Corporation. The progress in changing Western Power to improve customer service was recognised by receiving the Achievement in Business Excellence Award in the Australian Quality Awards. Western Power was also the first Western Australian company to sign a Greenhouse Co-operative Agreement with the Federal Government.

WESTERN POWER (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1,2)						
Return on assets	%	n.r.	n.r.	12.0	10.8	10.0
Return on operating assets	%	n.r.	n.r.	12.0	10.9	10.0
Operating sales margin	%	n.r.	n.r.	29.2	26.9	26.2
Return on equity	%	n.r.	n.r.	n.p.	13.7	14.2
Dividend to equity ratio	%	n.r.	n.r.	n.p.	4.0	4.3
Dividend payout ratio	%	n.r.	n.r.	0.0	29.0	30.4
Debt to equity	%	n.r.	n.r.	342.1	325.0	317.9
Total liabilities to equity	%	n.r.	n.r.	427.6	412.1	404.3
Current ratio	%	n.r.	n.r.	232.3	166.9	154.8
Interest cover	%	n.r.	n.r.	165.5	163.8	178.2
Cost recovery ratio	%	n.r.	n.r.	141.3	136.8	135.4
Operational performance	%	n.r.	n.r.	12.0	10.9	10.0
Non-financial Ratios						
GENERAL (3)						
Economic Factors						
Total factor productivity	Index	n.r.	n.r.	n.p.	n.p.	n.p.
Economic rate of return	%	n.r.	n.r.	n.p.	n.p.	n.p.
Efficiency						
Total days lost:						
- industrial disputes	%	n.r.	n.r.	n.p.	0.14	0.37
- sick leave	%	n.r.	n.r.	n.p.	1.77	1.96
- industrial accidents	%	n.r.	n.r.	n.p.	0.16	0.17
- all	%	n.r.	n.r.	n.p.	2.07	2.50
Effectiveness						
Percentage price change:						
- residential	%	n.r.	n.r.	n.r.	-0.1	-0.4
- other	%	n.r.	n.r.	n.r.	-0.2	0.5
- overall	%	n.r.	n.r.	n.r.	-0.4	0.6
Real price index:						
- residential	Index	n.r.	n.r.	100.0	96.1	94.5
- other	Index	n.r.	n.r.	100.0	96.0	95.2
- overall	Index	n.r.	n.r.	100.0	95.9	95.2
GENERAL (continued)						

WESTERN POWER (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Size						
Total assets	\$M	n.r.	n.r.	3 168	3 388	3 684
Total revenue	\$M	n.r.	n.r.	647	1 311	1 336
System maximum demand	MW	n.r.	n.r.	2 181	2 228	2 358
Average total employment	No	n.r.	n.r.	3 646	3 590	3 467
Service area (4)	Sq km	n.r.	n.r.	260 000	260 000	260 000
Energy imported (5)	GWh	n.r.	n.r.	n.p.	51	535
Energy exported	GWh	n.r.	n.r.	n.r.	n.r.	n.r.
Energy wheeled	GWh	n.r.	n.r.	n.r.	n.r.	38
Safety						
Lost time injury frequency rate	No/Mil.Hrs	n.r.	n.r.	11.50	14.80	10.80
GENERATION (6)						
Efficiency						
Load factor	%	n.r.	n.r.	65.1	63.5	55.2
Capacity factor	%	n.r.	n.r.	47.5	53.4	48.7
Reserve Plant Margin	%	n.r.	n.r.	35.6	23.7	20.9
Equivalent available factor	%	n.r.	n.r.	87.1	90.9	89.7
Labour productivity (excluding construction and mine employees)	GWh/Emp	n.r.	n.r.	n.p.	12.0	11.2
Thermal efficiency	%	n.r.	n.r.	32.3	30.6	29.9
Service Quality						
Equivalent forced outage factor	%	n.r.	n.r.	n.p.	2.3	3.3
Planned outage factor	%	n.r.	n.r.	n.p.	3.9	4.2
Size						
Total physical output generated	GWh	n.r.	n.r.	6 072	12 402	11 506
Generating plant capacity	MW	n.r.	n.r.	2 754	2 757	2 877
Changes in generating plant capacity:						
- plant added	MW	n.r.	n.r.	0	3	120
- plant decommissioned	MW	n.r.	n.r.	0	0	0
- plant in dry storage	MW	n.r.	n.r.	0	0	0

WESTERN POWER (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
GENERATION (continued)						
Cost & Revenue Measures						
Operation and maintenance costs:						
- excluding fixed costs:						
- - excluding fuel cost	\$/MWh	n.r.	n.r.	7.7	10.0	n.p.
- - including fuel cost	\$/MWh	n.r.	n.r.	43.6	45.0	n.p.
- including fixed costs:						
- - excluding fuel cost	\$/MWh	n.r.	n.r.	27.1	25.0	n.p.
- - including fuel cost	\$/MWh	n.r.	n.r.	63.0	60.0	n.p.
Environmental Indicators						
CO ₂ emissions	kg/MWh	n.r.	n.r.	902	943	n.p.
Particulate emissions	kg/MWh	n.r.	n.r.	6	5	n.p.
NO _x emissions	kg/MWh	n.r.	n.r.	3	4	n.p.
TRANSMISSION (6)						
Efficiency						
Transmission system reliability	1/Mill	n.r.	n.r.	461.0	532.0	136.9
Transmission labour productivity	GWh/Emp	n.r.	n.r.	31.6	64.6	73.3
Transmission equipment utilisation factor	Ratio	n.r.	n.r.	0.3	0.3	0.3
Transmission losses	%	n.r.	n.r.	n.p.	3.0	3.0
Size						
Transmission transformer capacity	MVA	n.r.	n.r.	9 580	9 717	9 817
Transmission circuit kilometres (7)	km	n.r.	n.r.	6 221	6 506	6 506
Cost & Revenue Measures						
Operation and maintenance costs:						
- excluding fixed costs:						
- - per circuit km (8)	\$/km	n.r.	n.r.	3 663	4 365	5 380
- - per MWh sold	\$/MWh	n.p.	n.p.	4.2	2.4	3.2
- including fixed costs:						
- - per circuit km	\$/km	n.r.	n.r.	9 015	15 850	14 494
- - per MWh sold	\$/MWh	n.r.	n.r.	10.2	8.7	8.7

WESTERN POWER (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
<i>DISTRIBUTION (6)</i>						
<i>Efficiency</i>						
Distribution labour productivity	Cus/Emp	n.r.	n.r.	449	477	522
Distribution equipment utilisation factor	Ratio	n.r.	n.r.	0.16	0.15	0.15
Sub-transmission equipment utilisation factor	Ratio	n.r.	n.r.	0.20	0.23	0.23
Distribution losses (9)	%	n.r.	n.r.	9.0	9.0	8.9
<i>Service Quality</i>						
Outage response time factor	Min	n.r.	n.r.	n.p.	97.0	91.6
- planned	Min	n.r.	n.r.	n.p.	n.p.	n.p.
- unplanned	Min	n.r.	n.r.	n.p.	n.p.	n.p.
System average outage frequency factor	No/Cus	n.r.	n.r.	n.p.	1.6	2.3
- planned	No/Cus	n.r.	n.r.	n.p.	n.p.	n.p.
- unplanned	No/Cus	n.r.	n.r.	n.p.	n.p.	n.p.
Loss of supply factor	Min/Cus	n.r.	n.r.	n.p.	152.0	206.9
- planned	Min/Cus	n.r.	n.r.	n.p.	n.p.	n.p.
- unplanned	Min/Cus	n.r.	n.r.	n.p.	n.p.	n.p.
<i>Size</i>						
Total number of customers: (3) (10)						
- residential	'000	n.r.	n.r.	616	632	647
- other	'000	n.r.	n.r.	91	93	95
- overall	'000	n.r.	n.r.	707	725	742
Total physical output sold to: (3)						
- residential	GWh	n.r.	n.r.	1 490	2 947	3 041
- other	GWh	n.r.	n.r.	3 981	8 127	7 759
- overall	GWh	n.r.	n.r.	5 472	11 075	10 799
Distribution transformer capacity	MVA	n.r.	n.r.	4 350	4 559	4 732
Distribution circuit kilometres	km	n.r.	n.r.	77 115	78 355	79 568
Customer Density: (10)						
- customers per distribution circuit kilometre	Cus/km	n.r.	n.r.	9.2	9.3	9.2
- sales (MWh) per circuit kilometre	MWh/km	n.r.	n.r.	138.0	141.3	129.6

WESTERN POWER (continued)

	Units	1992-93	1993-94	1994-95	1995-96	1996-97
DISTRIBUTION (continued)						
Cost & Revenue Measures						
Average price of product: (3)						
- residential	\$/MWh	n.r.	n.r.	141.00	140.80	140.20
- other	\$/MWh	n.r.	n.r.	108.00	108.00	108.60
- overall	\$/MWh	n.r.	n.r.	117.00	116.70	117.50
Operation and maintenance costs:						
- excluding fixed costs:						
- - per circuit km	\$/km	n.r.	n.r.	709	1 333	1 263
- - per MWh sold	\$/MWh	n.r.	n.r.	10.50	9.85	9.74
- including fixed costs:						
- - per circuit km	\$/km	n.r.	n.r.	1 329	2 550	2 407
- - per MWh sold	\$/MWh	n.r.	n.r.	19.80	18.83	18.58

NOTES TO INDICATORS FOR WESTERN POWER

Key: n.p. - not provided; n.r. - not relevant.

- 1) The 1994-95 financial year relates to a six month period from January to June 1995.
- 2) Audited results have been used to calculate financial ratios. Assets are valued at historical cost. As Western Power's owner, the State Government is entitled to a return on its investment in the business. The *Electricity Corporation Act* provides for such returns to take the form of payments of dividends and equivalent rates and taxes. Government policy requires that Western Power undertakes community service obligations.
- 3) Corporate results (South West Interconnected System, Regional Power and Pilbara Power)
- 4) South West Interconnected System (SWIS).
- 5) Intrastate electricity purchases.
- 6) Figures under the Generation heading relate to Western Power's Generation Division only, and figures under the headings Transmission and Distribution relate to the South West Interconnected System (SWIS) unless otherwise stated.
- 7) Line lengths have been closely audited.
- 8) In the last 12 months operation and maintenance costs increased 20 per cent and energy delivery fell four per cent.
- 9) Includes transmission line losses.
- 10) Customer numbers are as at June 1997.

HYDRO-ELECTRIC CORPORATION

Tasmania

Comments on own performance

The Hydro Electric Corporation (HEC) now functions as a Government Business Enterprise under the *Hydro Electric Corporation Act 1995*.

Current operations

The Hydro operates 27 hydro stations with an average hydro long-term capacity of 1112 MW with additional support available from a thermal generation station up to 192 MW. Just under two thirds of the energy generated is sold to 19 major energy intensive industrial customers which are supplied under long-term contracts. The remainder of the energy is sold to approximately 244 000 smaller industrial, commercial and residential customers. The HEC is vertically integrated with 1681 employees, being solely responsible for public generation, transmission and the sale of electrical energy.

Financial performance

The financial performance of the HEC has been steadily improving over recent years. The after-tax profit increased to \$32 million, nearly \$10 million more than the 1995–96 result and the pre-tax profit of \$85 million was 32 per cent higher than the previous financial year. Through the payment of tax equivalents, loan guarantee fees, statutory levy and dividend, the Government received direct payments of \$64 million. In addition, the HEC met the cost of \$14 million in providing community service obligations through discounts to pensioners and residents of the Bass Strait Islands.

As the earnings before tax equivalent payments continue to rise and interest payments fall, the operating sales margin, operating performance and return on assets indicators have improved.

These successful results are a reflection of the continuing effort to reduce the cost base of the organisation. Electricity sales have increased by just under \$15 million to a total of \$494 million, and the Corporation's \$110.3 million capital investment program has once again been paid entirely from internally generated funds. Through continuation of the debt reduction the HEC was able to repay a substantial \$82 million of debt, including \$38 million generated from operations and \$44 million repaid as a result of portfolio restructuring.

Future directions

The Premier announced in his *Directions Statement* in April 1997 that the HEC would be restructured to separate the generation, transmission and distribution and retail functions. Legislation to enable the restructuring has recently been passed by Parliament.

HYDRO-ELECTRIC CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1,2,3,4)						
Return on assets	%	7.2	5.5	5.9	6.3	6.3
Return on operating assets	%	7.1	5.5	5.9	6.3	6.3
Operating sales margin	%	46.6	46.0	49.2	52.1	53.1
Return on equity (5)	%	-0.6	-0.5	-0.2	1.0	1.3
Dividend to equity ratio (6)	%	0.6	0.6	0.5	1.2	1.1
Dividend payout ratio (5) (6)	%	-95.6	-112.5	-233.0	127.5	84.0
Debt to equity	%	92.7	81.9	77.8	58.5	59.1
Total liabilities to equity	%	116.6	102.6	99.1	77.6	81.2
Current ratio	%	37.4	46.2	50.4	41.0	26.1
Interest cover (7)	%	106.9	105.6	113.5	131.0	143.6
Cost recovery ratio	%	183.4	198.2	200.1	210.0	215.4
Operational performance	%	6.6	5.9	6.0	6.3	6.4

Non-financial Ratios**GENERAL****Economic Factors**

Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.

Efficiency

Total days lost:

- industrial disputes	%	0.00	0.00	0.00	0.00	0.00
- sick leave	%	2.40	3.11	3.04	2.45	2.41
- industrial accidents	%	0.50	0.61	0.52	0.24	0.13
- all	%	2.90	3.72	3.56	2.69	2.54

Effectiveness

Percentage price change:

- residential	%	4.4	3.5	-2.8	0.0	0.3
- other	%	-1.2	2.0	11.9	3.1	-2.6
- overall	%	3.0	1.9	6.1	2.0	-2.3

Real price index:

- residential	Index	116.1	116.7	110.0	106.0	104.7
- other	Index	100.8	100.0	108.4	107.7	103.3
- overall	Index	106.7	106.0	109.3	107.3	103.3

GENERAL (continued)

HYDRO-ELECTRIC CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Size						
Total assets	\$M	3 927	4 098	4 106	4 584	4 374
Total revenue (4)	\$M	478	471	487	517	528
System maximum demand	MW	1 436	1 376	1 396	1 430	1 489
Average total employment (8)	No	2 772	2 232	1 784	1 725	1 681
Service area	Sq km	45 400	45 400	45 400	45 400	45 400
Energy imported	GWh	5	5	0	0	0
Energy exported	GWh	0	0	0	0	0
Energy wheeled	GWh	n.r.	n.r.	n.r.	n.r.	n.r.
Safety						
Lost time injury frequency rate	No/Mil.Hrs	49.00	27.00	18.70	18.50	19.00
GENERATION						
Efficiency						
Load factor	%	70.0	73.6	71.0	72.0	73.6
Capacity factor (9) (10)	%	41.0	40.6	39.6	41.4	43.8
Reserve Plant Margin (10)	%	70.0	81.3	79.2	75.0	68.1
Equivalent available factor	%	84.5	90.2	87.2	93.5	82.3
Labour productivity (excluding construction and mine employees)	GWh/Emp	27.2	41.1	48.7	50.6	49.5
Thermal efficiency	%	n.r.	n.r.	n.r.	n.r.	n.r.
Service Quality						
Equivalent forced outage factor(11)	%	0.1	0.9	1.4	0.7	0.2
Planned outage factor (11)	%	15.4	8.9	11.2	5.8	17.7
Size						
Total physical output generated (9)	GWh	8 849	8 885	8 679	9 096	9 596
Generating plant capacity (9,12)	MW	2 435	2 494	2 502	2 502	2 502
Changes in generating plant capacity						
- plant added	MW	n.p.	166	8	0	0
- plant decommissioned	MW	25	24	0	0	0
- plant in dry storage	MW	n.p.	n.p.	n.p.	n.p.	n.p.

HYDRO-ELECTRIC CORPORATION (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
<i>GENERATION (continued)</i>						
<i>Cost & Revenue Measures</i>						
Operation and maintenance costs:						
- excluding fixed costs:						
- - excluding fuel cost (13)	\$/MWh	3.7	3.7	3.7	3.4	3.1
- - including fuel cost	\$/MWh	4.0	3.9	3.7	3.4	3.1
- including fixed costs:						
- - excluding fuel cost (13)	\$/MWh	30.6	31.2	30.6	29.2	27.0
- - including fuel cost	\$/MWh	30.6	31.2	30.6	29.2	27.0
<i>Environmental Indicators</i>						
CO ₂ emissions	kg/MWh	n.r.	n.r.	n.r.	n.r.	n.r.
Particulate emissions	kg/MWh	n.r.	n.r.	n.r.	n.r.	n.r.
NO _x emissions	kg/MWh	n.r.	n.r.	n.r.	n.r.	n.r.
<i>TRANSMISSION</i>						
<i>Efficiency</i>						
Transmission system reliability	1/Mill	2.6	1.6	1.6	1.7	n.p.
Transmission labour productivity	GWh/Emp	46.4	41.1	47.3	57.8	62.3
Transmission equipment utilisation factor	Ratio	0.3	0.3	0.3	0.3	0.2
Transmission losses	%	n.p.	5.0	5.0	4.9	5.4
<i>Size</i>						
Transmission transformer capacity (14)	MVA	5 886	5 886	5 886	5 456	4 744
Transmission circuit kilometres	km	3 559	3 571	3 571	3 469	3 464

TRANSMISSION (continued)

HYDRO-ELECTRIC CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
<i>Cost & Revenue Measures</i>						
Operation and maintenance costs:						
- excluding fixed costs:						
- - per circuit km (13)	\$/km	2 954	3 033	2 919	2 793	2 685
- - per MWh sold (15) (16)	\$/MWh	1.3	1.3	1.2	1.1	1.0
- including fixed costs:						
- - per circuit km	\$/km	9 079	9 322	8 972	8 838	8 484
- - per MWh sold (15) (16)	\$/MWh	4	4	4	4	3
- excluding fixed costs:						
- - per customer	\$/cus	44.00	44.20	42.10	40.10	38.20
- including fixed costs:						
- - per customer (13)	\$/cus	135.10	136.00	129.50	126.80	120.69
<i>DISTRIBUTION</i>						
<i>Efficiency</i>						
Distribution labour productivity	Cus/Emp	356	391	429	484	494
Distribution equipment utilisation factor	Ratio	0.2	0.2	0.2	0.2	0.2
Sub-transmission equipment utilisation factor	Ratio	0.2	0.2	0.3	0.3	0.3
Distribution losses	%	n.p.	3.0	3.6	5.1	6.0
<i>Service Quality</i>						
Outage response time factor	Min	91.2	69.6	73.5	86.5	102.4
- planned	Min	n.p.	n.p.	n.p.	n.p.	n.p.
- unplanned	Min	n.p.	n.p.	n.p.	n.p.	n.p.
System average outage frequency factor	No/Cus	3.1	2.4	2.2	2.1	2.0
- planned	No/Cus	n.p.	n.p.	n.p.	n.p.	n.p.
- unplanned	No/Cus	n.p.	n.p.	n.p.	n.p.	n.p.
Loss of supply factor	Min/Cus	282.6	166.0	162.4	180.0	140.0
- planned	Min/Cus	n.p.	n.p.	n.p.	n.p.	n.p.
- unplanned	Min/Cus	n.p.	n.p.	n.p.	n.p.	n.p.

DISTRIBUTION (continued)

HYDRO-ELECTRIC CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Size						
Total number of customers						
- residential	'000	189	196	199	201	202
- other	'000	42	42	41	41	41
- overall	'000	230	238	240	242	243
Total physical output						
- residential	GWh	n.p.	1 782	1 751	1 829	1 849
- other	GWh	n.p.	1 240	1 419	1 463	1 491
- overall	GWh	n.p.	3 022	3 168	3 311	3 350
Distribution circuit kilometres	km	24 211	24 452	24 602	25 003	25 498
Distribution transformer capacity	MVA	2 192	2 360	2 369	2 450	2 541
Customer Density						
- Customers per distribution. circuit kilometre	Cus/km	9.4	9.4	9.8	9.7	9.5
- Sales (MWh) per circuit kilometre	MWh/km	120.0	122.9	128.8	132.4	131.3
Cost & Revenue Measures						
Average price of product:						
- residential (17)	\$/MWh	90.80	94.00	91.40	91.40	91.60
- other	\$/MWh	112.50	108.40	113.00	112.30	112.20
- major industrials	\$/MWh	24.50	24.60	26.30	28.80	28.09
- overall (17)	\$/MWh	51.60	52.60	55.80	56.90	55.53
Operation and maintenance costs:						
- excluding fixed costs:						
- - per circuit km (13)	\$/km	1 819	1 849	1 769	1 669	1 570
- - per MWh sold	\$/MWh	15	15	14	13	12
- including fixed costs:						
- - per circuit km	\$/km	3 268	3 341	3 196	3 119	2 976
- - per MWh sold (13)	\$/MWh	27	27	25	23	23

HYDRO-ELECTRIC CORPORATION (continued)

NOTES TO INDICATORS FOR HYDRO-ELECTRIC CORPORATION

Key: n.p. - not provided; n.r. - not relevant.

- 1) These data were based on accounts prepared on an accrual basis under the historical cost convention, with the exception of the Property, Plant and Equipment which has been revalued (note 2(c) below)
- 2) There were four major accounting changes that may impact on comparisons of 1992–93 data with previous years. (a) The 1992–93 data relating to operating expenses are not directly comparable since 1992–93 is the first full year of the Business Unit organisation structure introduced under Commercialisation in March 1992. Some other minor changes in definitions have also been made eg ‘Energy Supplied to HEC Operations’ is no longer reported as operating revenue. (b) Customer contributions towards capital works, which had previously been reported as a capital contribution through the Customer Contributions Reserve, are treated as revenue for 1992–93, and subsequent years. The balance of the Customer Contributions Reserve at 30 June 1992 has been transferred to Retained Earnings. (c) The Corporation has revalued its fixed assets (Property, Plant and Equipment) as at 1 July 1993 to the lower of deprival value and recoverable amount. In previous years these assets were valued at historical cost. The assessed recoverable amount was used for the final valuation of the Corporation’s fixed assets. The impact of this change has been to increase the carrying amount of the Corporation’s non-current fixed assets as at 1 July 1992 by \$1.5 billion. The Corporation continues to revalue fixed assets at the 30 June each year to the lower of deprival and recoverable amount.
- 3) (d) In years prior to 1992–93, the sinking fund method of depreciation was used for completed works assets while the straight line method was used for other assets. Applying these methods to assets at historical cost, the depreciation charge for 1992–93 would have been \$51 million. The impact of the asset revaluation (note 2(c)) and the adoption of a depreciation charge method based on units of output energy production was to increase the depreciation charge for the year 1992–93 by an additional \$50 million. Based on the 1996–97 recoverable amount valuation of fixed assets, the 1996–97 depreciation charge was \$110.2 million.
- 4) The electricity consumption levy charged separately by the Tasmanian Government to the major industrial customers is excluded from revenue calculations. Revenue from trading excludes abnormal revenue.

HYDRO-ELECTRIC CORPORATION (continued)

NOTES TO INDICATORS FOR HYDRO-ELECTRIC CORPORATION (continued)

- 5) Under the *State Authorities Financial Management Act 1990* (SAFM) the Corporation is required to calculate a tax equivalent, excluding capital gains tax, as if it were a company under Commonwealth income tax laws. As a result the Commission applies tax effect accounting principles using a tax rate of 40 per cent for the 1991–92 and the 1992–93 financial results. On a before tax basis, return on equity (B.04) are 9.34 per cent (1991–92) and 1.36 per cent (1992–93); while the dividend payout ratio (B.06) are 20.01 per cent (1991–92) and 41.78 per cent (1992–93).
- 6) Dividend policy as per State Treasury advice.
- 7) Gross interest expense includes loan guarantee fee and interest made good on SAF and RBF.
- 8) Staff numbers are reported as number of employees including construction, casual and part time staff, but excluding contractors.
- 9) Annual generation and capacity data exclude those for the Bass Strait Islands.
- 10) The HEC hydro schemes are designed to be operated in an integrated system to maximise the average long-term energy output from the integrated system while minimising spill. Therefore, capacity factor and reserve plant margin for a hydro system are less meaningful for measuring technical performance.
- 11) The relevance of the outage factors to the service quality of the Corporation's generation system is questionable, because the Corporation's hydro system is energy constrained and not capacity constrained. Generator outage does not necessarily mean outage to customers because the generation system has sufficient capacity to maintain reliable service required by the customers.
- 12) Waddamana power station number one and two machines decommissioned in 1992–93. Lake Margaret came under Commission in December 1994, providing an additional 8.4 MW capacity.

HYDRO-ELECTRIC CORPORATION (continued)

NOTES TO INDICATORS FOR HYDRO-ELECTRIC CORPORATION (continued)

- 13) Within the reporting period 1987–88 to 1996–97, the Commission organisationally re-structured twice (1988–89 & 1991–92) resulting in changed reporting formats and policies. Minor changes have also been made in response to the implementation of SAC 4 and in accordance with the SAFM Act and with the Treasurer’s instruction. Consequently, the disaggregation of operating expenses into Generation, Transmission and Distribution for previous years are best estimates which may not be on a fully consistent basis with the 1992–93, and 1995–96 data.
- Operation and maintenance costs for Generation, Distribution and Transmission have been calculated for 1994–95, 1995–96 and 1996–97 using ‘ring fencing’ accounting procedures, and current cost depreciation. Earlier years in the relevant time series have been estimated.
- 14) Transmission transformer capacity for 1991–92 and 1992–93 include generator transformers; while the capacities reported for 1987–88 to 1990–91 exclude auto, tie and generator transformers.
- 15) Transmission sales include sales at high voltage to major industrial customers and sales to the distribution system.
- 16) Should include electricity leaving the transmission system to include both sales to HV major industrial customers and sales to the distribution system.
- 17) Price of electricity has been calculated from total unit sales and sales revenue. ‘Other’ includes the major industrial customers except in ‘other’ customers, ‘other’ physical output and ‘other’ average price of product where the major industrial customers are excluded. Sales revenue excludes the statutory levy of five per cent on retail sales collected on behalf of the Tasmanian Government.

POWER AND WATER AUTHORITY**Northern Territory****Comments on own performance**

The Power and Water Authority was established in 1987 by the amalgamation of the Northern Territory Electricity Commission, the Northern Territory Water Authority and the Water Resources Division of the Department of Mines and Energy. The Authority is the sole provider of public electricity, water and sewerage services throughout the Northern Territory.

Current operations

The Authority provides generation, transmission and distribution services in the four main regions of the Northern Territory, namely Darwin, Katherine, Tennant Creek and Alice Springs. In addition to the provision of services to these urban centres, the Authority provides services to some 80 remote Aboriginal communities throughout the Territory. Overall, the Authority provides 65 500 electricity services across the Territory.

Financial performance

Costs per service are high in the Northern Territory compared to other States. The Authority maintains infrastructure over a large area for a relatively small customer base. Full cost recovery has been achieved through a combination of operating efficiencies and government funding of operating deficit and community service obligations. Financial performance in recent years has been affected by the following external factors:

- At self-government in 1978, the Commonwealth entered into a special arrangement to subsidise the supply of electricity to Territory urban and minor centres. The highest subsidy payments by the Commonwealth reached around \$80million but none have been paid since 1993–94;
- Electricity tariffs have been frozen since 1992.

Asset values increased substantially when they were changed from historical cost to replacement values in 1994–95.

POWER AND WATER AUTHORITY (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1)						
Return on assets	%	4.2	6.6	2.4	0.8	0.4
Return on operating assets	%	4.1	6.6	2.1	0.3	0.0
Operating sales margin (2)	%	9.0	14.4	5.5	1.0	0.0
Return on equity	%	-6.6	1.7	-0.8	-2.7	-3.1
Dividend to equity ratio	%	0.0	0.0	1.7	0.6	4.2
Dividend payout ratio	%	0.0	0.0	-215.2	-23.3	-134.3
Debt to equity	%	115.4	110.9	49.4	49.2	47.9
Total liabilities to equity	%	131.6	130.6	57.7	59.1	58.9
Current ratio	%	225.9	179.3	208.2	176.2	166.5
Interest cover	%	60.4	112.4	84.8	32.2	17.4
Cost recovery ratio	%	107.5	111.2	106.4	101.5	100.0
Operational performance	%	3.0	4.4	2.3	0.5	0.0
Non-financial Ratios						
GENERAL						
Economic Factors						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
Efficiency						
Total days lost:						
- industrial disputes	%	0.00	0.20	0.07	0.05	0.00
- sick leave	%	n.p.	3.40	3.70	3.92	3.48
- industrial accidents	%	0.40	0.40	0.41	0.24	0.44
- all	%	n.p.	4.00	4.17	4.20	3.92
Effectiveness						
Percentage price change:						
- residential	%	1.3	0.6	-0.1	-0.5	0.0
- other	%	3.0	1.2	-1.5	-2.8	0.0
- overall	%	2.6	0.8	-1.0	-2.0	0.0
Real price index:						
- residential	Index	99.3	98.1	95.3	91.1	89.2
- other	Index	101.2	100.7	96.4	89.9	90.2
- overall	Index	100.7	99.8	96.0	90.3	89.9

POWER AND WATER AUTHORITY (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
GENERAL (continued)						
Size						
Total assets (2)	\$M	425	443	645	631	621
Total revenue	\$M	191	195	203	211	233
System maximum demand (3)	MW	157	159	170	188	199
Average total employment	No	633	539	529	539	513
Service area	Sq km	n.p.	n.p.	n.p.	n.p.	n.p.
Safety						
Lost time injury frequency rate	No/Mil.Hrs	3588.00	4377.00	4060.00	2351.00	4091.89
GENERATION						
Efficiency						
Load factor	%	62.7	63.6	67.9	65.9	64.0
Capacity factor	%	39.3	41.2	44.1	43.7	45.5
Reserve Plant Margin	%	59.5	54.2	53.9	50.6	40.6
Equivalent available factor	%	n.p.	n.p.	n.p.	n.p.	n.p.
Labour productivity (excluding construction and mine employees)	GWh/Emp	4.4	6.1	7.2	8.0	6.7
Thermal efficiency	%	34.8	35.3	36.1	36.7	36.8
Service Quality						
Equivalent forced outage factor	%	0.0	0.0	n.p.	n.p.	n.p.
Planned outage factor	%	0.1	0.0	n.p.	n.p.	n.p.
Size						
Total physical output generated	GWh	1 198	1 209	1 317	1 467	1 496
Generating plant capacity (4)	MW	381	368	391	400	404
Changes in generating plant capacity:						
- plant added (5)	MW	0	0	23	22	9
- plant decommissioned (5)	MW	0	13	0	14	3
- plant in dry storage	MW	0	0	0	0	0

POWER AND WATER AUTHORITY (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
GENERATION (continued)						
Cost & Revenue Measures						
Operation and maintenance costs:						
(6)						
- excluding fixed costs:						
- - excluding fuel cost	\$/MWh	30.9	28.2	22.9	24.6	28.2
- - including fuel cost	\$/MWh	96.3	94.2	61.4	66.8	82.8
- including fixed costs: (7)						
- - excluding fuel cost	\$/MWh	56.9	52.7	81.0	72.2	70.5
- - including fuel cost	\$/MWh	122.3	118.7	119.5	114.5	125.1
Environmental Indicators						
CO ₂ emissions	kg/MWh	n.p.	598	607	616	606
Particulate emissions	kg/MWh	n.p.	n.p.	n.p.	n.p.	n.p.
NO _x emissions	kg/MWh	n.p.	2	2	2	2
TRANSMISSION						
Efficiency						
Transmission system reliability	1/Mill	n.p.	35.4	n.p.	n.p.	n.p.
Transmission labour productivity	GWh/Emp	n.r.	n.r.	n.r.	n.r.	n.r.
Transmission equipment utilisation factor	Ratio	0.2	0.2	0.2	0.3	0.3
Transmission losses	%	n.p.	3.1	2.8	2.3	0.7
Size						
Transmission transformer capacity	MVA	435	518	543	543	543
Transmission circuit kilometres (8)	km	341	341	341	341	341
Cost & Revenue Measures						
Operation and maintenance costs:						
- excluding fixed costs:						
- - per circuit km (8)	\$/km	5 129	3 434	3 094	3 941	4 246
- - per MWh sold	\$/MWh	2.1	1.4	1.2	1.4	1.4
- including fixed costs:						
- - per circuit km	\$/km	27 126	12 971	16 144	15 070	17 663
- - per MWh sold	\$/MWh	11	5	6	5	6
- excluding fixed costs:						
- - per customer	\$/cus	46	30	26	22	23
- including fixed costs:						
- - per customer	\$/cus	246	114	135	84	95

POWER AND WATER AUTHORITY (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
DISTRIBUTION						
Efficiency						
Distribution labour productivity	Cus/Emp	155	168	172	174	195
Distribution equipment utilisation factor	Ratio	0.18	0.18	0.19	0.20	0.20
Sub-transmission equipment utilisation factor	Ratio	n.p.	n.p.	0.18	0.19	0.18
Distribution losses (9)	%	4.4	5.3	4.0	4.8	5.2
Service Quality						
Outage response time factor	Min	47.0	41.0	n.p.	n.p.	n.p.
- planned	Min	n.p.	n.p.	n.p.	n.p.	n.p.
- unplanned	Min	n.p.	n.p.	n.p.	n.p.	n.p.
System average outage frequency factor	No/Cus	4.3	5.1	n.p.	5.5	8.1
- planned	No/Cus	n.p.	n.p.	n.p.	n.p.	n.p.
- unplanned	No/Cus	n.p.	n.p.	n.p.	n.p.	n.p.
Loss of supply factor	Min/Cus	n.p.	n.p.	n.p.	n.p.	n.p.
- planned	Min/Cus	n.p.	n.p.	n.p.	45.4	46.5
- unplanned	Min/Cus	n.p.	n.p.	n.p.	n.p.	n.p.
Size						
Total number of customers:						
- residential	'000	46	48	50	51	53
- other	'000	9	9	10	10	11
- overall	'000	56	58	59	61	63
Total physical output sold to:						
- residential	GWh	300	313	331	356	375
- other	GWh	806	779	858	985	1 000
- overall	GWh	1 105	1 092	1 190	1 342	1 375
Distribution transformer capacity	MVA	690	694	700	719	750
Distribution circuit kilometres (10)	km	5 243	5 267	5 450	5 620	5 996
Customer Density:						
- customers per distribution circuit kilometre	Cus/km	10.6	11.0	10.9	10.9	10.6
- sales (MWh) per circuit kilometre	MWh/km	210.8	207.4	218.3	238.3	229.3

POWER AND WATER AUTHORITY (continued)

	Units	1992–93	1993–94	1994–95	1995–96	1996–97
DISTRIBUTION (continued)						
Cost & Revenue Measures						
Average price of product:						
- residential	\$/MWh	133.00	133.81	133.73	133.10	132.68
- other	\$/MWh	155.61	157.69	155.30	151.00	151.52
- overall	\$/MWh	149.48	150.84	149.30	146.30	146.39
Operation and maintenance costs:						
(7)						
- excluding fixed costs:						
- - per circuit km	\$/km	4 340	3 912	5 785	4 141	4 750
- - per MWh sold	\$/MWh	21	19	28	17	21
- including fixed costs:						
- - per circuit km	\$/km	8 749	8 592	16 212	8 431	9 225
- - per MWh sold	\$/MWh	43	40	78	35	40

NOTES TO INDICATORS FOR POWER AND WATER AUTHORITY

Key: n.p. - not provided; n.r. - not relevant.

- 1) PAWA is an integrated service provider and care should be taken in interpreting trends in assets, equity, revenue, expenses and headcount. A significant component of capital assets has been allocated to power, water and sewerage segments. Total revenue includes a significant component of government contributions for community service obligations (CSOs) and to cover operating deficits up to 1993–94. A significant component of corporate level expense and headcount have been allocated between power, water and sewerage segments, in the published accounts, and between generation and distribution for calculation of operation, maintenance and administration costs. The basis for this allocation has changed from year to year.
- 2) From 1996–97, includes CSOs, funded by Government, as contribution to support the NT's uniform tariff policy in the face of higher natural operating costs outside Darwin.
- 3) Only relates to Darwin–Katherine interconnected system rather than NT as a whole.
- 4) Based on site ratings.
- 5) Only net movements available before 1995–96.
- 6) The lease cost component of energy charges was treated as part of fuel costs until 1993–94 and as part of fixed costs from 1994–95.

POWER AND WATER AUTHORITY (continued)

NOTES TO INDICATORS FOR POWER AND WATER AUTHORITY (continued)

- 7) Revalued assets and current value depreciation used from 1994–95. Historical values used in previous years.
- 8) Darwin and Katherine have power transmitted at 132kV. 285 kilometres of the line is privately owned and operated. Any other transmission employment and operation, maintenance and administration costs are included with distribution.
- 9) Distribution losses include unmetered customers eg. street lighting which contributes about 1.2 per cent of the total.
- 10) 11-66kV.
- 11) Figures for 1993–94 onwards relate to electricity operations only.
- 12) Community service obligations:
- Government contributions fund the cash deficit in the Authority's Aboriginal Essential Services Division.
 - Internally funded rebates are treated as an expense and not netted off against revenue.

<i>Category of CSO</i>	<i>Valuation method</i>	<i>Source of funding</i>	<i>Year</i>	<i>Cost (\$'000)</i>
Cost of funding uniform tariff policy to country services	Previous year accrual loss	NT Government	1996–97	3 302
Aboriginal community services	Cash deficit	NT Government	1996–97	19 809
			1995–96	12 837
			1994–95	18 303
			1993–94	15 187
			1992–93	15 060
Air conditioner rebates	Lost revenue	Internal	1996-97	89
			1995–96	73
			1994–95	66
			1993–94	60
			1992–93	56

ACTEW CORPORATION**Australian Capital Territory****Comments on own performance**

ACTEW was formed in 1988 by the amalgamation of the ACT Electricity Authority with ACT Water. ACTEW supplies electricity and water to a population of approximately 300 000 people in the Canberra region. On 1 July 1995, ACTEW became a corporation and is subject to the payment of equivalent income and sales taxes and dividends to the ACT Government.

Generally, stringent planning requirements have often required higher service provision standards than would have been required elsewhere.

The Corporation serves the ACT but also provides its skills and seeks business opportunities elsewhere in Australia and the Asia Pacific region. ACTEW's major functions are:

- to supply water and energy, including electricity;
- to promote and manage the use of energy and water; and
- to collect and treat sewerage and to provide sewerage services.

ACTEW's electricity operations in 1996–97 reported an *operating profit before tax* of \$43.3 million, an increase of \$11million from the previous year.

Earnings before interest and tax as a percentage of revenue also showed an improvement in the year, rising from 13.9per cent in 1995–96 to 18.6 per cent in 1996–97.

ACTEW continues to be the provider of the lowest residential prices for electricity whilst providing very high standards of reliability and service.

The new National Electricity Market provides challenges, risks and uncertainties, and ACTEW has positioned itself as a competitive force in the market. During the year, ACTEW confirmed its position as an Australia-wide energy retailer through the operations of its wholly owned subsidiary, ACTEW Energy Pty Ltd, which successfully operated in the competitive New South Wales and Victorian electricity retail markets.

ACTEW's move from servicing a single market to compete against Australian and international competitors has transformed its operations and business culture. Competitive advantage is gained through an increased customer orientation by ACTEW's total workforce, resulting in unprecedented high levels of customer satisfaction. The Corporation has pursued strategies successfully in recent years to position itself for a future very different from its past. These strategies have given us the people, the skills, the resources and the business partners to continue to grow and prosper.

ACTEW CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios						
Return on assets	%	7.7	6.1	8.0	7.3	9.2
Return on operating assets	%	7.5	6.0	7.8	7.4	9.2
Operating sales margin	%	11.9	10.1	13.5	13.9	18.6
Return on equity	%	8.4	6.7	9.0	5.0	6.1
Dividend to equity ratio	%	6.7	3.2	10.5	3.8	4.2
Dividend payout ratio	%	79.5	48.5	116.6	75.5	68.7
Debt to equity	%	5.5	4.1	2.9	0.9	0.5
Total liabilities to equity	%	21.9	16.2	20.5	0.9	6.6
Current ratio	%	99.1	118.2	76.5	2 015.9	271.3
Interest cover	%	871.5	1 216.3	2 107.7	4 894.9	7 445.5
Cost recovery ratio	%	113.6	111.8	114.6	116.1	126.0
Operational performance	%	7.6	6.3	7.4	7.4	10.2
Non-financial Ratios						
GENERAL						
Economic Factors						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
Efficiency						
Total days lost:						
- industrial disputes	%	n.p.	0.00	0.03	0.01	0.00
- sick leave	%	n.p.	4.68	3.53	3.18	3.82
- industrial accidents	%	n.p.	1.48	0.42	0.30	0.25
- all	%	n.p.	6.17	3.98	3.49	4.07
Effectiveness						
Percentage price change:						
- residential	%	5.1	0.4	-0.6	3.8	0.0
- other	%	3.5	1.7	-3.4	0.5	0.0
- overall	%	3.9	1.5	-2.4	1.9	0.0
Real price index:						
- residential	Index	103.2	101.8	98.0	97.3	96.6
- other	Index	101.5	101.4	94.8	91.2	90.5
- overall	Index	102.0	101.8	96.2	93.8	93.2

ACTEW CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
GENERAL (continued)						
Size						
Total assets	\$M	409	421	428	476	476
Total revenue	\$M	242	241	241	237	236
System maximum demand	MW	572	547	556	570	556
Average total employment	No	796	780	751	695	n.p.
Service area	Sq km	2 359	2 359	2 359	2 359	2 359
Safety						
Lost time injury frequency rate	No/Mil.Hrs	45.5	43.4	39.7	34.4	30.6
DISTRIBUTION						
Efficiency						
Distribution labour productivity	Cus/Emp	148	157	167	193	n.p.
Distribution equipment utilisation factor	Ratio	0.19	0.18	0.18	0.18	0.18
Sub-transmission equipment utilisation factor	Ratio	n.p.	n.p.	n.p.	0.2	0.2
Distribution losses	%	4.2	4.4	4.4	4.8	4.8
Service Quality						
Outage response time factor	Mins	64.5	73.8	56.9	68.0	74.5
- planned	Mins	36.1	34.7	24.1	31.0	28.9
- unplanned	Mins	28.4	39.2	32.8	37.0	45.7
System average outage frequency factor	No/Cus	1.34	1.14	0.80	1.09	1.22
- planned	No/Cus	0.25	0.26	0.15	0.22	0.24
- unplanned	No/Cus	1.09	0.88	0.65	0.87	0.98
Loss of supply factor	Min/Cus	39.98	43.52	24.90	39.00	51.70
- planned	Min/Cus	9.03	9.02	3.61	6.83	6.93
- unplanned	Min/Cus	30.96	34.46	21.31	32.17	44.80

ACTEW CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
<i>DISTRIBUTION (continued)</i>						
<i>Size</i>						
Total number of customers:						
- residential	'000	106	109	113	115	116
- other	'000	12	13	12	12	12
- overall	'000	118	122	125	127	128
Total physical output sold to:						
- residential	GWh	1 052	1 016	1 041	1 037	n.p.
- other	GWh	1 197	1 200	1 231	1 250	n.p.
- overall	GWh	2 249	2 216	2 272	2 287	2310
Distribution transformer capacity	MVA	1 349	1 379	1 415	1 441	1 471
Distribution circuit kilometres	km	4 483	4 581	4 801	4 861	4 889
Customer density:						
- customers per distribution circuit kilometre	Cus/km	25.8	26.1	25.7	25.9	26.2
- sales (MWh) per circuit kilometre	MWh/km	502	484	473	471	456
<i>Cost & Revenue Measures</i>						
Average price of product:						
- residential	\$/MWh	80.70	81.02	80.56	83.59	83.30
- other	\$/MWh	113.20	115.13	111.15	111.78	112.80
- overall	\$/MWh	98.00	99.49	97.14	99.00	98.90
Operating and maintenance costs						
- excluding fixed costs:						
- - per circuit km	\$/km	5 873	5 817	5 588	5 242	n.p.
- - per MWh sold	\$/MWh	11.70	12.00	11.81	11.27	n.p.
- including fixed costs:						
- - per circuit km	\$/km	13 836	14 673	14 381	14 542	n.p.
- - per MWh sold	\$/MWh	27.60	30.30	30.39	30.91	n.p.

NOTES TO INDICATORS FOR ACTEW (ELECTRICITY)

Key: n.p. - not provided; n.r. - not relevant.

SNOWY MOUNTAINS HYDRO-ELECTRIC AUTHORITY

Commonwealth

Comments on own performance

The Snowy Mountains Hydro-electric Authority (SMHEA) was established in 1949 under Commonwealth legislation to construct and manage the Snowy Mountains Scheme – a dual purpose hydro-electric and irrigation development in the Snowy Mountains. The Scheme's main operations are the collection, storage, diversion and release of water for irrigation purposes and the generation and transmission of environmentally friendly renewable electricity for New South Wales, Victoria, and the Australian Capital Territory. At the same time the Snowy is positioning itself to be a profitable efficient producer of renewable energy and regulated water through existing and new business opportunities. The Scheme operates on a cost recovery basis with the costs met by the three electricity customers.

The *Snowy Mountains Hydro-electric Power Act 1949* provides that borrowing by the Authority may be guaranteed by the Commonwealth as to the repayment of principal and interest. Inscribed stock is issued as security for borrowing. The change in the current ratio reflects the decrease in debt maturities falling due in 1997–98.

The Scheme has been designed primarily with peak load generators with low utilisation factors. It provides important support services to the South–East Australian interconnected electricity grid and provides the key electricity transmission link between New South Wales and Victoria.

Generating plant reliability and availability rates were well above target, representing the ability of the Scheme to respond to market demands. The Scheme produced 5539 GWh of clean renewable energy to meet the needs of the New South Wales and Victorian electricity markets.

The lost time injury frequency rate met the target and contributes to the trend of improvement over the last ten years.

SNOWY MOUNTAINS HYDRO-ELECTRIC AUTHORITY (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1)						
Return on assets	%	0.0	-0.1	0.0	0.3	0.3
Return on operating assets	%	-0.3	-0.3	-0.3	0.0	-0.1
Operating sales margin	%	-8.1	-6.2	-6.7	-0.7	-1.7
Return on equity	%	-3.1	-3.4	-3.5	-3.1	-3.2
Dividend to equity ratio (2)	%	0.0	0.0	0.0	0.0	0.0
Dividend payout ratio (2)	%	0.0	0.0	0.0	0.0	0.0
Debt to equity	%	34.8	36.2	37.7	38.6	38.2
Total liabilities to equity	%	38.6	39.9	41.6	42.8	39.9
Current ratio	%	36.8	30.6	18.6	9.2	43.0
Interest cover (3)	%	2.1	-2.7	-1.0	12.7	10.6
Cost recovery ratio	%	92.5	94.2	93.7	99.3	98.3
Operational performance	%	-0.3	-0.3	-0.3	0.0	-0.1
Non-financial Ratios						
GENERAL						
Economic Factors						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
Efficiency						
Total days lost:						
- industrial disputes	%	0.00	0.00	0.04	0.00	0.00
- sick leave	%	1.94	2.30	2.52	2.06	1.83
- industrial accidents	%	0.11	0.10	0.16	0.20	0.09
- all	%	2.05	2.40	2.73	2.26	1.92
Effectiveness						
Percentage price change:						
- residential (4)	%	n.r.	n.r.	n.r.	n.r.	n.r
- other	%	-22.7	26.8	1.2	12.7	9.0
- overall	%	-22.7	26.8	1.2	12.7	9.0
Real price index: (5)						
- residential (4)	Index	n.r.	n.r.	n.r.	n.r.	n.r
- other	Index	63.8	79.7	78.1	83.1	75.8
- overall	Index	63.8	79.7	78.1	83.1	75.8

SNOWY MOUNTAINS HYDRO-ELECTRIC AUTHORITY (continued)

	Units	1992-93	1993-94	1994-95	1995-96	1996-97
GENERAL (continued)						
Size						
Total assets	\$M	3 866	3 774	3 687	3 605	3 423
Total revenue	\$M	165	169	175	171	171
System maximum demand	MW	2 550	2 598	3 083	2 852	2 600
Average total employment (6)	No	707	688	668	640	573
Service area	Sq km	3 200	3 200	3 200	3 200	3 200
Safety						
Lost time injury frequency rate	No/Mil.Hrs	27.50	22.00	19.95	26.00	20.00
GENERATION						
Efficiency						
Load factor	%	29.3	24.3	20.7	19.2	24.3
Capacity factor	%	20.0	16.9	17.0	14.6	16.8
Reserve Plant Margin	%	46.7	44.0	21.8	31.7	44.5
Equivalent available factor (7)	%	84.8	83.0	87.0	85.5	90.7
Labour productivity (excluding construction employees) (8)	GWh/Emp	12.6	11.0	10.8	9.2	11.8
Thermal efficiency	%	n.r.	n.r.	n.r.	n.r.	n.r
Service Quality						
Equivalent forced outage factor	%	1.2	1.5	1.6	1.1	1.4
Planned outage factor	%	14.0	15.5	11.4	13.4	8.0
Size						
Total physical output generated	GWh	6 535	5 539	5 582	4 796	5 539
Generating plant capacity	MW	3 740	3 740	3 756	3 756	3 756
Changes in generating plant capacity:						
- plant added (9)	MW	0	0	16	0	0
- plant decommissioned	MW	0	0	0	0	0
- plant in dry storage	MW	0	0	0	0	0

SNOWY MOUNTAINS HYDRO-ELECTRIC AUTHORITY (continued)

	Units	1992-93	1993-94	1994-95	1995-96	1996-97
GENERATION (continued)						
Cost & Revenue Measures						
Operation and maintenance costs:						
- excluding fixed costs:						
- - excluding fuel cost	\$/MWh	6.22	8.50	9.48	10.12	10.30
- - including fuel cost	\$/MWh	6.22	8.50	9.48	10.12	10.30
- including fixed costs:						
- - excluding fuel cost (8)	\$/MWh	30.34	38.91	43.61	47.45	46.14
- - including fuel cost	\$/MWh	30.34	38.91	43.61	47.45	46.14
Environmental Indicators						
CO ₂ emissions	kg/MWh	0	0	0	0	0
Particulate emissions	kg/MWh	0	0	0	0	0
NO _x emissions	kg/MWh	0	0	0	0	0
TRANSMISSION						
Efficiency						
Transmission system reliability	1/Mill	0.0	0.0	0.0	0.0	0.0
Transmission labour productivity (8)	GWh/Emp	34.5	29.8	44.9	63.4	82.8
Transmission equipment utilisation factor	Ratio	0.18	0.15	0.16	0.10	0.14
Transmission losses	%	0.0	0.0	0.0	0.0	0.0
Size						
Transmission transformer capacity	MVA	4 062	4 062	4 062	4 062	4 062
Transmission circuit kilometres (10)	km	270	270	270	270	270
Cost & Revenue Measures						
Operation and maintenance costs:						
- excluding fixed costs:						
- - per circuit km (8)	\$/km	43 072	39 997	21 260	20 121	18 087
- - per MWh sold	\$/MWh	1.30	1.51	0.77	0.80	0.72
- including fixed costs:						
- - per circuit km (8)	\$/km	210 030	182 965	97 808	94 341	81 345
- - per MWh sold	\$/MWh	8.60	8.81	4.77	5.40	4.42

SNOWY MOUNTAINS HYDRO-ELECTRIC AUTHORITY (continued)

NOTES TO INDICATORS FOR SNOWY MOUNTAINS HYDRO-ELECTRIC AUTHORITY

Key: n.p. - not provided; n.r. - not relevant.

- 1) The Authority's assets were valued at historical cost until 1991–92, when the current replacement cost and written down value were determined by independent consultants and subjected to audit. Due to the increased depreciation charges SMHEA recorded a loss since that time. These accounting changes have caused the reductions in the financial ratios. The Authority operates under a cost recovery process and cannot accumulate equity. The earnings consist mainly of profit on sale of land and buildings. The Authority is not subject to income tax, nor is it required to pay tax equivalents.
- 2) The Authority does not pay dividends nor distribute profits in any way.
- 3) Gross interest expense includes amortisation of inscribed stock discount.
- 4) The Authority is not involved in distribution to retail customers.
- 5) Weighted capital city CPI used for Sydney, Canberra and Melbourne.
- 6) Number of staff is equivalent full time personnel of the Authority (including trainees and apprentices) plus EC operators. The distribution of employee numbers to generation and transmission has been achieved by allocating the total work force uniformly across areas in proportion to total labour costs.
- 7) MWh losses have been defined as scheduled and unscheduled outages.
- 8) All support costs and employee numbers have been proportionally distributed to Transmission or Generation.
- 9) Additional plant capacity results from refurbishment of Tumut 1 and Tumut 2 Power Stations.
- 10) The Authority's grid system consists of a small number of kilometres and six substations.

2 **GAS**

GASCOR (Vic)	125
Gas Transmission Corporation (Vic)	133
AlintaGas (WA)	137

GASCOR**Victoria****Comments on own performance**

The process of gas industry reform in Victoria is driven by the State Government's desire to encourage competition in the energy industry and also by the national movement to reform the gas industry, encouraging cross-border trade in natural gas and implementing a national Open Access Code, allowing new entrants to use transmission and distribution systems to transport gas to their customers in a competitive market.

During the year, much of the focus of the organisation's activities was related to preparing for the disaggregation of Gas and Fuel in line with the reform program. On 1 July 1997, three new gas distribution and three new retail businesses were launched on the Victorian energy market. Their establishment represented a significant development in the restructure of Victoria's energy industry.

Throughout all of the changes and the processes being put in place by 30 June 1997, the one principal aim was achieved — a seamless and efficient changeover, barely noticeable to our 1.4 million customers, other than by a change of name on their gas bills. Customer satisfaction measures relating to providing various services and answering queries were either maintained at their previously high levels or improved.

Employee numbers were again reduced from 1805 at 30 June 1996, to 1508 at June 1997. As a result, the measure of customers per employee continued to improve. The cost of laying mains and upgrading mains and services fell, mainly due to outsourcing of field work.

The financial results were impacted by a number of transactions related to the reform process. Operating revenue for the year, at \$1221.7 million, was marginally better than the previous year (\$1218.5 million). The Gas and Fuel consolidated profit after interest but before abnormal items and State equivalent tax was \$133.6 million compared to \$188.4 million in 1995–96. This reduction in year on year profit resulted from higher depreciation charges (\$24.5 million) on the increased valuation of the gas distribution network, and increased interest charges (\$27.5 million) on additional borrowings used to fund the settlement of the Petroleum Resource Rent Tax (PRRT) dispute.

The net loss of \$195.9 million was incurred as a result of abnormal costs associated with the PRRT dispute (\$148.1 million), a decrease in the valuation of land and buildings (\$47.9 million), additional PRRT debt allocated from Generation Victoria (\$68.9 million), and write-back of tax losses that will no longer generate future tax benefits (\$136.5 million). These costs were partially offset by an extraordinary gain of \$128.7 million from assets transferred from the Gas Transmission Corporation.

As a result of incurring a loss, no dividend was paid to the Victorian Government but \$330.6 million was paid as a Public Authorities Contribution.

GASCOR (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1-4,18)						
Return on assets	%	31.1	16.0	16.0	14.0	8.5
Return on operating assets	%	32.7	16.5	16.0	14.0	8.5
Operating sales margin	%	35.6	21.3	17.8	18.7	15.5
Return on equity	%	80.7	23.8	28.5	15.4	5.3
Dividend to equity ratio (5)	%	57.0	22.3	25.5	12.9	0.0
Dividend payout ratio (5)	%	70.7	93.6	89.5	83.8	0.0
Debt to equity	%	128.4	143.2	105.4	39.9	71.2
Total liabilities to equity	%	174.3	216.8	192.7	75.0	105.9
Current ratio	%	83.1	54.8	54.1	56.7	111.1
Interest cover	%	470.1	322.2	519.3	568.9	338.5
Cost recovery ratio	%	132.5	132.4	124.3	123.1	162.2
Operational performance	%	19.2	18.9	17.5	14.0	21.1

Non-financial Ratios**GENERAL****Economic Factors**

Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.

Efficiency

Load factor (6)	%	54.7	51.2	53.6	50.1	54.0
Energy delivered per employee:						
- distribution (7,8,9)	TJ/Emp	n.p.	n.p.	52.9	73.2	110.2
- overall (9,7,8)		37.5	41.3	n.p.	n.p.	n.p.
Total days lost:						
- industrial disputes	%	0.35	0.05	1.32	0.05	0.76
- sick leave	%	4.32	3.92	3.53	4.20	3.35
- industrial (including work care claims)	%	0.36	0.57	0.42	0.39	0.17
- overall	%	5.03	4.54	5.27	4.64	4.28

GASCOR (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
GENERAL (continued)						
Effectiveness						
Real price index: (10)						
- residential	Index	110.44	116.51	114.22	110.40	111.25
- commercial	Index	102.82	100.91	94.79	90.74	90.92
- industrial	Index	107.16	105.12	103.77	100.12	98.35
- contract (commercial)	Index	104.01	102.59	95.04	92.38	92.90
- contract (industrial)	Index	106.93	105.23	102.85	99.53	97.87
- overall average (all classes)	Index	109.03	109.90	108.63	105.85	105.43
Kilometres of main per employee:						
- distribution (8,9,11)	km/Emp	n.p.	n.p.	7.15	9.55	14.51
- overall (9,8,11)	km/Emp	5.50	6.30	n.p.	n.p.	n.p.
Methane loss between entry and exit points (12)	%	1.70	1.40	2.70	2.33	2.52
Size						
Total assets (13)	\$M	1 514	1 468	1 273	1 991	2 465
Total revenue (14)	\$M	1 168	1 102	1 225	1 219	1 222
Average total employment:						
- distribution (15,8,9,11)	Emp	n.p.	n.p.	3 295	2 391	1 598
- overall (9,15,8,11)	Emp	4 326	3 850	n.p.	n.p.	n.p.
Gas storage facilities maintained:						
- distribution	'000m ³	n.p.	n.p.	n.p.	n.p.	n.p.
- overall (9)	'000m ³	13 000	13 000	n.p.	n.p.	n.p.
Total km of mains operated:						
- distribution (9)	km	n.p.	n.p.	22 673	22 976	23 393
- overall (9)	km	24 085	24 438	n.p.	n.p.	n.p.
Cost & Revenue Measures						
Operation & maintenance unit costs						
per GJ delivered: (9)						
- distribution	\$/GJ	n.p.	n.p.	1.5	1.5	1.5
- overall	\$/GJ	1.5	1.3	n.p.	n.p.	n.p.
Operation & maintenance unit costs						
per GJ sold: (9)						
- distribution	\$/GJ	n.p.	n.p.	1.5	1.5	1.5
- overall	\$/GJ	1.9	1.6	n.p.	n.p.	n.p.

Safety

GASCOR (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Lost time injury frequency rate	No. per mill. hrs	13.2	5.4	4.8	3.2	0.7
<i>DISTRIBUTION</i>						
<i>Efficiency</i>						
Customers per employee (8,11)	No	291	334	400	564	863
Gas sales per employee: (8,11)						
- distribution (9)	TJ/Emp	n.p.	n.p.	52.5	73.2	110.2
- overall (9)	TJ/Emp	37.1	41.3	n.p.	n.p.	n.p.
Reliability: (16)						
- unplanned customer interruptions per 1000 customers	1/1000	0.9	1.6	1.2	2.1	1.5
- length of customer interruptions	Sec/Cus	17.3	349.5	60.0	384.0	277.7
Telephone response times:						
- calls answered within 20 seconds	%	82.1	83.8	83.8	82.8	84.0
- calls abandoned	%	5.7	2.0	2.6	2.9	3.1
<i>Effectiveness</i>						
Customers per kilometre of main (17)	Cus/km	52.7	53.0	55.9	59.1	59.5
Gas sold per kilometre of main (17)	TJ/km	6.8	6.6	7.4	7.7	7.6
Unaccounted for gas (12)	%	1.7	1.4	2.7	2.3	2.5
<i>Size</i>						
Total customers: (11)						
- residential	'000	1 219	1 248	1 277	1 307	1 336
- commercial	No	34 006	34 715	35 506	36 752	38 224
- industrial	No	4 432	4 299	4 234	4 219	4 235
- contract (commercial)	No	141	135	133	136	142
- contract (industrial)	No	394	386	393	401	411
- contract (large industrial)	No	n.p.	n.p.	n.p.	n.p.	n.p.
- overall (all classes)	'000	1 257	1 287	1 317	1348	1 378
Peak day delivery	TJ/Day	813	857	891	958	891
Total gas sales:						
- residential	\$M	592	618	692	710	720
- commercial	\$M	96	97	106	110	113
- industrial	\$M	45	46	46	42	43
- contract (commercial)	\$M	19	21	26	29	28
- contract (industrial)	\$M	227	225	242	238	241
- contract (large industrial)	\$M	n.p.	n.p.	n.p.	n.p.	n.p.
- total	\$M	979	1 005	1 112	1 128	1 145

GASCOR (continued)

	Units	1992–93	1993–94	1994–95	1995–96	1996–97
DISTRIBUTION (continued)						
Cost & Revenue Measures						
Average price of product						
- residential	\$/GJ	8.4	9.1	9.1	9.2	9.3
- commercial	\$/GJ	8.0	8.0	8.0	8.0	7.9
- industrial	\$/GJ	5.0	5.0	6.0	6.1	6.0
- contract (commercial)	\$/GJ	3.7	3.7	3.6	3.6	3.7
- contract (industrial)	\$/GJ	3.4	3.4	3.4	3.5	3.5
- contract (large industrial)	\$/GJ	n.p.	n.p.	n.p.	n.p.	n.p.
- overall average (all classes)	\$/GJ	6.1	6.3	6.4	6.5	6.5
Operating and maintenance costs per customer (11)	\$/Cus	241	203	199	194	189

NOTES TO INDICATORS FOR GASCOR

Key: n.p. - not provided; n.r. - not relevant.

- 1) The statutory revenue-based levy called Public Authority Contribution (PAC) is included in order to achieve consistency with profit before tax as shown in our Annual Report. PAC is included in total expenses and is as follows:-

1992–93	287 252 million
1993–94	291 477 million
1994–95	321 934 million
1995–96	326 519 million
1996–97	330 622 million
- 2) The primary reason for the increase in total assets is the revaluation of the gas distribution network. The net surplus on this revaluation of \$685 million in 1995–96 and \$255 million in 1996–97 has been transferred to the asset revaluation reserve, adding to total equity.
- 3) Audited financial data has been used for all financial indicators.
- 4) Gascor is liable to pay state equivalent tax from 1993–94 and wholesale sales tax equivalent from 1 June 1995.
- 5) It should be noted that the 'dividends paid' is the amount actually transferred to reserves/provision accounts. No dividends were provided in 1996–97.

GASCOR (continued)

NOTES TO INDICATORS FOR GASCOR (continued)

- 6) The Corporation's load factor is low compared to other utilities because the Victorian market has an exceptionally high domestic winter heating load.
- 7) Energy delivered is assumed to be gas sales.
- 8) Based on assumptions for full time equivalents (FTEs) for 1992–93.
- 9) Where statistics are broken down into transmission and distribution components, the transmission component can no longer be provided because a separate entity, the Gas Transmission Corporation, now controls gas transmission functions. In this questionnaire, 'overall' data cannot hereafter be provided.
- 10) The base year for indicators which are measured in real terms or as an index is 1989–90.
- 11) Year averages for customers, employees, and kilometres of main have been applied throughout.
- 12) A new method of assessing proportions of unaccounted for gas was undertaken in 1994–95. Methane lost between entry and exit points is taken to be the same as 'unaccounted for gas'.
- 13) The basis of calculation is changed for 1995–96 and comparisons with previous years are affected.
- 14) Does not include abnormal revenue.
- 15) The reduction in 1994–95 was due to separation of transmission from distribution. Reductions in 1995–96 and 1996–97 are primarily due to transfer of mains and service staff to external organisations in an alliance partner relationship. Other reductions are due to downsizing.
- 16) 1995–96 was affected by a lengthy interruption in the Kew/Hawthorn area. This resulted from a burst water main which caused damage to the gas main and allowed water to enter the main. Total interruption from this event amounted to 112 000 hours over seven days to 1400 customers.
- 17) 1994–95, 1995–96 and 1996–97 data reflects distribution only and does not compare with previous years which include transmission data.

GASCOR (continued)

NOTES TO INDICATORS FOR GASCOR (continued)

18) Asset revaluations:

<i>Category of asset</i>	<i>Method of valuation</i>	<i>Date of revaluation</i>	<i>Impact of revaluation (\$ million)</i>
Land and buildings	Market valuation	June 1997	-48.36
Buildings	Historical	n.r.	n.r.
Gas distribution network	Optimised Depreciated Replacement Cost	June 1997	255.1
Plant & equipment	Historical	n.r.	n.r.
Office furniture & equipment	Historical	n.r.	n.r.
Motor vehicles	Historical	n.r.	n.r.
Capital work in progress	Historical	n.r.	n.r.

GAS TRANSMISSION CORPORATION

Victoria

Comments on own performance

The Gas Transmission Corporation (GTC) was established as a state owned corporation on 20 December 1994 following the proclamation of the *Gas Industry Act 1994*. On its formation, GTC assumed responsibility for ownership and operation of the natural gas transmission pipeline system throughout Victoria and the ownership and operation of liquefied natural gas storage and vaporisation facilities, all formerly owned by the Gas and Fuel Corporation of Victoria.

During the year, assets valued at \$133.3 million, and comprising inner Melbourne transmission pipelines were transferred to Gascor as a result of a Directive issued by the Treasurer in accordance with s.68 (3) of the *Gas Industry Act 1994*. The transfer was effective 1 November 1996. The book value of the transferred assets has been written off as an extraordinary loss \$133.3 million as no consideration was received from Gascor for the assets.

GTC's major customer is the Victorian gas distribution corporation, GASCOR. GTC transports natural gas from Esso/BHP's Longford gas treatment plant (supplied from the gas fields in Bass Strait), and from Cultus Resources Ltd's on shore gas treatment plant near Port Campbell (supplied from its Otway Basin gas fields). GTC's other major customer is Generation Victoria, which uses gas for use in electricity generation at the Jeeralang and Newport power stations.

GTC's regulatory environment and therefore customer profile is expected to change significantly when open access is introduced to Victoria in the near future. The net loss of GTC for the year was \$112.8 million after providing for State equivalent tax of \$12 million. GTC's revenues and costs were affected by the transfer of assets for the final eight months of the financial period.

Pipeline revenues continue to be largely sourced from Gascor, with overall volumes transported being 11 per cent lower than in the same 12 month period in 1996. Revenues were 10 per cent lower largely as a result of the transfer of assets to Gascor on 1 November 1996. Overall cost of operations is above the 1995-96 comparable period due to higher depreciation arising from the revaluation of assets that occurred on 30 June 1996. Interest costs have reduced as previously high cost fixed term loans inherited from the former Gas and Fuel Corporation of Victoria have been replaced with lower interest rate debt.

Comparison of GTC's financial indicators for the previous two years is significantly distorted by the revaluation of assets recorded as at 30 June 1996 (see footnotes), and the transfer of assets to Gascor referred to above.

GAS TRANSMISSION CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios						
Return on assets (1)	%	n.r.	n.r.	29.0	17.1	10.4
Return on operating assets (1)	%	n.r.	n.r.	29.0	17.1	10.4
Operating sales margin	%	n.r.	n.r.	66.3	69.4	60.1
Return on equity (1,2)	%	n.r.	n.r.	279.8	15.1	7.1
Dividend to equity ratio (1)	%	n.r.	n.r.	139.9	7.5	3.0
Dividend payout ratio (2)	%	n.r.	n.r.	50.0	49.9	41.7
Debt to equity (1)	%	n.r.	n.r.	1 835.8	41.6	52.6
Total liabilities to equity (1)	%	n.r.	n.r.	2 332.0	53.5	70.1
Current ratio	%	n.r.	n.r.	15.9	18.9	17.0
Interest cover	%	n.r.	n.r.	259.6	296.9	297.9
Cost recovery ratio	%	n.r.	n.r.	329.7	326.8	261.8
Operational performance	%	n.r.	n.r.	30.1	17.1	10.7

Non-financial Ratios**GENERAL****Economic Factors**

Total factor productivity	Index	n.r.	n.r.	n.p.	n.p.	n.p.
Economic rate of return	%	n.r.	n.r.	n.p.	n.p.	n.p.

Efficiency

Load factor	%	n.r.	n.r.	51.0	51.0	54.1
Energy delivered per employee:						
- transmission	TJ/Emp	n.r.	n.r.	1 494	1 674	1 453
Total days lost:						
- industrial disputes	%	n.r.	n.r.	0.88	0.00	0.00
- sick leave	%	n.r.	n.r.	2.70	1.95	4.30
- industrial (including work care claims)	%	n.r.	n.r.	0.02	0.00	0.00
- overall	%	n.r.	n.r.	3.60	1.95	4.30

GENERAL (continued)

ALINTAGAS (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Effectiveness						
Real price index:						
- residential	Index	n.r.	n.r.	n.r.	n.r.	n.r.
- commercial	Index	n.r.	n.r.	n.r.	n.r.	n.r.
- industrial	Index	n.r.	n.r.	n.r.	n.r.	n.r.
- contract (commercial)	Index	n.r.	n.r.	n.r.	n.r.	n.r.
- contract (industrial)	Index	n.r.	n.r.	n.r.	n.r.	n.r.
- overall average (all classes)	Index	n.r.	n.r.	n.r.	n.r.	n.r.
Kilometres of main per employee:						
- transmission	km/Emp	n.r.	n.r.	15.6	16.4	13.3
Methane loss between entry and exit points	%	n.r.	n.r.	0.00	0.00	0.00
Size						
Total assets (3) (4)	\$M	n.r.	n.r.	219	552	436
Total revenue	\$M	n.r.	n.r.	96	95	85
Average total employment:						
- transmission	Emp	n.r.	n.r.	127	140	132
Gas storage facilities maintained:						
- transmission	'000m ³	n.r.	n.r.	13 000	13 000	13 000
Total km of mains operated:						
- transmission	km	n.r.	n.r.	2 200	2 200	1 600
Cost & Revenue Measures						
Operation & maintenance unit costs						
per GJ delivered:						
- transmission	\$/GJ	n.r.	n.r.	0.3	0.2	0.3
Operation & maintenance unit costs						
per GJ sold						
- transmission	\$/GJ	n.r.	n.r.	0.3	0.2	0.3
Safety						
Lost time injury frequency rate	No. per mill. hrs	n.r.	n.r.	10.3	7.3	0.0

GAS TRANSMISSION CORPORATION (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
TRANSMISSION						
Efficiency						
Additional demand capacity	%	n.r.	n.r.	108.7	108.8	103.2
Size						
Compressor stations operated	No	n.r.	n.r.	2	2	2
Peak day delivery	TJ/Day	n.r.	n.r.	1 078	1 126	1 001
Total kilometres of pipeline operated	km	n.r.	n.r.	2 200	2 200	1 600

NOTES TO INDICATORS FOR GAS TRANSMISSION CORPORATION

Key: n.p. - not provided; n.r. - not relevant.

- 1) Financial indicators outlined in the attached documents, including return on assets and return on equity, are distorted as a result of the significant revaluation of assets that was recorded as at 30 June 1996 (revaluations amount to \$336 million).
- 2) GTC has been subject to state equivalent income tax from July 1994.
- 3) GTC revalued its machinery, plant and equipment on 30 June 1996 using the Director's method of valuation.
- 4) GTC revalued its machinery, plant and equipment on 30 June 1997 using the Director's method of valuation.

ALINTAGAS

Western Australia

Comments on own performance

AlintaGas was established on 1 January 1995 as a corporatised entity owned by the Western Australian Government. It is the major transporter, supplier and distributor of natural gas in Western Australia. It services some 383 000 residential, business or industrial customers in an increasingly deregulated and competitive market. The regulatory environment in Western Australia is now the responsibility of the Office of Energy.

AlintaGas is concerned with the transmission and distribution of gas in Perth and four regional centres. Natural gas is transported through AlintaGas' 1500 kilometre pipeline from the North-West to the populous South-West of the State. The Government has announced that this pipeline will be sold as part of the process of deregulation of the gas business in Western Australia. Access to this pipeline is available at transparent prices to gas shippers and capacity has been granted to six shippers. Gas is now supplied direct by gas producers to Alcoa, Western Power and to Hamersley Iron and Robe River in the Pilbara.

Financial performance

Although the tariff prices have reduced in real terms and competition has pushed down contract prices, the financial results for 1996–97 were better than forecast. As a result, \$14.5 million will be passed to the Western Australian Government as income tax equivalent payments. In addition, a capital works program was entirely internally funded and debt was reduced. Further:

- a record profit was achieved and corporate financial targets surpassed;
- sales exceeded forecast;
- close attention to cost management kept expenses below budget;
- debt repayment of \$37.5 million during the year was above expectations; and
- debt to debt plus equity ratio reduced from 91 per cent to 88 per cent.

Non-financial performance

Separate data is provided where possible for the transmission business and for the distribution business. AlintaGas enjoys a high labour productivity ratio in both the transmission and distribution business. Unplanned disruptions to customers reduced dramatically during the year. Credible performance was achieved against targets for safety, the environment, customer service standards, customer satisfaction and productivity.

ALINTAGAS (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1, 4)						
Return on assets (2)	%	n.p.	n.p.	4.6	10.1	11.6
Return on operating assets (2)	%	n.p.	n.p.	4.5	10.0	11.5
Operating sales margin	%	n.p.	n.p.	34.9	34.4	36.2
Return on equity (2)	%	n.p.	n.p.	1.7	12.9	22.2
Dividend to equity ratio	%	n.p.	n.p.	0.0	0.0	0.0
Dividend payout ratio	%	n.p.	n.p.	0.0	0.0	0.0
Debt to equity	%	n.p.	n.p.	1 369.1	1 019.2	767.3
Total liabilities to equity	%	n.p.	n.p.	1 417.4	1 090.9	827.0
Current ratio	%	n.p.	n.p.	60.3	79.2	53.0
Interest cover	%	n.p.	n.p.	102.1	117.6	138.8
Cost recovery ratio	%	n.p.	n.p.	153.6	150.0	155.4
Operational performance (2)	%	n.p.	n.p.	4.5	9.5	11.2

Non-financial Ratios**GENERAL****Economic Factors**

Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.

Efficiency

Load factor	%	67	81	81	n.p.	n.p.
Energy delivered per employee:						
- transmission	TJ/Emp	n.p.	n.p.	n.p.	n.p.	n.p.
- distribution	TJ/Emp	n.p.	n.p.	117	119	125
- overall	TJ/Emp	n.p.	n.p.	n.p.	n.p.	n.p.
Total days lost:						
- industrial disputes	%	0.12	0.06	0.05	0.10	0.31
- sick leave	%	1.96	1.91	1.16	1.63	1.81
- industrial (including work care claims)	%	0.12	0.11	0.28	0.03	0.04
- overall	%	2.20	2.08	1.49	1.76	2.16

GENERAL (continued)

ALINTAGAS (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
Effectiveness						
Real price index:						
- residential	Index	104.10	101.90	100.80	94.14	96.71
- commercial	Index	104.10	94.50	n.p.	n.p.	n.p.
- industrial	Index	n.p.	n.p.	n.p.	n.p.	n.p.
- contract (commercial)	Index	n.p.	n.p.	n.p.	n.p.	n.p.
- contract (industrial)	Index	n.p.	n.p.	n.p.	n.p.	n.p.
- overall average (all classes)	Index	107.90	98.90	n.p.	n.p.	n.p.
Kilometres of main per employee:						
- transmission	km/Emp	n.p.	n.p.	10.84	10.84	11.00
- distribution	km/Emp	n.p.	n.p.	23.13	23.82	24.30
- overall	km/Emp	15.00	15.50	19.38	19.92	20.50
Methane loss between entry and exit points	%	n.p.	n.p.	n.p.	n.p.	n.p.
Size						
Total assets (4)	\$M	n.p.	n.p.	1 548	1 470	1 474
Total revenue	\$M	n.p.	n.p.	201	438	467
Average total employment: (3)						
- transmission	No	138	147	173	173	171
- distribution	No	469	458	405	403	403
- overall	No	607	605	578	576	570
Gas storage facilities maintained:						
- transmission	'000m ³	0	0	0	0	0
- distribution	'000m ³	0	0	0	0	0
- overall	'000m ³	0	0	0	0	0
Total km of mains operated:						
- transmission	km	n.p.	n.p.	0	0	0
- distribution	km	n.p.	n.p.	9 368	9 586	9 795
- overall	km	9 102	9 400	9 368	9 586	9 795
Cost & Revenue Measures						
Operation & maintenance unit costs						
per GJ delivered:						
- transmission	\$/GJ	n.p.	n.p.	n.p.	n.p.	n.p.
- distribution	\$/GJ	n.p.	n.p.	n.p.	n.p.	n.p.
- overall	\$/GJ	n.p.	n.p.	n.p.	n.p.	n.p.

ALINTAGAS (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
GENERAL (continued)						
Cost & Revenue Measures (continued)						
Operation & maintenance unit costs						
per GJ sold:						
- transmission	\$/GJ	n.p.	n.p.	n.p.	n.p.	n.p.
- distribution	\$/GJ	n.p.	n.p.	n.p.	n.p.	n.p.
- overall	\$/GJ	n.p.	n.p.	n.p.	n.p.	n.p.
Safety						
Lost time injury frequency rate	No per mill. hrs	19.0	18.2	12.0	7.2	6.9
TRANSMISSION						
Efficiency						
Additional demand capacity	%	99	97	102	104	107
Size						
Compressor stations operated	No	8	8	8	8	8
Peak day delivery	TJ/Day	493	485	509	493	511
Total kilometres of pipeline operated	km	1 833	1 833	1 876	1 876	1 949
DISTRIBUTION						
Efficiency						
Customers per employee	Cus	481	519	585	611	658
Gas sales per employee						
- distribution	TJ/Emp	n.p.	n.p.	117	119	125
Reliability:						
- unplanned customer interruptions per 1000 customers	1/1000	1.5	4.0	28.0	5.0	3.9
- length of customer interruptions	Sec/Cus	8	18	41	372	17
Telephone response times:						
- calls answered within 20 seconds	%	n.p.	n.p.	52.2	74.0	81.0
- calls abandoned	%	n.p.	n.p.	6.0	n.p.	n.p.

ALINTAGAS (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
<i>DISTRIBUTION (continued)</i>						
<i>Effectiveness</i>						
Customers per kilometre of main	Cus/km	32.1	33.5	36.1	38.3	39.1
Gas sold per kilometre of main	TJ/km	n.p.	n.p.	5.1	5.0	5.2
Unaccounted for gas	%	0.3	0.9	n.p.	n.p.	n.p.
<i>Size</i>						
Total customers:						
- residential	No	295 374	320 361	342 855	360 521	376 232
- commercial	No	7 657	6 187	6 320	6 485	6 766
- industrial	No	n.p.	n.p.	234	236	269
Total customers:						
- contract (commercial)	No	n.p.	n.p.	n.p.	n.p.	n.p.
- contract (industrial)	No	n.p.	n.p.	n.p.	n.p.	n.p.
- contract (large industrial)	No	n.p.	n.p.	n.p.	n.p.	n.p.
- overall (all classes)	No	303 031	326 548	349 409	367 242	383 267
Peak day delivery	TJ/Day	493	485	509	493	511
Total gas sales:						
- residential	\$M	82	84	38	n.p.	n.p.
- commercial	\$M	460	449	10	n.p.	n.p.
- industrial	\$M	n.p.	n.p.	73	n.p.	n.p.
- contract (commercial)	\$M	n.p.	n.p.	n.p.	n.p.	n.p.
- contract (industrial)	\$M	n.p.	n.p.	n.p.	n.p.	n.p.
- contract (large industrial)	\$M	n.p.	n.p.	n.p.	n.p.	n.p.
<i>Cost & Revenue Measures</i>						
Average price of product						
- residential	\$/GJ	14.6	14.6	14.9	14.5	15.1
- commercial	\$/GJ	4.2	3.9	n.p.	n.p.	n.p.
- industrial	\$/GJ	n.p.	n.p.	3.6	n.p.	n.p.
- contract (commercial)	\$/GJ	n.p.	n.p.	n.p.	n.p.	n.p.
- contract (industrial)	\$/GJ	n.p.	n.p.	n.p.	n.p.	n.p.
- contract (large industrial)	\$/GJ	n.p.	n.p.	n.p.	n.p.	n.p.
Average price of product						
- overall average (all classes)	\$/GJ	4.7	4.4	n.p.	n.p.	n.p.
Operating and maintenance costs per customer	\$/Cus	n.p.	n.p.	n.p.	n.p.	n.p.

ALINTAGAS (continued)

NOTES TO INDICATORS FOR ALINTAGAS

key: n.p. - not provided; n.r. - not relevant.

- 1) AlintaGas commenced business on 1 January 1995. Previous years data relates to the gas business of SECWA. Regulatory functions are now managed by the Office of Energy.
- 2) AlintaGas commenced business on 1 January 1995. The 1994–95 result has been annualised.
- 3) For 1994–95 data, the number of employees at 30 June 1995 has been used.
- 4) AlintaGas' fixed assets are valued at historical cost.

3 WATER, SEWERAGE, DRAINAGE AND IRRIGATION

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GOSFORD CITY COUNCIL**New South Wales****Comments on own performance**

Gosford City Council is a multi-purpose local government organisation which provides water and sewerage services to its local government area as well as other traditional local government services such as transport facilities, community facilities, drainage, parks, and reserves. The water and sewerage activities are carried out under the provisions of the *Water Supply Authorities Act 1987* and the Council operates a joint water supply headworks infrastructure with the adjacent Wyong Council under the co-ordination of a Joint Water Supply Committee. The Committee contains representatives of both staff and elected members of each Council.

Current operations

Gosford City Council currently provides approximately 145 000 residents with water and sewerage services. Regulations and operating environment are similar to most New South Wales multi-purpose local government councils, however the operations are carried out under the *Water Supply Authorities Act 1987* and there is regulation by the Independent Pricing and Regulatory Tribunal (IPART). Gosford City Council is a general purpose authority, with its water supply and sewerage operations operated, reported on and audited as a separate entity. The Council as a general-purpose authority has the power to effectively manage environmental issues in accordance with total catchment management principles.

Performance

Gosford City Council is subject to price control by the IPART. Council has just entered its second year of a three year pricing path as determined by IPART. Gosford City Council has adopted cost effective water and sewerage charges to reflect resources consumed by various customers. As a result of identified long-term cost efficiencies, reduced financing costs and an overall reduction in debt, was able to reduce its water and sewerage service charges below the IPART determination.

Council revalued all of its water and sewerage system assets in 1996–97, which will influence many of Council's financial ratios. Notwithstanding the revaluation, Council's commitment to sound financial planning resulted in further reductions in debt as reflected by improved debt to equity and interest cover ratios.

Despite a reduction in revenue from rates in both water and sewerage areas, Council continues to have a constant cost recovery ratio, brought about by reduced operating expenses, resulting from improved operating efficiencies.

GOSFORD CITY COUNCIL (continued)

	<i>Units</i>	<i>1993</i>	<i>1994</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1,2,3,4)						
Return on assets	%	4.2	n.p.	4.3	4.3	3.6
Return on operating assets	%	4.0	n.p.	4.2	4.2	3.4
Operating sales margin	%	20.7	n.p.	36.4	39.7	39.5
Return on equity	%	-0.2	n.p.	2.6	3.0	2.6
Dividend to equity ratio	%	0.0	n.p.	0.0	0.0	0.0
Dividend payout ratio	%	0.0	n.p.	0.0	0.0	0.0
Debt to equity	%	79.7	n.p.	34.9	28.0	19.3
Total liabilities to equity	%	83.4	n.p.	36.7	29.6	20.7
Current ratio	%	182.6	n.p.	220.4	228.3	237.0
Interest cover	%	97.7	n.p.	178.8	212.3	231.6
Cost recovery ratio	%	183.2	n.p.	157.2	165.7	165.3
Operational performance	%	8.7	n.p.	4.2	4.2	3.4
Non-financial Ratios (1)						
<i>Economic Factors</i>						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
<i>Efficiency</i>						
System water loss (as % of total volume supplied)	%	10	n.p.	n.p.	9	9
OMA cost per 100km of main						
- water	\$'000/100km	816	n.p.	973	910	897
- sewerage	\$'000/100km	657	n.p.	664	724	701
- drainage	\$'000/100km	n.p.	n.p.	n.p.	n.p.	n.p.
Employees per 1000 properties served	Emp/'000Prop	4	n.p.	4	3.3	3.6
Total days lost	%	0	0	0	0	3.54
<i>Effectiveness</i>						
Real price index	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Real price movement:						
- residential	Index	n.p.	n.p.	n.p.	n.p.	n.p.
- commercial	Index	n.p.	n.p.	n.p.	n.p.	n.p.
- industrial	Index	n.p.	n.p.	n.p.	n.p.	n.p.

Effectiveness (continued)

GOSFORD CITY COUNCIL (continued)

	<i>Units</i>	<i>1993</i>	<i>1994</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
Properties served per km of main:						
- water	No/km	64.0	n.p.	65.0	65.2	66.7
- sewerage	No/km	43.0	n.p.	44.0	44.4	42.6
- drainage	No/km	n.p.	n.p.	n.p.	n.p.	n.p.
Unsewered properties (% of total properties)	%	n.p.	n.p.	n.p.	5.5	n.p.
Flooding incidents per 100 km of main (sewers)	No/100km	59.0	n.p.	n.p.	54.6	39.0
<i>Service Quality</i>						
Compliance with sewerage effluent standards	%	100	n.p.	100	100	100
Compliance with water quality standards	%	100	n.p.	100	100	100
Water restrictions	%	0.0	0.0	0.0	0.0	0.0
Properties with service interruption	%	n.p.	n.p.	n.p.	0.4	n.p.
Average interruption duration	Hr	n.p.	n.p.	n.p.	n.p.	n.p.
Service restored within 5 hours	%	n.p.	n.p.	n.p.	99.8	98.7
Customer satisfaction results	%	n.p.	n.p.	n.p.	n.p.	n.p.
Main breaks per 100 km (water)	No/100km	19.3	n.p.	0.1	30.0	31.5
Sewer chokes per 100 km	No/100km	121.0	n.p.	91.5	66.9	53.0
<i>Size</i>						
Total assets (3,4)	\$M	330	n.p.	479	501	587
Total revenue	\$M	61	n.p.	54	50	46
Total employment	No	215	223	223	192	217
Pipeline length						
- water	km	887	n.p.	896	901	909
- sewerage	km	1 223	n.p.	1 284	1 305	1 350
- drainage	km	n.p.	n.p.	n.p.	n.p.	n.p.
Properties served						
- water	'000	57	n.p.	58	59	61
- sewerage	'000	53	n.p.	57	57	57
- drainage	'000	n.p.	n.p.	n.p.	n.p.	n.p.
New housing allotments served	No	n.p.	n.p.	n.p.	1 274	950
Megalitres of water supplied	'000Ml	15	n.p.	17	16	17
Volume of sewage treated	'000Ml	11	n.p.	13	13	14

Size (continued)

GOSFORD CITY COUNCIL (continued)

	<i>Units</i>	<i>1993</i>	<i>1994</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
Sewage treatment ratios						
- primary	%	100	n.p.	100	100	100
- secondary	%	100	n.p.	100	100	100
- tertiary	%	0	n.p.	0	0	0
<i>Cost & Revenue Measures</i>						
Average revenue received per property:						
- water	\$/Prop	261	n.p.	237	250	250
- sewerage	\$/Prop	542	n.p.	489	467	411
- drainage	\$/Prop	n.p.	n.p.	n.p.	n.p.	n.p.
Average revenue per kl:						
- residential		n.p.	n.p.	n.p.	n.p.	n.p.
- commercial	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
- industrial	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
- other	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
- total	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
OMA costs per property served:						
- water (5)	\$/Prop	128	n.p.	151	140	135
- sewerage	\$/Prop	152	n.p.	152	166	165
- drainage	\$/Prop	n.p.	n.p.	n.p.	n.p.	n.p.

NOTES TO INDICATORS FOR GOSFORD CITY COUNCIL WATER AND SEWERAGE PROGRAMS

Key: n.p. - not provided; n.r. - not relevant.

- 1) 1994 figures based on half year results ending 30 June 1994.
- 2) A full revaluation of Water and Sewerage system assets was completed for the 1996–97 Annual Statements. This revaluation was in addition to the one carried out in 1995–96, and was as a result of improved information regarding the replacement cost of system assets.

GOSFORD CITY COUNCIL**New South Wales**NOTES TO INDICATORS FOR GOSFORD CITY COUNCIL WATER AND SEWERAGE PROGRAMS
(continued)

3) Asset revaluations:

<i>Category of asset</i>	<i>Method of valuation</i>	<i>Date of revaluation</i>	<i>Impact of revaluation</i>
Water system assets	Modern equivalent asset method	30 June 1997	Asset revaluation reserve of \$20.3 million was created.
Sewer system assets	Modern equivalent asset method	30 June 1997	Asset revaluation reserve of \$68.07 million was created.

4) Council subsidises pensioners for both their water and sewerage charges, and receives a 50 per cent community service obligation reimbursement from the State Government.

5) The PWD calculation for operation, maintenance and administration (OMA) costs for water, excludes the cost of external purchase of water. Previous returns used this formula, however, Council is of the opinion this component must be included to reflect the true OMA costs.

HUNTER WATER CORPORATION**New South Wales****Comments on own performance**

The Hunter Water Corporation now supplies water, waste water and drainage services to nearly half a million people living in the lower Hunter Valley. The customer base is approximately 94 per cent residential, five per cent commercial and one per cent industrial. Its charter is to be commercially successful while delivering value for money water, waste water and associated services in an environmentally responsible manner.

Corporatisation has given Hunter Water clear lines of responsibility and empowers the organisation to pursue commercial objectives while being held accountable for its actions within the defined framework of its Operating Licence, Statement of Corporate Intent and Customer Charter.

The provision of water and waste water services is a highly capital intensive operation involving assets with a replacement value of approximately \$2 billion. Since 1982, Hunter Water has been following a process of demand management through 'user pays' price reform. This has significantly reduced water use. Hunter households now use only 210 kilolitres per annum, which is considerably less than elsewhere in Australia. This reduction has permitted the deferment of major capital expenditure, and has enabled the reduction of a backlog of sewerage services, and an increased emphasis on the quality of service provided and environmental improvement works.

At the same time outstanding debt has been reduced. The cost of financing the large asset base is six per cent of recurrent income. Full current cost depreciation provisions of 24 per cent of recurrent income have been introduced to ensure ongoing asset renewal. Significant improvements in operational efficiencies also have been achieved. The number of employees required per property has fallen by almost 50 per cent since 1990–91. Overall operations, maintenance and administration costs per head of population served have been reduced by almost 30 per cent in real terms over the same period. Operating revenue per head of population has consequently fallen by over 30 per cent since 1990–91.

Corporatisation encourages further gains in efficiency, and higher returns to the State as owner, and established a clear commercial objective for the Corporation, with community service obligations clearly identified and funded by the Government.

HUNTER WATER CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios						
Return on assets (1)	%	2.4	2.2	1.8	2.2	3.1
Return on operating assets	%	2.0	2.0	1.6	2.0	2.9
Operating sales margin (3,4)	%	24.2	24.4	20.7	27.7	37.3
Return on equity (2,3,4)	%	0.1	0.3	0.4	1.0	2.3
Dividend to equity ratio	%	0.8	0.9	1.2	1.8	2.0
Dividend payout ratio (2,3,4)	%	1 052.6	257.7	329.7	177.6	83.5
Debt to equity	%	11.6	10.7	5.5	4.8	4.8
Total liabilities to equity	%	17.3	16.2	9.8	10.2	10.4
Current ratio	%	94.4	109.8	135.7	192.7	187.4
Interest cover (3,4)	%	171.2	187.6	275.6	601.0	851.4
Cost recovery ratio (4)	%	132.0	132.2	126.1	138.3	139.6
Operational performance (4)	%	2.0	2.0	1.6	2.0	1.9
Non-financial Ratios						
<i>Economic Factors</i>						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	1.98	2.02	1.62	1.84	2.00
<i>Efficiency</i>						
System water loss	%	19.4	18.0	17.1	17.5	14.6
OMA cost per 100km of main:						
- water	\$'000/100km	881	841	885	868	836
- sewerage	\$'000/100km	736	687	622	609	577
- drainage	\$'000/100km	1 436	1 250	1 221	1 044	353
Employees per 1000 properties served	Emp/'000Prop	5.65	4.96	4.37	4.03	3.58
Total days lost	%	4.71	4.99	6.10	5.28	5.78
<i>Effectiveness</i>						
Real price index	Index	92.6	87.3	82.1	77.1	75.5
Real price movement by customer group:						
- residential	Index	n.p.	n.p.	n.p.	n.p.	n.p.
- commercial	Index	n.p.	n.p.	n.p.	n.p.	n.p.
- industrial	Index	n.p.	n.p.	n.p.	n.p.	n.p.

HUNTER WATER CORPORATION(continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
<i>Effectiveness (continued)</i>						
Properties served per km of main:						
- water	No/km	43.6	44.0	44.9	45.3	45.5
- sewerage	No/km	45.6	45.4	46.3	45.8	45.6
- drainage	No/km	574.5	574.5	595.7	598.1	606.4
Unsewered properties (% of total properties)	%	11.0	10.0	8.0	7.0	6.4
Flooding incidents per 100 km of main (sewers)	No/100km	78.8	96.0	99.8	71.7	57.9
<i>Service Quality</i>						
Compliance with sewerage effluent standards	%	97.9	99.5	99.9	100.0	98.9
Compliance with water quality standards	%	95.30	97.10	97.30	98.70	99.25
Water restrictions	%	0.0	0.0	8.5	0.0	0.0
Properties with service interruption	%	22.0	23.3	27.5	24.1	26.4
Average interruption duration	Hr	n.p.	n.p.	n.p.	4.1	4.0
Service restored within 5 hours	%	n.p.	n.p.	92	95	97
Customer satisfaction results	%	89	88	90	91.9	91
Main breaks per 100 km (water)	No/100km	38.7	46.6	49.3	44.3	39.3
Sewer chokes per 100 km	No/100km	82.98	99.61	103.62	74.29	75.11
<i>Size</i>						
Total assets (1)	\$M	1 705	1 675	1 675	1 972	2 027
Total revenue (3)	\$M	140	137	130	129	154
Total employment	No	934	822	770	720	620
Pipeline length:						
- water	km	3 965	4 015	4 052	4 081	4 114
- sewerage	km	3 373	3 499	3 604	3 753	3 835
- drainage	km	94	94	94	94	94
Properties served:						
- water	'000	173	177	182	185	187
- sewerage	'000	154	159	167	172	175
- drainage	'000	54	54	56	56	57
New housing allotments served	No	3 018	3 678	4 893	2 782	2 283
Megalitres of water supplied	'000Ml	74	77	75	75	75
Volume of sewage treated	'000Ml	38	39	43	41	47

HUNTER WATER CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Size (continued)						
Sewage treatment ratios:						
- primary	%	3.0	0.0	0.0	1.5	0.0
- secondary	%	49.0	53.0	53.0	53.0	52.0
- tertiary	%	45.0	45.0	45.0	45.5	48.0
Cost & Revenue Measures						
Average revenue received per property:						
- water	\$/Prop	367	369	344	330	340
- sewerage	\$/Prop	332	301	260	258	226
- drainage	\$/Prop	41	41	40	42	42
Average revenue per kl:						
- residential	\$/kl	2.28	2.25	2.31	2.35	2.27
- commercial	\$/kl	2.37	1.88	1.29	1.26	1.32
- industrial	\$/kl	0.98	0.93	0.85	0.81	0.87
- other	\$/kl	2.63	2.30	2.93	3.82	3.99
- total	\$/kl	1.95	1.84	1.74	1.75	1.76
OMA costs per property served:						
- water	\$/Prop	202	191	197	191	184
- sewerage	\$/Prop	162	151	134	133	127
- drainage	\$/Prop	25	22	21	18	6

NOTES TO INDICATORS FOR HUNTER WATER CORPORATION

Key: n.p. - not provided; n.r. - not relevant.

- 1) Assets are valued at written down replacement cost. Estimates of current replacement values prior to 1990-91 have not been audited. A significant reassessment of the expected useful lives resulted in a revaluation of asset values upward by \$250 million in 1996.
- 2) On 1 January 1992 Hunter Water became a state owned corporation, with a liability for income tax at the standard company rate.

HUNTER WATER CORPORATION**New South Wales**

NOTES TO INDICATORS FOR HUNTER WATER CORPORATION (continued)

- 3) The community service obligations included in total revenue are dominated by rebates to pensioners. Receipts from the State Government for CSOs have been:

1987–88	\$2.165 million
1988–89	\$2.521 million
1989–90	\$2.565 million
1990–91	\$2.594 million
1991–92	\$4.559 million
1992–93	\$6.348 million
1993–94	\$7.111 million
1994–95	\$7.706 million
1995–96	\$8.047 million

- 4) Includes \$18 395 million abnormal income as follows:

- \$10 748 million represents a ‘one off’ increase in income attributable to an accounting policy change that recognised income from ‘unread meters’ for the first time; and
- \$7647 million represents a refund of over provided superannuation provisions for employees.

SYDNEY WATER CORPORATION**New South Wales****Comments on own performance**

Since corporatisation in January 1995, Sydney Water has focussed on delivering its key objectives of being a successful business, protecting the environment and protecting public health. The Holding Company/Subsidiary model which Sydney Water has adopted is designed to concentrate on achieving these objectives and ultimately enhance the delivery of services to its customers.

Sydney Water Corporation Ltd, trading as Sydney Water, is an unlisted public company wholly owned by the people of New South Wales. It provides water and wastewater products and services within the Sydney, Illawarra and Blue Mountains areas to a market of over 3.75 million residential customers and 73 000 businesses. It has assets worth \$12 billion, employs about 5000 staff and has revenue exceeding \$1000million per annum.

The Water Board (Corporatisation) Act, Operating Licence, Customer Contract and Statement of Corporate Intent provide a clear direction for Sydney Water. The context in which Sydney Water operates is an increasingly complex and dynamic one. In particular, the Corporation has a number of important relationships with its regulators, including the Environmental Protection Authority, Department of Health, Trade Practices Act, Corporation Law, the Independent Pricing and Regulatory Tribunal and the Sydney Water Licence Regulator.

The general trend indicates improved financial performance. Although revenue was less than forecast (due to the ongoing impact of the drought and demand management strategies), this was more than offset by lower operating expenditure and higher income from asset sales and investments.

Contributions to higher profitability came from a review of asset lives of major sewage treatment plants resulting in reduced depreciation charges and the proceeds from the sale of the Prospect Lower Canal.

Efficiency of overall performance has continued to improve. Operations, maintenance and administration costs for water, sewerage and drainage have decreased. Over the last twelve months the number of employees required to serve 1000 properties has also fallen.

Whilst obtaining these efficiency improvements, all of the Corporation's regulatory requirements were achieved and improvements in system operations made (for example, a continued reduction in system water loss).

SYDNEY WATER CORPORATION**New South Wales**

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1,2,15,16,17)						
Return on assets	%	2.2	2.5	2.2	2.6	3.2
Return on operating assets	%	2.0	2.5	2.0	2.3	2.9
Operating sales margin	%	22.3	27.9	21.0	26.8	30.3
Return on equity	%	0.6	1.1	0.6	0.6	1.3
Dividend to equity ratio (3)	%	0.3	0.5	0.5	0.4	0.7
Dividend payout ratio	%	50.0	40.3	88.2	59.5	56.2
Debt to equity	%	14.2	14.2	15.8	16.1	16.0
Total liabilities to equity	%	19.7	19.2	21.8	22.9	23.0
Current ratio	%	32.0	37.4	70.6	61.5	165.4
Interest cover	%	161.4	203.0	158.9	186.4	226.5
Cost recovery ratio	%	128.7	134.7	130.6	138.3	138.3
Operational performance	%	2.0	2.2	2.2	2.4	2.7
Non-financial Ratios						
<i>Economic Factors</i>						
Total factor productivity (4)	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return (5)	%	2.40	2.60	2.66	2.98	3.17
<i>Efficiency</i>						
System water loss	%	21.0	20.0	16.8	16.7	15.4
OMA cost per 100km of main:						
- water	\$'000/ 100km	1 483	1 466	1 364	1 336	1 568
- sewerage	\$'000/ 100km	1 742	1 598	1 593	1 448	1 461
- drainage	\$'000/ 100km	1 491	1 661	2 988	2 963	2 032
Employees per 1000 properties served (6)	Emp/ '000 Prop	6.40	5.40	3.00	2.09	3.06
Total days lost	%	4.50	3.70	4.00	3.72	3.71
<i>Effectiveness</i>						
Real price index	Index	105.30	100.60	89.00	74.10	74.90
Real price movement by customer group:						
- residential	Index	98.5	100.7	98.8	86.6	90.8
- commercial	Index	113.1	98.8	72.0	57.3	53.6
- industrial	Index	104.4	91.0	69.8	55.6	51.6

Effectiveness (continued)

SYDNEY WATER CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Properties served per km of main:						
- water	No/km	71. 7	72. 3	73. 1	73. 3	74. 4
- sewerage	No/km	65. 1	66.	66. 4	67. 2	67. 9
- drainage	No/km	937. 9	952.	1064. 3	694. 1	745. 1
Unsewered properties (% of total properties)	%	4.3	3.8	3.7	3.7	4.1
Flooding incidents per 100 km of main (sewers) (7)	No/100km	n.p.	n.p.	n.p.	n.p.	n.p.
Service Quality						
Compliance with sewerage effluent standards (8)	%	97.00	98.40	n.p.	n.p.	n.p.
Compliance with water quality standards (9)	%	89.00	95.00	90.00	96.85	99.05
Water restrictions	%	0.00	0.00	100.00	100.00	100.00
Properties with service interruption (10)	%	n.p.	0.17	0.13	0.14	0.29
Average interruption duration (11)	Hr	n.p.	n.p.	4.50	5.80	5.50
Service restored within 5 hours (12)	%	n.p.	n.p.	92.00	94.78	99.50
Customer satisfaction results (13)	%	n.p.	n.p.	n.p.	n.p.	n.p.
Main breaks per 100 km (water)	No/100km	37.20	35.30	26.53	27.70	21.88
Sewer chokes per 100 km	No/100km	60.10	73.40	85.65	71.60	70.25
Size						
Total assets (1,15)	\$M	14 627	14 931	13 570	13 294	13 416
Total revenue	\$M	1 319	1 302	1 318	1 168	1 283
Total employment (14)	No	8 629	7 326	5 965	5 080	4 763
Pipeline length:						
- water	km	20 413	20 561	20 686	21 020	20 889
- sewerage	km	21 302	21 448	21 676	21 840	21 956
- drainage	km	354	354	354	510	506
Properties served:						
- water	'000	1 448	1 471	1 495	1 523	1 555
- sewerage	'000	1 387	1 416	1 440	1 467	1 491
- drainage	'000	332	337	344	354	377
New housing allotments served	No	8 068	8 100	8 956	24 202	22 911
Megalitres of water supplied	'000Ml	595	625	569	551	588
Volume of sewage treated	'000Ml	466	437	426	457	474

Size (continued)

SYDNEY WATER CORPORATION (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
Sewage treatment ratios:						
- primary	%	81.80	83.10	83.00	83.00	83.00
- secondary	%	4.20	3.90	4.00	4.00	4.00
- tertiary	%	14.00	13.00	13.00	13.00	13.00
Cost & Revenue Measures						
Average revenue received per property:						
- water	\$/Prop	347	362	345	283	299
- sewerage	\$/Prop	533	482	417	396	391
- drainage	\$/Prop	72	63	60	56	51
Average revenue per kl:						
- residential	\$/kl	2.14	2.14	2.26	2.23	2.13
- commercial	\$/kl	6.81	5.83	4.71	3.98	3.75
- industrial	\$/kl	3.02	2.71	2.32	2.15	2.16
- other	\$/kl	1.71	1.55	1.49	1.48	1.49
- total	\$/kl	2.65	2.49	2.41	2.31	2.21
OMA costs per property served:						
- water	\$/Prop	209	205	189	185	213
- sewerage	\$/Prop	268	242	240	216	215
- drainage	\$/Prop	16	17	31	43	27

NOTES TO INDICATORS FOR SYDNEY WATER CORPORATION

Key: n.p. - not provided; n.r. - not relevant.

- 1) Audited data has been used for 1995–96 for all financial indicators.
- 2) The system assets are valued at written down current replacement cost, based on estimates of modern engineering equivalent replacement asset values.
- 3) This indicator was affected by a special dividend of \$100 million in 1991–92.
- 4) This indicator is not calculated by Sydney Water, as it is currently deemed less of a priority than other economical measurement and reporting parameters.

SYDNEY WATER CORPORATION (continued)

NOTES TO INDICATORS FOR SYDNEY WATER CORPORATION (continued)

- 5) This indicator is calculated by the definition used for economic rate of return in the WSAA *1990–91 to 1995–96 Inter-Business Performance Review Questionnaire*:
 - Economic Real Rate of Return = { revenue from operations - (replacement cost depreciation + operations, maintenance and administration costs) } / written down value of operational assets
- 6) Number of employees given by total number of in-house full time equivalents (FTEs), that is, AWT Pty Ltd staff are excluded. Figures from previous years incorporated AWT staff numbers. Number of properties is based on properties supplied with a water service.
- 7) Current reporting systems are unable to provide reliable data.
- 8) Sydney Water's licensing regime no longer permits reporting as a single percentage figure. Reports are detailed and made on each license. Each treatment plant has an Effluent Quality Limit condition which is comprised of several parameters. The number, nature and frequency of sampling of these parameters varies with treatment plant location and type.

For the 1995–96 licence year, Inland Sewage Treatment Plants (STPs) had 21 effluent quality limit conditions, all of which were met. Ocean STPs had 13 effluent quality limit conditions, of which 12 were met. The one condition which was not met was at Shellharbour STP, where the NFR Three Day Geometric Mean limit was exceeded on one occasion in October 1995. Overall per cent compliance with Effluent Quality Limit conditions is thus 97 per cent.

Ocean STPs also had limits on Heptachlor and Chlordane which are considered Other Limit conditions. There were six occasions on which these limits were not met, but due to an active Source Control Programme (which is required by the deeming clauses present in these licences) these were not considered fineable breaches.
- 9) This figure is for bacteriological quality compliance. Physico-chemical quality compliance is 98.8 per cent.
- 10) Figures provided are for water service. Sewer figures are as follows: 0.07 per cent for 1994–95, 0.07 per cent for 1995–96. For sewer service interruptions the figures refer to the number of properties affected by a sewage surcharge (ie experiencing a surcharge on their land) for longer than five hours. A new sewer rebate policy (effective 1 January 1997) now determines what exactly a sewer service interruption is and this new definition will be used in compiling future figures.
- 11) Figures provided are for water service. Sewer figures are as follows: 2.0 hours for 1994–95, 2.18 hours for 1995–96.

SYDNEY WATER CORPORATION (continued)

NOTES TO INDICATORS FOR SYDNEY WATER CORPORATION (continued)

- 12) Figures provided are for sewer service. Water figures are as follows: 93.8 per cent for 1993–94, 52.6 per cent for 1994–95, 51.0 per cent for 1995–96.
- 13) Sydney Water collected residential customer satisfaction survey data in October/November 1993 relating to 1992–93. Overall performance was a mean rating of 5.6 out of 10.
- Sydney Water collected residential customer satisfaction survey data in August/September 1994 relating to 1993–94. Overall performance was a mean rating of 7.0 out of 10.
- Sydney Water collected customer satisfaction survey data in September 1995 relating to 1994–95. Overall performance was a mean rating of 7.2 out of 10 for residential customers and 7.4 out of 10 for commercial/industrial customers.
- Sydney Water collected customer satisfaction survey data in May 1996 from residential customers and in August 1996 from commercial/industrial customers, relating to 1995–96. Overall performance was a mean rating of 7.2 out of 10 for residential customers and 7.6 out of 10 for commercial/industrial customers.
- 14) Figures include AWT Pty Ltd staff numbers. In 1995–96, the total number of in-house FTEs (ie excluding AWT staff) was 3185.
- 15) Asset revaluations have not materially impacted on financial ratios. Marginal improvements in return on assets (replacement value) would have resulted from a decrease in the value of System Assets. Asset revaluations:

<i>Category of asset</i>	<i>Method of valuation</i>	<i>Date of revaluation</i>	<i>Impact of revaluation (\$ million)</i>
System assets	Replacement cost (MEERA)	Ongoing	-432.6
Land & buildings	Market value	Ongoing	
Land easements	Mass appraisal (registered valuer)	Ongoing	1363

- 16) Sydney Water Corporation is subject to notional company taxation in accordance with the *State Owned Corporations Act 1989*. A tax equivalent is payable to the NSW Government through the Office of State Revenue.

Tax liability is assessed according to the Tax Equivalent Regime of NSW Treasury, which adopts as far as practicable the *Income Tax Assessment Act*. Notional tax became payable in 1992–93. SWC is also liable for notional sales tax and notional land tax, which are recorded as operating expenses.

SYDNEY WATER CORPORATION (continued)

NOTES TO INDICATORS FOR SYDNEY WATER CORPORATION (continued)

17) Community service obligations:

<i>Category of CSO</i>	<i>Method of valuation</i>	<i>Source of funding</i>	<i>Year</i>	<i>Cost (\$ million)</i>
Pensioner rate rebates	Revenue foregone	NSW State Budget	1995–96	43.77
Transitional rate rebates	Revenue foregone	NSW State Budget	1995–96	14.54
Exempt properties	Revenue foregone	NSW State Budget	1995–96	9.04
Contributions to environmental trusts	Revenue foregone	NSW State Budget	1995–96	10.94
Sewer backlog projects	Avoidable cost	NSW State Budget	1995–96	3.68

WYONG SHIRE COUNCIL**New South Wales****Comments on own performance**

The Central Coast encompasses the City of Gosford and Wyong Shire. It is considered to be one of the most rapidly developing areas in Australia and forms Sydney's second major growth area after Campbelltown.

Wyong Shire Council is a multi-purpose local government authority and water supply authority. Council became a water supply authority in December 1987 having accepted an invitation from the New South Wales State Government to become an authority and enjoy greater flexibility in operation provided by the *Water Supply Authorities Act 1987*.

The *Water Supply Authorities Act* provides a modern legislative base and greater flexibility to Council in the management of water and sewerage facilities. State Government subsidy schemes, as part of the Country Towns Water Supply and Sewerage Program are accommodated by an agreement between Council and the Minister for Public Works under the *Local Government Act*.

All revenue raising, operation, maintenance and management of the water supply and sewerage undertakings including any requirements on developers to contribute to the cost of the works provided to service them are administered under the *Water Supply Authorities Act 1987*.

Water and sewerage services are provided to a population of approximately 122 000 of which a significant proportion are retired. Current growth rate is three to four per cent per annum. As the area is also a major tourist destination the Shire population increases to over 200 000 in holiday periods. This imposes an additional load on water and sewer facilities. Wyong Shire Council operating as its own water supply authority is responsible for the operation, maintenance and construction of the Shire's water supply and sewerage system. Sewerage service is now available to all but a handful of properties within the Shire, removing the need for septic systems to be installed in urban areas.

Council continues to meet all water quality parameters required by the Australian National Health and Medical Research Council. It also fully complies with Environmental Protection Authority licences for effluent discharges from both Norah Head and Bateau Bay outfalls.

The Shire's water supply and sewerage system is relatively new, with most of its infrastructure being less than 30 years old. The system has a replacement value of approximately \$563 million.

A formal agreement known as the Gosford/Wyong Joint Water Supply Agreement exists between Wyong Shire Council and Gosford City Council. This agreement provides for the

WYONG SHIRE COUNCIL (continued)

Units 1993 (1) 1994 (2) 1994-95 1995-96 1996-97

construction, operation, maintenance, use and cost sharing of the joint water supply system which provides water resources to the Central Coast.

Financial Ratios - water

Return on assets (3)	%	n.p.	n.p.	4.0	2.0	2.1
Return on operating assets	%	n.p.	n.p.	n.p.	1.9	2.0
Operating sales margin	%	48.8	49.9	47.1	27.7	29.6
Return on equity (4)	%	n.p.	n.p.	n.p.	1.5	1.7
Dividend to equity ratio	%	n.p.	n.p.	n.p.	0.0	0.0
Dividend payout ratio (4)	%	0.0	0.0	0.0	0.0	0.0
Debt to equity	%	n.p.	n.p.	8.0	6.9	5.8
Total liabilities to equity	%	n.p.	n.p.	8.8	8.6	7.3
Current ratio	%	147.2	184.4	133.5	113.2	124.3
Interest cover	%	161.7	378.3	544.6	326.6	409.9
Cost recovery ratio	%	174.3	181.4	185.8	130.0	140.1
Operational performance	%	n.p.	n.p.	n.p.	1.5	1.9

Financial Ratios - sewerage

Return on assets (3)	%	n.p.	n.p.	n.p.	2.8	2.2
Return on operating assets	%	n.p.	n.p.	n.p.	2.7	2.1
Operating sales margin	%	52.9	52.9	38.2	35.2	28.9
Return on equity (4)	%	n.p.	n.p.	n.p.	1.8	1.3
Dividend to equity ratio	%	n.p.	n.p.	n.p.	0.0	0.0
Dividend payout ratio (4)	%	0.0	0.0	0.0	0.0	0.0
Debt to equity	%	n.p.	n.p.	18.3	15.2	12.4
Total liabilities to equity	%	n.p.	n.p.	19.6	16.8	13.5
Current ratio	%	38.3	57.1	63.6	84.2	99.3
Interest cover	%	97.0	198.1	217.5	220.9	207.9
Cost recovery ratio	%	198.8	206.9	157.5	149.2	134.8
Operational performance	%	n.p.	n.p.	n.p.	2.4	1.8

Non-financial Ratios***Economic Factors***

Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.

Efficiency

System water loss (as % of total volume supplied)	%	n.p.	n.p.	n.p.	6.0	6.0

WYONG SHIRE COUNCIL (continued)

	<i>Units</i>	<i>1993 (1)</i>	<i>1994 (2)</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
<i>Efficiency (continued)</i>						
OMA cost per 100km of main:						
- water	\$'000/ 100km	932	828	929	1 058	942
- sewerage	\$'000/ 100km	1 163	1 144	1 237	1 262	1 284
- drainage	\$'000/ 100km	n.p.	n.p.	n.p.	n.p.	n.p.
Employees per 1000 properties served	Emp/ '000Prop	4.35	4.12	4.02	3.90	3.66
Total days lost	%	n.p.	n.p.	n.p.	n.p.	n.p.
<i>Effectiveness</i>						
Real price index	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Real price movement:						
- residential	Index	n.p.	n.p.	n.p.	n.p.	n.p.
- commercial	Index	n.p.	n.p.	n.p.	n.p.	n.p.
- industrial	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Properties served per km of main:						
- water	No/km	60.4	62.0	61.7	63.0	66.4
- sewerage mains	No/km	62.1	66.8	66.3	67.4	69.0
- drainage (5)	No/km	n.p.	n.p.	n.p.	n.p.	n.p.
Unsewered properties (% of total properties)	%	4.7	0.0	0.4	0.6	3.3
Flooding incidents per 100 km of main (sewers)	No/100km	0.7	0.7	0.7	0.4	0.6
<i>Service Quality</i>						
Compliance with sewerage effluent standards	%	100.0	100.0	100.0	100.0	100.0
Compliance with water quality standards	%	100.0	100.0	100.0	100.0	99.7
Water restrictions	%	0.0	0.0	0.0	0.0	0.0
Properties with service interruption	%	n.p.	n.p.	n.p.	n.p.	n.p.
Average interruption duration	Hr	n.p.	n.p.	n.p.	n.p.	n.p.
Service restored within 5 hours	%	n.p.	n.p.	n.p.	n.p.	n.p.
Customer satisfaction results	%	n.p.	n.p.	n.p.	>97	>97
Main breaks per 100 km (water)	No/100km	5.4	3.9	3.9	4.5	3.0
Sewer chokes per 100 km	No/100km	29.0	43.0	47.0	42.7	35.3

WYONG SHIRE COUNCIL (continued)

	<i>Units</i>	<i>1993 (1)</i>	<i>1994 (2)</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Size						
Total assets (3)						
- water	\$M	n.p.	n.p.	271	273	283
- sewerage	\$M	n.p.	n.p.	296	291	302
Total revenue						
- water	\$M	21	10	22	19	19
- sewerage	\$M	28	14	24	22	21
Total employment	No	203	203	203	203	203
Pipeline length:						
- water	km	772	794	818	826	835
- sewerage	km	715	737	759	769	776
- drainage	km	n.p.	n.p.	180	n.p.	n.p.
Properties served:						
- water (6)	'000	47	49	50	52	55
- sewerage (6)	'000	44	48	49	51	54
- drainage	'000	n.p.	n.p.	n.p.	n.p.	n.p.
New housing allotments served	No	937	1 185	1 850	1 500	1 870
Megalitres of water supplied	'000 Ml	14	14	14	14	15
Volume of sewage treated	'000 Ml	10	10	10	10	11
Sewage treatment ratios:						
- primary	%	100	100	100	100	100
- secondary	%	100	100	100	100	100
- tertiary	%	0	0	0	0	0
Cost & Revenue Measures						
Average revenue received per property:						
- water	\$/Prop	258	115	292	233	250
- sewerage	\$/Prop	447	218	432	364	354
- drainage	\$/Prop	n.r.	n.r.	n.r.	n.p.	n.p.
Average revenue per kl:						
- residential	\$/kl	0.79	0.40	1.03	0.94	0.95
- commercial	\$/kl	2.37	0.85	1.97	1.81	1.45
- industrial (7)	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
- other	\$/kl	n.r.	n.r.	n.r.	n.p.	n.p.
- total	\$/kl	1.58	0.61	1.50	1.38	1.20
OMA costs per property served: (8)						
- water	\$/Prop	155	134	151	168	142
- sewerage	\$/Prop	187	172	187	187	186
- drainage	\$/Prop	n.p.	n.p.	n.p.	n.p.	n.p.

WYONG SHIRE COUNCIL (continued)

NOTES TO INDICATORS FOR WYONG SHIRE COUNCIL

Key: n.p. - not provided; n.r. - not relevant.

- 1) Council's financial reports were prepared on a calendar year basis until 1994.
- 2) Results for 1 January to 30 June 1994 only.
- 3) All assets brought onto system for 1994–95.
- 4) Council is not subject to taxation.
- 5) To a certain degree all properties are served by drainage.
- 6) Properties served for 1993–94 have been adjusted in line with better record keeping.
- 7) Included in commercial.
- 8) All indicators relating to operation, maintenance and administration have been based on Council's annual statement of accounts.

BARWON WATER**Victoria****Comments on own performance**

The Barwon Region Water Authority (Barwon Water) is a major Statutory Authority situated in Geelong and is responsible for the collection and distribution of water and the environmentally safe collection, treatment and disposal of sewage to a regional population of over 200 000.

Current operations

Barwon Water's water supply system currently services a permanent population estimated at 211 650 customers spanning an area of over 3900 square kilometres. During the summer season, reliance on the water supply system increases as population estimates of coastal townships swell by as much as 50 000. At 30 June 1997, 93 460 properties were connected to Barwon Water's water supply system.

Barwon Water also operates a comprehensive sewerage collection, treatment and disposal system involving over 1600 kilometres of pipeline. At 30 June 1997, Barwon Water serviced an estimated permanent population of 195080 customers.

Financial performance

Barwon Water recorded an operating surplus of \$14.5 million for the 1996–97 financial year. This surplus resulted from higher than expected tariff income of \$64.3 million reflecting the unseasonably dry weather conditions and also a reduction in both operating and administration expenses.

Debt servicing costs continued to fall as a percentage of overall costs to 25.2 per cent. The Authority's strong financial performance enabled a significant start to be made on reducing debt levels while at the same time delivering on a three year tariff freeze which delivered a real saving of approximately 13 per cent over the three year period.

Non-financial performance

Early in the 1996–97 year, the multi-million dollar Black Rock Sewage Treatment Plant upgrade was commissioned. The biological treatment plant is producing high quality effluent that more than meets the Environmental Protection Authority licence conditions and the Authority is now actively looking at re-use applications.

Another substantial achievement for Barwon Water during the 1996–97 year was the certification of our Quality Management System to the internationally recognised standard AS/NZS ISO 9001 after 18 months of continual commitment.

BARWON WATER (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1)						
Return on assets	%	8.0	8.3	9.8	7.0	6.3
Return on operating assets	%	8.2	8.6	10.2	7.1	6.4
Operating sales margin	%	41.2	42.4	49.5	40.9	35.5
Return on equity	%	4.9	6.6	10.2	5.5	4.7
Dividend to equity ratio	%	1.0	2.1	2.0	2.0	1.9
Dividend payout ratio	%	20.8	31.5	19.7	36.5	41.3
Debt to equity	%	88.9	75.0	75.3	71.2	65.9
Total liabilities to equity	%	95.3	81.5	82.1	76.6	71.3
Current ratio	%	212.4	115.4	82.6	85.6	88.1
Interest cover	%	144.1	172.5	232.8	176.4	174.9
Cost recovery ratio	%	169.9	175.5	192.2	169.0	154.0
Operational performance	%	8.2	8.8	9.6	7.1	6.2
Non-financial Ratios						
<i>Economic Factors</i>						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
<i>Efficiency</i>						
System water loss (2)	%	8.4	4.0	4.4	10.6	13.6
OMA cost per 100km of main						
- water	\$'000/ 100km	n.p.	n.p.	709	783	822
- sewerage	\$'000/ 100km	n.p.	n.p.	863	825	999
- drainage	\$'000/ 100km	n.r.	n.r.	n.r.	n.r.	n.r.
Employees per 1000 properties served	Emp/ '000Prop	4.50	4.10	4.00	3.50	3.23
Total days lost	%	n.p.	n.p.	n.p.	15.00	16.15
<i>Effectiveness</i>						
Real price index	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Real price movement:						
- residential	Index	n.p.	n.p.	n.p.	n.p.	n.p.
- commercial	Index	n.p.	n.p.	n.p.	n.p.	n.p.
- industrial	Index	n.p.	n.p.	n.p.	n.p.	n.p.

BARWON WATER (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
<i>Effectiveness (continued)</i>						
Properties served per km of main:						
- water	No/km	49.9	50.1	50.3	50.7	50.7
- sewerage mains	No/km	59.2	59.4	59.4	59.9	60.0
- drainage	No/km	n.r.	n.r.	n.r.	n.r.	n.r.
Unsewered properties (% of total properties)	%	8.1	8.1	8.1	8.9	8.1
Flooding incidents per 100 km of main (sewers)	No/100km	n.p.	n.p.	n.p.	n.p.	n.p.
<i>Service Quality</i>						
Compliance with sewerage effluent standards	%	n.p.	n.p.	92.00	94.00	99.40
Compliance with water quality standards	%	n.p.	n.p.	93.0	94.1	93.9
Water restrictions	%	n.r.	n.r.	n.r.	n.r.	n.r.
Properties with service interruption	%	n.p.	n.p.	28.0	20.6	21.1
Average interruption duration	Hr	n.p.	n.p.	2.4	2.2	2.0
Service restored within 5 hours	%	n.p.	n.p.	90.0	91.1	95.8
Customer satisfaction results	%	n.p.	n.p.	n.p.	90.0	90.0
Main breaks per 100 km (water)	No/100km	32.1	33.9	47.6	41.0	41.4
Sewer chokes per 100 km	No/100km	49.4	55.3	56.7	43.1	30.3
<i>Size</i>						
Total assets (1)	\$M	333	334	370	378	384
Total revenue	\$M	59	63	68	62	64
Total employment	No	433	396	395	341	320
Pipeline length:						
- water	km	1 894	1 915	1 927	1 939	1 952
- sewerage	km	1 467	1 487	1 497	1 508	1 517
- drainage	km	n.r.	n.r.	n.r.	n.r.	n.r.
Properties served:						
- water	'000	95	96	97	98	99
- sewerage	'000	87	88	89	90	91
- drainage	'000	n.r.	n.r.	n.r.	n.r.	n.r.
New housing allotments served	No	n.p.	1 350	884	910	817
Megalitres of water supplied	'000 Ml	32	32	36	33	38
Volume of sewage treated	'000 Ml	20	21	20	20	19

Size (continued)

BARWON WATER (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
Sewage treatment ratios:						
- primary	%	95.4	96.1	96.0	96.0	0.0
- secondary	%	4.6	3.9	4.0	4.0	100.0
- tertiary	%	n.r.	n.r.	n.r.	n.r.	0.0
Cost & Revenue Measures						
Average revenue received per property:						
- water	\$/Prop	250	220	304	270	297
- sewerage	\$/Prop	254	235	247	225	249
- drainage	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.
Average revenue per kl						
- residential	\$/kl	0.90	1.01	0.98	1.05	1.00
- commercial	\$/kl	n.p.	n.p.	n.p.	n.p.	n.r.
- industrial	\$/kl	n.p.	n.p.	n.p.	n.p.	n.r.
- other	\$/kl	0.71	0.71	0.70	0.73	0.71
- total	\$/kl	0.92	0.88	0.87	0.92	0.89
OMA costs per property served						
- water	\$/Prop	n.p.	n.p.	141	154	162
- sewerage (3)	\$/Prop	n.p.	n.p.	145	138	167
- drainage	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.

NOTES TO INDICATORS FOR BARWON WATER

Key: n.p. - not provided; n.r. - not relevant.

- 1) The majority of Barwon Water's assets are recorded on a historical cost basis. During the year ended 30 June 1996, Barwon Water entered arrangements with developers to construct water and wastewater assets. The value of these assets is based on officer valuation. Crown land was revalued in 1993 and is recorded at independent evaluation.
- 2) In 1996–97, Water System Loss increased due to improved data collection methods for metered water consumption.
- 3) In 1996–97, OMA Costs/100km (Sewerage) increased due to upgrade of Black Rock Treatment plant.

CITY WEST WATER**Victoria****Comments on own performance**

City West Water commenced operation on 1 January 1995 following the disaggregation of the metropolitan water industry into three retail water businesses (City West Water, South East Water and Yarra Valley Water) and one wholesale water business, which retained the name Melbourne Water. The wholesale business provides bulk water and sewerage services to the three retail businesses, and drainage services for Melbourne.

Current operations

City West Water provides water, sewerage and trade waste services to domestic, commercial and industrial customers in Melbourne's central business district and its inner and western suburbs. It is governed by an Operating Licence which defines the Company's obligations, boundaries, customers served, prices and service standards. Compliance with the Operating Licence is monitored by the Office of the Regulator-General. The Company is wholly owned by the State of Victoria, is incorporated under Corporations Law and is subject to the supervisory control of the Australian Securities Commission. The Environment Protection Authority regulates City West Water's environmental performance via a memorandum of understanding.

Performance

Performance and efficiency improvements continued to be achieved by City West Water in 1996–97 despite adverse weather conditions which placed unprecedented pressure on Melbourne's oldest water and sewer pipe system. Initiatives to improve asset performance over the medium term continued with the level of investment to upgrade infrastructure increasing 52 per cent on the previous year.

Collection of data for several indicators continued to be refined and improved. The recently implemented billing system, Gentrak, provides more accurate and timely data than was previously available on the number and type of properties serviced. Caution must therefore be exercised when comparing 1996–97 data with the prior years data.

Caution must be exercised when making comparisons with 1994–95 data because only six months worth of data is recorded (due to the company being formed mid way through the financial year).

CITY WEST WATER (continued)

	Units	1992-93	1993-94	1995 (1)	1995-96	1996-97
Financial Ratios						
Return on assets	%	n.r.	n.r.	n.p.	9.6	12.0
Return on operating assets	%	n.r.	n.r.	n.p.	9.3	12.1
Operating sales margin	%	n.r.	n.r.	n.p.	16.7	20.9
Return on equity	%	n.r.	n.r.	n.p.	6.4	14.3
Dividend to equity ratio	%	n.r.	n.r.	0.0	10.6	13.1
Dividend payout ratio	%	n.r.	n.r.	n.p.	165.7	91.3
Debt to equity	%	n.r.	n.r.	138.0	117.5	111.2
Total liabilities to equity	%	n.r.	n.r.	161.8	153.5	146.5
Current ratio	%	n.r.	n.r.	48.9	40.2	40.2
Interest cover	%	n.r.	n.r.	n.p.	176.3	264.3
Cost recovery ratio	%	n.r.	n.r.	n.p.	123.0	134.4
Operational performance	%	n.r.	n.r.	n.p.	10.2	14.8
Non-financial Ratios						
<i>Economic Factors</i>						
Total factor productivity	Index	n.r.	n.r.	n.p.	n.p.	n.p.
Economic rate of return	%	n.r.	n.r.	n.p.	n.p.	n.p.
<i>Efficiency</i>						
System water loss (as % of total volume supplied)	%	n.r.	n.r.	19.9	17.4	15.0
OMA cost per 100km of main:						
- water	\$'000/100km	n.r.	n.r.	236	361	376
- sewerage	\$'000/100km	n.r.	n.r.	666	928	908
- drainage	\$'000/100km	n.r.	n.r.	n.r.	n.r.	n.r.
Employees per 1000 properties served	Emp/'000Prop	n.r.	n.r.	1.42	0.96	0.92
Total days lost (2)	%	n.r.	n.r.	2.60	3.00	2.10
<i>Effectiveness</i>						
Real price index (3)	Index	n.r.	n.r.	100.0	96.40	95.20
Real price movement: (3)						
- residential	Index	n.r.	n.r.	100.0	96.4	95.2
- commercial	Index	n.r.	n.r.	100.0	96.4	95.2
- industrial	Index	n.r.	n.r.	100.0	96.4	95.2
<i>Effectiveness (continued)</i>						

CITY WEST WATER (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1995 (1)</i>	<i>1995–96</i>	<i>1996–97</i>
Properties served per km of main:						
- water	No/km	n.r.	n.r.	72.1	79.7	75.9
- sewerage mains	No/km	n.r.	n.r.	79.1	86.2	81.3
- drainage	No/km	n.r.	n.r.	n.r.	n.r.	n.r.
Unsewered properties (% of total properties)	%	n.r.	n.r.	0.9	2.0	0.8
Flooding incidents per 100 km of main (sewers)	No/100km	n.r.	n.r.	5.6	19.3	16.5
<i>Service Quality</i>						
Compliance with sewerage effluent standards	%	n.r.	n.r.	98.1	100.0	100.0
Compliance with water quality standards	%	n.r.	n.r.	99.00	100.00	99.00
Water restrictions	%	n.r.	n.r.	0.00	0.00	0.00
Properties with service interruption	%	n.r.	n.r.	n.p.	n.p.	n.p.
Average interruption duration	Hr	n.r.	n.r.	n.p.	n.p.	n.p.
Service restored within 5 hours	%	n.r.	n.r.	95.50	95.50	96.20
Customer satisfaction results (4)	%	n.r.	n.r.	77.00	86.00	74.00
Main breaks per 100 km (water)	No/100km	n.r.	n.r.	65.80	82.94	141.40
Sewer chokes per 100 km	No/100km	n.r.	n.r.	23.80	51.50	36.36
<i>Size</i>						
Total assets	\$M	n.r.	n.r.	505	516	542
Total revenue	\$M	n.r.	n.r.	142	294	301
Total employment	No	n.r.	n.r.	322	245	223
Pipeline length:						
- water	km	n.r.	n.r.	3 150	3 200	3 200
- sewerage	km	n.r.	n.r.	2 850	2 900	2 964
- drainage	km	n.r.	n.r.	n.r.	n.r.	n.r.
Properties served:						
- water	'000	n.r.	n.r.	227	255	243
- sewerage	'000	n.r.	n.r.	225	250	241
- drainage	'000	n.r.	n.r.	n.r.	n.r.	n.r.
New housing allotments served	No	n.r.	n.r.	n.p.	2 614	3 159
Megalitres of water supplied	'000 Ml	n.r.	n.r.	56	110	122
Volume of sewage treated	'000 Ml	n.r.	n.r.	3	7	7

Size (continued)

Sewage treatment ratios:

CITY WEST WATER (continued)

	Units	1992–93	1993–94	1995 (1)	1995–96	1996–97
- primary	%	n.r.	n.r.	0	0	0
- secondary	%	n.r.	n.r.	100	100	100
- tertiary	%	n.r.	n.r.	0	0	0
Cost & Revenue Measures						
Average revenue received per property:						
- water	\$/Prop	n.r.	n.r.	249	484	492
- sewerage	\$/Prop	n.r.	n.r.	297	594	657
- drainage	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.
Average revenue per kl:						
- residential	\$/kl	n.r.	n.r.	2.13	2.39	2.28
- commercial	\$/kl	n.r.	n.r.	4.75	4.21	3.54
- industrial	\$/kl	n.r.	n.r.	n.p.	n.p.	n.p.
- other	\$/kl	n.r.	n.r.	n.p.	n.p.	n.p.
- total	\$/kl	n.r.	n.r.	3.14	3.21	2.91
OMA costs per property served:						
- water	\$/Prop	n.r.	n.r.	33	45	49
- sewerage	\$/Prop	n.r.	n.r.	84	108	112
- drainage	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.

NOTES TO INDICATORS FOR CITY WEST WATER

Key: n.p. - not provided; n.r. - not relevant.

- 1) 1995 figures based on half year results ending 30 June 1995.
- 2) The basis for recording the data has improved. The 1996–97 data are therefore not directly comparable with the previous years.
- 3) The base for indices is 1 July 1994.
- 4) The survey methodology changed in 1996–97 so the results are not directly comparable with prior years.

MELBOURNE WATER CORPORATION**Victoria****Comments on own performance**

Melbourne Water Corporation is a wholesaler of water and sewerage services and a provider of drainage services for Melbourne. Melbourne Water supplies water and sewerage services to the three retail water businesses (City West Water, Yarra Valley Water and South East Water) through separate bulk water and sewerage supply agreements and provides waterways and drainage services to Melbourne's 1.3 million population.

To increase focus on Melbourne Water's core business of supplying water, sewerage and drainage services, the construction and project management arm, Streamline, was sold to Enetech Pty Ltd, a subsidiary of Eastern Energy Ltd on 30 June 1997.

In 1996–97, Melbourne Water made considerable progress towards the objectives of being a commercially focused organisation which places a high priority on its community responsibilities in environment and public health.

Financial performance

Melbourne Water's after-tax profitability increased by 37 per cent despite water, sewerage and drainage prices being maintained at the same levels as in 1995–96. Direct operating expenditure fell by 12.7 per cent and finance costs fell by 13.7 per cent from 1995–96.

The debt restructuring strategy continued in 1996–97, with a reduction in borrowings of \$324.8 million. Debt to total assets also fell from 71.8 per cent in 1995–96 to 60.3 per cent in 1996–97. The interest coverage ratio increased from 1.6 in 1995–96 to 2.3 in 1996–97.

On 28 February 1997, the Treasurer of Victoria approved the transfer of \$250 million (book value) of Melbourne Water debt to the State. The direction was made under s.9(1)(c) of the *State Owned Enterprises Act 1992* and was treated as a debt for equity swap as at the date of transfer.

Non-financial performance

Melbourne Water maintained a high level of compliance at its two sewerage treatment plants.

Melbourne Water completed two new filtration plants and a pipeline system as part of an ongoing program to improve drinking water supplied to outer urban and semi-rural areas. This will bring them up to the same standard of drinking water applied to the rest of Melbourne.

Financial Ratios

MELBOURNE WATER CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1995 (1)</i>	<i>1995-96</i>	<i>1996-97</i>
Return on assets	%	n.r.	n.r.	6.0	13.9	17.0
Return on operating assets	%	n.r.	n.r.	6.0	14.0	17.1
Operating sales margin	%	n.r.	n.r.	46.9	54.9	68.0
Return on equity	%	n.r.	n.r.	6.1	29.6	29.5
Dividend to equity ratio	%	n.r.	n.r.	7.4	19.5	25.1
Dividend payout ratio	%	n.r.	n.r.	120.6	65.7	84.9
Debt to equity (2)	%	n.r.	n.r.	527.9	452.5	235.5
Total liabilities to equity	%	n.r.	n.r.	594.3	530.0	290.7
Current ratio	%	n.r.	n.r.	9.8	7.9	10.1
Interest cover	%	n.r.	n.r.	128.8	163.5	232.3
Cost recovery ratio	%	n.r.	n.r.	231.7	281.4	319.3
Operational performance	%	n.r.	n.r.	7.3	16.4	17.2

Non-financial Ratios***Economic Factors***

Total factor productivity	Index	n.r.	n.r.	n.p.	n.p.	n.p.
Economic rate of return	%	n.r.	n.r.	n.p.	n.p.	n.p.

Efficiency

System water loss	%	n.r.	n.r.	n.r.	0.3	0.3
OMA cost per 100km of main:						
- water	\$'000/ 100km	n.r.	n.r.	1 861	3 638	3 407
- sewerage	\$'000/ 100km	n.r.	n.r.	9 817	17 521	14 426
- drainage	\$'000/ 100km	n.r.	n.r.	1 517	3 791	3 359
Employees per 1000 properties served	Emp/ '000 Prop	n.r.	n.r.	n.r.	n.r.	n.r.
Total days lost	%	n.r.	n.r.	1.75	1.76	2.36

Effectiveness

Real price index (3)	Index	n.r.	n.r.	n.r.	n.r.	n.r.
Real price movement by customer group:						
- residential	Index	n.r.	n.r.	n.r.	n.r.	n.r.
- commercial	Index	n.r.	n.r.	n.r.	n.r.	n.r.
- industrial	Index	n.r.	n.r.	n.r.	n.r.	n.r.

Effectiveness (continued)

Properties served per km of main:

MELBOURNE WATER CORPORATION (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1995 (1)</i>	<i>1995–96</i>	<i>1996–97</i>
- water	No/km	n.r.	n.r.	n.r.	n.r.	n.r.
- sewerage	No/km	n.r.	n.r.	n.r.	n.r.	n.r.
- drainage	No/km	n.r.	n.r.	1 210.4	1 226.9	1180.2
Unsewered properties (% of total properties)	%	n.r.	n.r.	n.r.	n.r.	n.r.
Flooding incidents per 100 km of main (sewers)	No/100km	n.r.	n.r.	8.4	19.2	3.9
Service Quality						
Compliance with sewerage effluent standards (4)	%	n.r.	n.r.	97.3	>98	>98.5
Compliance with water quality standards (5)	%	n.r.	n.r.	99.5	>99	98.70
Water restrictions	%	n.r.	n.r.	n.r.	n.r.	n.r.
Properties with service interruption	%	n.r.	n.r.	n.r.	n.r.	n.r.
Average interruption duration	Hr	n.r.	n.r.	n.r.	n.r.	n.r.
Service restored within 5 hours	%	n.r.	n.r.	n.r.	n.r.	n.r.
Customer satisfaction results	%	n.r.	n.r.	n.r.	n.r.	n.r.
Main breaks per 100 km (water) (6)	No/100km	n.r.	n.r.	7.40	5.60	6.49
Sewer chokes per 100 km	No/100km	n.r.	n.r.	n.r.	n.r.	n.r.
Size						
Total assets	\$M	n.r.	n.r.	2 698	2 731	2 714
Total revenue	\$M	n.r.	n.r.	344	687	680
Total employment	No	n.r.	n.r.	962	825	747
Pipeline length:						
- water	km	n.r.	n.r.	1 340	1 340	1 340
- sewerage	km	n.r.	n.r.	380	380	384
- drainage	km	n.p.	1 021	1 036	1 036	1 088
Properties served:						
- water	'000	n.r.	n.r.	n.r.	n.r.	n.r.
- sewerage (7)	'000	n.r.	n.r.	n.r.	n.r.	n.r.
- drainage (8)	'000	1 219	1 233	1 254	1 271	1 284
New housing allotments served (9)	No	n.r.	19 000	20 378	20 247	n.p.
Megalitres of water supplied	'000Ml	n.r.	n.r.	237	454	512
Volume of sewage treated	'000Ml	n.r.	n.r.	162	335	322
Size (continued)						
Sewage treatment ratios:						
- primary	%	n.r.	n.r.	0.0	0.0	0.0

MELBOURNE WATER CORPORATION (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1995 (1)</i>	<i>1995–96</i>	<i>1996–97</i>
- secondary	%	n.r.	n.r.	100.0	100.0	100.0
- tertiary	%	n.r.	n.r.	0.0	0.0	0.0
<i>Cost & Revenue Measures</i>						
Average revenue received per property:						
- water	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.
- sewerage	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.
- drainage	\$/Prop	63	84	77	81	72
Average revenue per kl:						
- residential	\$/kl	n.r.	n.r.	n.r.	n.r.	n.r.
- commercial	\$/kl	n.r.	n.r.	n.r.	n.r.	n.r.
- industrial	\$/kl	n.r.	n.r.	n.r.	n.r.	n.r.
- other	\$/kl	n.r.	n.r.	n.r.	n.r.	n.r.
- total	\$/kl	n.r.	n.r.	n.r.	n.r.	n.r.
OMA costs per property served:						
- water	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.
- sewerage	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.
- drainage	\$/Prop	38	32	34	31	29

NOTES TO INDICATORS FOR MELBOURNE WATER CORPORATION

Key: n.p. - not provided; n.r. - not relevant.

- 1) 1995 figures based on half year results ending 30 June 1995. Melbourne Water Corporation (MWC) was established on 1 January 1995 as a wholesaler of water and sewerage services and provider of drainage services. Data for the former Melbourne Water Corporation between 1991–92 and 1994–95 are available in the 1995 report by the Steering Committee on National Performance Monitoring of Government Trading Enterprises.
- 2) Debt includes advances.
- 3) MWC bulk charges first applied from 1 January 1995.

MELBOURNE WATER CORPORATION (continued)

NOTES TO INDICATORS FOR MELBOURNE WATER CORPORATION (continued)

- 4) Compliance with sewerage effluent standards is made up of two parts since MWC has two main treatment plants: Eastern Treatment Plant (ETP) and Western Treatment Plant (WTP), operating under separate licence agreements with the Environment Protection Authority. ETP has been operating under the same licence since December 1996 and achieved a per cent compliance with EPA standards of 99.9 per cent for 1996–97. WTP had a licence amendment during 1996–97. For the first nine months, WTP achieved a licence compliance of 98.5 per cent, while for the remaining three months WTP achieved a compliance of 100 per cent.
- 5) Compliance with water quality standards is measured for non-improvement zones. Improvement zones are excluded as these zones are undergoing improvement works.
- 6) Applies to MWC bulk system only.
- 7) Includes underground drains, excludes all channels.
- 8) 1996–97 drainage property numbers are based on one per cent growth from 1995–96.
- 9) Drainage properties only. Data not available for 1996–97.

SOUTH EAST WATER**Victoria****Comments on own performance**

South East Water Limited (SEWL) was incorporated in late 1994 and commenced operations as a retail water supply and sewerage service business on 1 January 1995.

Financial performance

South East Water Limited reported a pre-tax profit of \$105.8 million for 1996–97. This was an increase of 14.8 per cent over the previous year.

While the hot and dry summer increased water sales, the sound financial result was also attributable to increasing efficiencies while meeting growing demands, with reduced staff and lower operating costs. This has resulted in SEWL being the lowest cost per property retailer in Melbourne.

During the year, the Company provided for \$60 million of dividend and wholly internally funded capital works to the value of \$36.8 million. The Company also retired \$25 million of debt, bringing total debt retired since 1 January 1997 to \$117 million.

As a result of the above, the Company continue to improve in all key financial performance indicators.

The assignment of ‘AA-’ stand-alone credit rating from Standard and Poors in May 1997 further confirmed the financial strength and strong business position of the Company.

Non-financial performance

South East Water Limited acknowledges that while the financial performance of the Company is vital, its non-financial performance is no less critical.

Although the particularly hot summer this year has resulted in a slight increase in the number of water interruptions per 100 kilometres of main, the figures show remarkable resilience given the potential of the situation.

The Company continues to improve in other key non-financial performance indicators, for example, percentage of water supply restorations within five hours and sewer chokes per 100 kilometres.

Others

Other highlights of the year include achievement of ISO 14001 environmental certification, extended customer payment terms from 14 days to 28 days, an Australian Quality Award in ‘Achievement in Business Excellence’ and the introduction of many innovative systems.

SOUTH EAST WATER (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1995 (1)</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1,2,3,4)						
Return on assets	%	n.r.	n.r.	4.8	12.2	12.9
Return on operating assets	%	n.r.	n.r.	4.8	12.2	12.9
Operating sales margin	%	n.r.	n.r.	25.5	30.9	31.8
Return on equity	%	n.r.	n.r.	3.0	11.4	13.5
Dividend to equity ratio	%	n.r.	n.r.	3.8	14.8	16.5
Dividend payout ratio	%	n.r.	n.r.	126.7	130.3	122.6
Debt to equity	%	n.r.	n.r.	166.7	141.4	127.3
Total liabilities to equity	%	n.r.	n.r.	188.1	180.5	168.3
Current ratio	%	n.r.	n.r.	42.5	24.5	37.2
Interest cover	%	n.r.	n.r.	161.3	215.8	248.7
Cost recovery ratio	%	n.r.	n.r.	146.6	149.1	153.5
Operational performance	%	n.r.	n.r.	6.0	13.0	14.1
Non-financial Ratios						
<i>Economic Factors</i>						
Total factor productivity	Index	n.r.	n.r.	n.p.	n.p.	n.p.
Economic rate of return	%	n.r.	n.r.	5.12	14.43	13.34
<i>Efficiency</i>						
System water loss (as % of total volume supplied)	%	n.r.	n.r.	17.9	20.5	19.5
OMA cost per 100km of main:						
- water	\$'000/100km	n.r.	n.r.	170	319	295
- sewerage	\$'000/100km	n.r.	n.r.	412	673	625
- drainage	\$'000/100km	n.r.	n.r.	n.r.	n.r.	n.r.
Employees per 1000 properties served	Emp/'000Prop	n.r.	n.r.	0.84	0.83	0.70
Total days lost	%	n.r.	n.r.	1.89	2.13	2.27
<i>Effectiveness</i>						
Real price index (5)	Index	n.r.	n.r.	100.0	96.40	95.20
Real price movement: (5)						
- residential	Index	n.r.	n.r.	100.0	96.40	95.20
- commercial	Index	n.r.	n.r.	100.0	96.40	95.20
- industrial	Index	n.r.	n.r.	100.0	96.40	95.20

Effectiveness (continued)

SOUTH EAST WATER (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1995 (1)</i>	<i>1995–96</i>	<i>1996–97</i>
Properties served per km of main:						
- water	No/km	n.r.	n.r.	65.3	71.1	69.1
- sewerage mains	No/km	n.r.	n.r.	75.0	77.1	71.6
- drainage	No/km	n.r.	n.r.	n.r.	n.r.	n.r.
Unsewered properties (% of total properties)	%	n.r.	n.r.	8.2	7.1	7.1
Flooding incidents per 100 km of main (sewers)	No/100km	n.r.	n.r.	6.6	8.7	4.8
<i>Service Quality</i>						
Compliance with sewerage effluent standards	%	n.r.	n.r.	100.0	100.0	98.2
Compliance with water quality standards	%	n.r.	n.r.	99.80	99.80	99.50
Water restrictions	%	n.r.	n.r.	0.00	0.00	0.00
Properties with service interruption	%	n.r.	n.r.	n.p.	30.00	36.80
Average interruption duration	Hr	n.r.	n.r.	3.90	2.00	2.10
Service restored within 5 hours	%	n.r.	n.r.	96.70	97.10	98.40
Customer satisfaction results	%	n.r.	n.r.	n.p.	97.00	n.p.
Main breaks per 100 km (water)	No/100km	n.r.	n.r.	11.20	21.60	23.80
Sewer chokes per 100 km	No/100km	n.r.	n.r.	13.40	18.90	12.80
<i>Size</i>						
Total assets (3)	\$M	n.r.	n.r.	974	992	997
Total revenue	\$M	n.r.	n.r.	182	385	404
Total employment	No	n.r.	n.r.	508	490	458
Pipeline length:						
- water	km	n.r.	n.r.	7 500	7 010	7 496
- sewerage	km	n.r.	n.r.	6 000	5 997	6 718
- drainage	km	n.r.	n.r.	n.r.	n.r.	n.r.
Properties served:						
- water	'000	n.r.	n.r.	490	498	518
- sewerage	'000	n.r.	n.r.	450	462	481
- drainage	'000	n.r.	n.r.	n.r.	n.r.	n.r.
New housing allotments served	No	n.r.	n.r.	4 200	6 000	8 500
Megalitres of water supplied	'000 Ml	n.r.	n.r.	77	149	175
Volume of sewage treated	'000 Ml	n.r.	n.r.	5	11	11

Size (continued)

SOUTH EAST WATER (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1995 (1)</i>	<i>1995-96</i>	<i>1996-97</i>
Sewage treatment ratios:						
- primary	%	n.r.	n.r.	0	0	0
- secondary	%	n.r.	n.r.	100	100	100
- tertiary	%	n.r.	n.r.	0	0	0
Cost & Revenue Measures						
Average revenue received per property:						
- water	\$/Prop	n.r.	n.r.	167	306	321
- sewerage	\$/Prop	n.r.	n.r.	207	461	456
- drainage	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.
Average revenue per kl:						
- residential	\$/kl	n.r.	n.r.	1.08	1.08	0.99
- commercial	\$/kl	n.r.	n.r.	7.34	3.97	4.04
- industrial	\$/kl	n.r.	n.r.	0.65	0.53	0.49
- other	\$/kl	n.r.	n.r.	0.65	0.65	0.74
- total	\$/kl	n.r.	n.r.	1.43	1.29	1.20
OMA costs per property served:						
- water	\$/Prop	n.r.	n.r.	26	45	43
- sewerage	\$/Prop	n.r.	n.r.	55	87	87
- drainage	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.

NOTES TO INDICATORS FOR SOUTH EAST WATER

Key: n.p. - not provided; n.r. - not relevant.

- 1) 1995 figures based on half year results ending 30 June 1995.
- 2) The company is subject to Victorian State Equivalent Income Tax. To date no income tax has been paid to the Victorian Government.
- 3) Fixed assets, plant and equipment are valued at historical cost. Land and buildings are revalued at three year intervals. Building revaluation in June 1997 resulted in a devaluation of \$1.1 million.

SOUTH EAST WATER (continued)

NOTES TO INDICATORS FOR SOUTH EAST WATER (continued)

4) Community service obligations:

<i>Category of CSO</i>	<i>Method of valuation</i>	<i>Source of funding</i>	<i>Year</i>	<i>Cost (\$'000)</i>
Gratuitous supply	3000 Ml @\$0.65	Internal	1996–97	1 950
Non rateables	4500 properties @ \$120	Internal	1996–97	540
Water used in fire fighting	1000 Ml @ \$0.65	Internal	1996–97	650
Education materials for schools	Internal costing	Internal	1996–97	50
Pensioners concession administration	Internal costing	Internal	1996–97	200
Water used in street cleaning etc	500 Ml @ \$0.65	Internal	1996–97	325

5 The base year for indices is 1994–95.

YARRA VALLEY WATER**Victoria****Comments on own performance**

Yarra Valley Water Ltd was incorporated as a company under Corporations Law on 8 October 1994 and commenced operations on 1 January 1995. The Company was established as one of three water retailers providing water and sewerage services to the metropolitan area of Melbourne.

Improvements to both financial and non-financial performance were achieved while prices to our customers remained frozen for the third year in a row. Continued pressure has been applied to operating expenditure. Productivity gains were obtained from the implementation of new business systems and process improvements which focus on achieving higher quality service at a reduced cost. Industry benchmarks show that Yarra Valley Water had the second lowest operating costs per property of any major urban water company in Australia.

The Company has further reinforced its commitment to the environment by becoming the first water company in Australia to have its Environmental Management System accredited to the International Standard ISO 14001.

YARRA VALLEY WATER (continued)

	Units	1992-93	1993-94	1995 (1)	1995-96	1996-97
Financial Ratios (2)						
Return on assets	%	n.r.	n.r.	5.3	9.2	12.1
Return on operating assets	%	n.r.	n.r.	5.3	9.3	12.1
Operating sales margin	%	n.r.	n.r.	26.4	23.9	30.5
Return on equity	%	n.r.	n.r.	4.3	6.4	11.4
Dividend to equity ratio	%	n.r.	n.r.	4.1	11.1	12.9
Dividend payout ratio	%	n.r.	n.r.	95.7	174.6	112.5
Debt to equity	%	n.r.	n.r.	145.8	130.0	126.1
Total liabilities to equity	%	n.r.	n.r.	165.4	161.9	158.9
Current ratio	%	n.r.	n.r.	38.9	18.3	60.4
Interest cover	%	n.r.	n.r.	193.3	175.4	232.7
Cost recovery ratio	%	n.r.	n.r.	142.1	141.1	146.8
Operational performance	%	n.r.	n.r.	6.0	11.3	12.6
Non-financial Ratios						
<i>Economic Factors</i>						
Total factor productivity	Index	n.r.	n.r.	n.p.	n.p.	n.p.
Economic rate of return	%	n.r.	n.r.	5.10	9.56	12.70
<i>Efficiency</i>						
System water loss (as % of total volume supplied)	%	n.r.	n.r.	27.0	24.0	24.0
OMA cost per 100km of main:						
- water	\$'000/100km	n.r.	n.r.	128	317	329
- sewerage	\$'000/100km	n.r.	n.r.	312	608	571
- drainage	\$'000/100km	n.r.	n.r.	n.r.	n.r.	n.r.
Employees per 1000 properties served	Emp/'000Prop	n.r.	n.r.	0.83	0.56	0.63
Total days lost	%	n.r.	n.r.	2.59	2.67	1.96
<i>Effectiveness</i>						
Real price index	Index	n.r.	n.r.	100.0	96.4	95.21
Real price movement:						
- residential	Index	n.r.	n.r.	n.p.	n.p.	n.p.
- commercial	Index	n.r.	n.r.	n.p.	n.p.	n.p.
- industrial	Index	n.r.	n.r.	n.p.	n.p.	n.p.

Effectiveness (continued)

YARRA VALLEY WATER (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1995 (1)</i>	<i>1995–96</i>	<i>1996–97</i>
Properties served per km of main:						
- water	No/km	n.r.	n.r.	57.2	57.9	57.6
- sewerage mains	No/km	n.r.	n.r.	68.2	68.7	67.5
- drainage	No/km	n.r.	n.r.	n.r.	n.r.	n.r.
Unsewered properties (% of total properties)	%	n.r.	n.r.	5.8	5.0	5.1
Flooding incidents per 100 km of main (sewers)	No/100km	n.r.	n.r.	14.4	15.8	13.0
<i>Service Quality</i>						
Compliance with sewerage effluent standards	%	n.r.	n.r.	98.70	99.90	99.98
Compliance with water quality standards	%	n.r.	n.r.	99.70	99.70	99.80
Water restrictions	%	n.r.	n.r.	0.00	0.10	0.10
Properties with service interruption	%	n.r.	n.r.	34.00	37.10	55.10
Average interruption duration	Hr	n.r.	n.r.	2.02	2.00	1.90
Service restored within 5 hours	%	n.r.	n.r.	n.p.	99.50	99.00
Customer satisfaction results	%	n.r.	n.r.	76.00	86.00	87.00
Main breaks per 100 km (water)	No/100km	n.r.	n.r.	18.90	26.52	55.90
Sewer chokes per 100 km	No/100km	n.r.	n.r.	18.20	29.47	22.70
<i>Size</i>						
Total assets	\$M	n.r.	n.r.	1 080	1 093	1 130
Total revenue	\$M	n.r.	n.r.	214	415	439
Total employment	No	n.r.	n.r.	541	463	521
Pipeline length:						
- water	km	n.r.	n.r.	9 377	9 377	9 477
- sewerage	km	n.r.	n.r.	7 410	7 510	7 670
- drainage	km	n.r.	n.r.	n.p.	n.p.	n.p.
Properties served:						
- water	'000	n.r.	n.r.	536	543	546
- sewerage	'000	n.r.	n.r.	505	516	518
- drainage	'000	n.r.	n.r.	n.p.	n.p.	n.p.
New housing allotments served	No	n.r.	n.r.	2 023	4 500	11 841
Megalitres of water supplied	'000 Ml	n.r.	n.r.	102	195	207
Volume of sewage treated	'000 Ml	n.r.	n.r.	4	8	8

Size (continued)

YARRA VALLEY WATER (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1995 (1)</i>	<i>1995-96</i>	<i>1996-97</i>
Sewage treatment ratios:						
- primary	%	n.r.	n.r.	100	100	100
- secondary	%	n.r.	n.r.	100	100	100
- tertiary	%	n.r.	n.r.	n.r.	n.r.	n.r.
<i>Cost & Revenue Measures</i>						
Average revenue received per property:						
- water	\$/Prop	n.r.	n.r.	181	300	349
- sewerage	\$/Prop	n.r.	n.r.	202	420	480
- drainage	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.p.
Average revenue per kl:						
- residential	\$/kl	n.r.	n.r.	n.p.	n.p.	n.p.
- commercial	\$/kl	n.r.	n.r.	n.p.	n.p.	n.p.
- industrial	\$/kl	n.r.	n.r.	n.p.	n.p.	n.p.
- other	\$/kl	n.r.	n.r.	n.p.	n.p.	n.p.
- total	\$/kl	n.r.	n.r.	0.81	0.84	0.86
OMA costs per property served:						
- water	\$/Prop	n.r.	n.r.	36	55	57
- sewerage	\$/Prop	n.r.	n.r.	39	89	85
- drainage	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.

YARRA VALLEY WATER (continued)

NOTES TO INDICATORS FOR YARRA VALLEY WATER

Key: n.p. - not provided; n.r. - not relevant.

1) 1995 figures based on half year results ending 30 June 1995.

2) Community service obligations:

<i>Category of CSO</i>	<i>Method of valuation</i>	<i>Source of funding</i>	<i>Year</i>	<i>Cost (\$'000)</i>
Free water to parks, etc	2000 Ml @ 65c	Internal	1996–97	1 300
Unmetered gratuitous supply	40 Ml @ 65c	Internal	1996–97	26
Water used in fire fighting	1200 Ml @ 65c	Internal	1996–97	780
Administration of pensioner rebates	Internal costing	Internal	1996–97	160
Water used in street cleaning	1000 Ml @ 65c	Internal	1996–97	650
Remission of developer contribution	Internal costing	Internal	1996–97	200
Melbourne one call system	Internal costing	Internal	1996–97	110
Customer consultative committee	Internal costing	Internal	1996–97	24
Education material for schools	Internal costing	Internal	1996–97	45.5
Administration of waive applications	Internal costing	Internal	1996–97	52.3
Freedom of information application	6 @ \$350	Internal	1996–97	2.1

BRISBANE WATER**Queensland****Comments on own performance***Background*

Brisbane Water was launched as a commercial business unit of the Brisbane City Council on 1 July 1996 and is responsible for providing water and wastewater services to over 812 000 residents, commercial and industrial customers. We also provide water in bulk to five surrounding local government authorities.

Commercialisation has encouraged further gains in efficiency and establishes a clear commercial objective whilst ensuring community obligations are met.

The implementation of a new water meter billing system for domestic houses commenced on 1 July 1997 and will bring Brisbane Water into line with world's best practice for billing. The introduction of this 'user pays' system is expected to significantly reduce domestic water consumption. In addition, Brisbane Water is continuing to undertake a Water Conservation Waterwise Program, which includes community education programs and projects to encourage efficient use of our water resources.

Financial performance

The current financial year is Brisbane Water's first full year of commercial operation. Total revenue was \$215 million, \$8 million above target. Operating profit before tax and abnormal items was \$24.7 million, \$3.7 million over budget. Brisbane Water generated a return on assets of 4.03 per cent and paid a dividend of \$12 million to Brisbane City Council.

Non-financial performance

Since the introduction of the Enterprise Bargaining Agreement, Brisbane Water has made improvements in productivity. The performance indicators continue to show high levels of compliance with customer service delivery and water quality standards. Brisbane Water has continued to maintain rigorous standards based on the Australian National Health and Medical Research Council Guidelines to ensure delivery of high quality, safe drinking water to our customers.

BRISBANE WATER (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
Financial Ratios - overall (1)						
Return on assets (2)	%	2.9	2.1	2.3	2.3	2.9
Return on operating assets	%	2.9	2.1	2.3	2.3	2.9
Operating sales margin	%	40.2	34.1	36.0	33.4	38.5
Return on equity	%	1.7	1.4	1.5	1.6	2.3
Dividend to equity ratio	%	0.0	0.0	0.0	0.0	0.3
Dividend payout ratio	%	0.0	0.0	0.0	0.0	13.0
Debt to equity	%	12.1	11.0	10.8	9.8	11.1
Total liabilities to equity	%	12.1	11.0	10.8	9.8	12.4
Current ratio	%	n.p.	n.p.	n.p.	n.p.	72.0
Interest cover	%	200.4	244.3	241.5	287.1	359.9
Cost recovery ratio	%	164.9	150.1	151.0	145.6	161.4
Operational performance	%	2.8	2.0	2.1	2.1	2.8
Financial Ratios - water						
Return on assets (2)	%	3.5	2.4	2.6	3.1	4.2
Return on operating assets	%	3.5	2.4	2.6	3.1	4.2
Operating sales margin	%	39.9	30.6	32.1	34.6	32.3
Return on equity	%	2.3	1.8	1.8	2.5	3.6
Dividend to equity ratio	%	0.0	0.0	0.0	0.0	0.0
Dividend payout ratio	%	0.0	0.0	0.0	0.0	0.0
Debt to equity	%	13.5	12.1	11.9	13.9	13.3
Total liabilities to equity	%	13.5	12.1	11.9	13.9	14.1
Current ratio	%	n.p.	n.p.	n.p.	n.p.	n.p.
Interest cover	%	230.7	291.4	253.5	324.5	418.1
Cost recovery ratio	%	165.3	143.3	146.8	152.3	146.6
Operational performance	%	3.4	2.4	2.6	7.0	4.1
Financial Ratios - sewerage						
Return on assets	%	2.5	1.8	2.0	2.0	2.3
Return on operating assets	%	2.5	1.8	2.0	2.0	2.3
Operating sales margin	%	40.7	38.6	41.1	40.0	46.5
Return on equity	%	1.2	1.1	1.2	1.3	1.8
Dividend to equity ratio	%	0.0	0.0	0.0	0.0	0.0
Dividend payout ratio	%	0.0	0.0	0.0	0.0	0.0
Debt to equity	%	11.1	10.1	10.0	9.1	9.3
Total liabilities to equity	%	11.1	10.1	10.0	9.1	9.8

BRISBANE WATER (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
Financial Ratios - sewerage (continued)						
Current ratio	%	n.p.	n.p.	n.p.	n.p.	n.p.
Interest cover	%	172.0	209.8	230.3	262.8	323.4
Cost recovery ratio	%	164.4	160.0	157.2	154.9	186.8
Operational performance	%	2.3	1.8	1.6	1.6	2.3
Non-financial Ratios						
<i>Economic Factors</i>						
Total factor productivity:						
- water	Index	n.p.	n.p.	n.p.	n.p.	n.p.
- sewerage	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return:						
- water	%	2.80	3.19	3.45	3.62	4.73
- sewerage	%	2.23	1.97	2.31	2.22	2.51
<i>Efficiency</i>						
System water loss - water (as % of total volume supplied)	%	n.p.	n.p.	n.p.	n.p.	n.p.
System water loss - sewerage (as % of total volume supplied)	%	n.p.	n.p.	n.p.	n.p.	n.p.
OMA cost per 100km of main:						
- water	\$'000/ 100km	1 089	1 004	1 046	1 012	1 711
- sewerage	\$'000/ 100km	742	778	757	812	760
Employees per 1000 properties served:						
- water	Emp/ '000Prop	1.48	1.41	1.30	1.15	0.02
- sewerage	Emp/ '000Prop	1.66	1.54	1.44	1.54	0.03
Total days lost:						
- water	%	4.40	4.70	4.90	4.84	4.20
- sewerage	%	4.40	4.70	4.90	4.84	4.19
<i>Effectiveness</i>						
Real price index:						
- water	Index	n.p.	n.p.	n.p.	n.p.	n.p.
- sewerage	Index	n.p.	n.p.	n.p.	n.p.	n.p.

BRISBANE WATER (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
<i>Effectiveness (continued)</i>						
Real price movement:						
- residential (3))	Index	106.0	107.0	105.0	104.0	106.0
- commercial	Index	n.p.	n.p.	n.p.	n.p.	n.p.
- industrial	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Properties served per km of main:						
- water	No/km	53.5	53.8	53.8	54.5	52.8
- sewerage	No/km	53.5	53.5	52.9	53.3	51.0
Unsewered properties (% of total properties)	%	2.8	2.8	2.8	2.7	3.4
Flooding incidents per 100 km of main (sewers)	No/100km	0.0	0.7	1.4	n.p.	n.p.
<i>Service Quality</i>						
Compliance with sewerage effluent standards	%	90.0	91.0	96.0	n.p.	n.p.
Compliance with water quality standards	%	n.p.	n.p.	n.p.	n.p.	n.p.
Water restrictions	%	n.p.	n.p.	n.p.	11.7	n.p.
Properties with service interruption	%	n.p.	n.p.	n.p.	n.p.	n.p.
Average interruption duration	Hr	n.p.	n.p.	n.p.	n.p.	n.p.
Service restored within 5 hours	%	100.0	97.3	99.0	97.0	85.0.
Customer satisfaction results:						
- water	%	95.0	n.p.	n.p.	n.p.	n.p.
- sewerage	%	98.0	n.p.	n.p.	n.p.	n.p.
Main breaks per 100 km (water)	No/100km	36.1	32.7	36.7	32.7	48.0
Sewer chokes per 100 km	No/100km	33.6	42.5	32.6	n.p.	21.2
<i>Size</i>						
Total assets: (2)						
- water	\$M	1 378	1 402	1 426	1 506	1 777
- sewerage	\$M	1 275	1 303	1 327	1 403	2 725
Total revenue:						
- water	\$M	132.2	135.0	145.8	151.2	212.2
- sewerage	\$M	103.3	105.7	111.3	118.3	129.4
Total employment:						
- water	No	472	454	424	384	6
- sewerage	No	520	485	463	508	11

Size (continued)

BRISBANE WATER (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
Pipeline length:						
- water	km	5 942	5 987	6 059	6 128	6 188
- sewerage	km	5 775	5 855	5 991	6 095	6 193.
- drainage	km	n.r.	n.r.	n.r.	n.r.	n.r.
Properties served:						
- water	'000	281	284	288	296	327
- sewerage	'000	272	275	279	287	316
- drainage	'000	n.r.	n.r.	n.r.	n.r.	n.r
New housing allotments served	No	n.p.	4 730	3 250	8 442	7 546
Megalitres of water supplied	'000Ml	197	171	204	186	234
Volume of sewage treated	'000Ml	103	103	102	112	117
Sewage treatment ratios:						
- primary	%	10.00	2.00	0.00	0.00	1.00
- secondary	%	90.00	98.00	100.00	100.00	99.00
- tertiary	%	0.00	0.00	0.00	0.00	0.00
<i>Cost & Revenue Measures</i>						
Average revenue received per property						
- water	\$/Prop	457	459	490	510	649
- sewerage	\$/Prop	390	382	384	412	410
- drainage	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r
Average revenue per kl						
- residential	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
- commercial	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
- industrial	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
- other	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
- total	\$/kl	0.7	0.8	0.7	0.8	1.2
OMA costs per property served (4)						
- water	\$/Prop	203	187	194	186	324
- sewerage	\$/Prop	151	156	147	151	149

BRISBANE WATER (continued)

NOTES TO INDICATORS FOR BRISBANE WATER

Key: n.p. - not provided; n.r. - not relevant.

- 1) Overall numbers include non-core water and sewerage activities.
- 2) Assets are valued at their current cost less accumulated depreciation.
- 3) Residential real price movement for sewerage only.
- 4) Derived from the Agriculture and Resource Management Council of Australia and New Zealand (ARMCANZ) database in real 1995–96 dollars.

DEPARTMENT OF NATURAL RESOURCES, Queensland STATE WATER PROJECTS

Comments on own performance

DNR-State Water Projects is a business unit within the Department of Natural Resources. The group provides a range of water supply and related operations to a range of public and private agricultural, industrial, and urban water supply clients along with water engineering consultancy and contract facilities management services to other agencies on a commercial basis. Operations of the group were fully commercialised on 1 July 1997.

Corporate overview

The Queensland Government is encouraging the introduction of arrangements for local management of irrigation schemes. Under these arrangements, DNR-State Water Projects principal objectives are to provide on a competitive basis:

- development of and supply of water from state owned water infrastructure;
- contract operation and maintenance services for public and privately owned water infrastructure; and
- planning, design and project management for public water infrastructure and related projects.

DNR-State Water Projects reported its financial operations on a full accrual basis for the first time in 1996–97. Full cost allocation through the application of contemporary approaches has been established to properly identify the cost and value of services and functions as a basis for developing and meeting competitive requirements. Government subsidy/CSO arrangements are still to be finalised. The inclusion of interim subsidy arrangements is reflected in the performance reporting of the business position. Also, included is an interim debt to equity structure. A final debt to equity structure has yet to be determined.

Financial performance

Comparisons with prior years are not meaningful as the basis of accounting has changed from cash to accrual. However, it is apparent that asset performance remains low as a result of traditional Government multi-objective investment policies represented in those assets and the associated community service obligations and pricing policies under which the group continues to operate.

Non-financial performance

Development of a range of non-financial performance indicators is continuing in terms of operating efficiency as well as traditional ‘product’ and services areas.

DEPARTMENT OF NATURAL RESOURCES, STATE WATER PROJECTS (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1)						
Return on assets	%	-0.4	-0.3	-0.2	0.2	-1.0
Return on operating assets	%	-0.4	-0.3	-0.2	0.2	-1.0
Operating sales margin	%	-18.6	-12.0	-8.5	8.4	-30.5
Return on equity	%	n.p.	n.p.	n.p.	n.p.	n.p.
Dividend to equity ratio	%	n.p.	n.p.	n.p.	n.p.	n.p.
Dividend payout ratio	%	n.p.	n.p.	n.p.	n.p.	n.p.
Debt to equity	%	n.p.	n.p.	n.p.	n.p.	7.7
Total liabilities to equity	%	n.p.	n.p.	n.p.	n.p.	9.9
Current ratio	%	n.p.	n.p.	n.p.	n.p.	100.8
Interest cover	%	n.p.	n.p.	n.p.	n.p.	-77.9
Cost recovery ratio	%	84.3	89.3	92.2	109.2	76.6
Operational performance	%	-0.4	-0.3	-0.2	0.2	-1.0
Non-financial Ratios						
GENERAL						
Size						
Total assets	\$'000	1 531	1 837	1 840	1 855	2 110
Total revenue (1)	\$'000	29	42	46	49	62
PUMPED IRRIGATION						
Economic Factors						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
Efficiency						
System water loss (as % of total volume supplied)	%	n.p.	n.p.	n.p.	n.p.	n.p.
OMA costs per 100km of mains (1)	\$'000/100km	1 007	1 111	1 033	930	189
Employees per 1000 properties served	Emp/'000Prop	60.0	52.0	50.2	45.7	17.0
Total days lost - total	%	n.p.	n.p.	n.p.	n.p.	n.p.

DEPARTMENT OF NATURAL RESOURCES, STATE WATER PROJECTS (continued)

	Units	1992-93	1993-94	1994-95	1995-96	1996-97
PUMPED IRRIGATION (continued)						
Effectiveness						
Real price index	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Real price movement						
- residential	Index	n.p.	n.p.	n.p.	n.p.	n.p.
- commercial	Index	n.p.	n.p.	n.p.	n.p.	n.p.
- industrial	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Properties served per km of main	No	2.1	2.4	2.5	2.5	0.8
Size						
Total employment	No	120	120	120	110	47
Pipeline length (water)	km	n.p.	n.p.	n.p.	968	3 500
Properties served (water)	'000	2	2	2	2	3
Megalitres of water supplied	'000MI	806	693	602	498	354
Cost & Revenue Measures (1)						
Average revenue received per property (water)	\$/Prop	7 650	8 099	7 938	8 298	0
Average revenue per kl (total)	\$/kl	0.02	0.03	0.03	0.04	0.02
OMA costs per property served	\$/Prop	4 876	4 634	4 494	3 735	2 413
GRAVITY IRRIGATION						
Economic Factors						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
Efficiency						
System water loss (as % of total volume supplied)	%	n.p.	n.p.	n.p.	n.p.	n.p.
OMA costs per 100km of main (1)	\$'000/ 100km	784	834	558	714	849
Employees per 1000 properties served	Emp/ '000Prop	41.9	48.2	43.8	38.0	61.0
Total days lost	%	n.p.	n.p.	n.p.	n.p.	n.p.

DEPARTMENT OF NATURAL RESOURCES, STATE WATER PROJECTS (continued)

	Units	1992-93	1993-94	1994-95	1995-96	1996-97
GRAVITY IRRIGATION (continued)						
Effectiveness						
Real price index	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Real price movement:						
- residential	Index	n.p.	n.p.	n.p.	n.p.	n.p.
- commercial	Index	n.p.	n.p.	n.p.	n.p.	n.p.
- industrial	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Properties served per km of main	No	2.3	2.1	2.2	2.3	1.1
Size						
Total employment	No	84	84	84	80	48
Pipeline length (water)	km	n.p.	n.p.	n.p.	911	713
Properties served (water)	'000	2	2	2	2	1
Megalitres of water supplied	'000Ml	342	478	421	421	158
Cost & Revenue Measures (1)						
Average revenue received per property (water)	\$/Prop	6 357	5 324	4 453	4 762	5 076
Average revenue per kl (total)	\$/kl	0.03	0.02	0.02	0.02	0.03
OMA costs per property served	\$/Prop	3 452	3 973	3 330	3 095	7 609
PRIVATE DIVERSION IRRIGATION						
Economic Factors						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
Efficiency						
System water loss (as % of total volume supplied)	%	n.p.	n.p.	n.p.	n.p.	n.p.
OMA costs per 100km of mains (1)	\$'000/ 100km	n.p.	n.p.	n.p.	n.p.	1372.0
Employees per 1000 properties served	Emp/ '000Prop	22.3	27.7	21.8	21.0	72.6
Total days lost	%	n.p.	n.p.	n.p.	n.p.	n.p.

DEPARTMENT OF NATURAL RESOURCES, STATE WATER PROJECTS (continued)

	Units	1992-93	1993-94	1994-95	1995-96	1996-97
PRIVATE DIVERSION IRRIGATION (continued)						
Effectiveness						
Real price index	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Real price movement						
- residential	Index	n.p.	n.p.	n.p.	n.p.	n.p.
- commercial	Index	n.p.	n.p.	n.p.	n.p.	n.p.
- industrial	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Properties served per km of main	No	n.p.	n.p.	n.p.	n.p.	1.0
Size						
Total employment	No	70	70	70	65	105
Pipeline length (water)	km	n.p.	n.p.	n.p.	n.p.	1 318
Properties served (water)	'000	3	3	3	3	1
Megalitres of water supplied	'000MI	406	308	459	563	371
Cost & Revenue Measures (1)						
Average revenue received per property (water)	\$/Prop	1 223	1 907	1 541	1 890	12 562
Average revenue per kl (total)	\$/kl	0.01	0.02	0.01	0.01	0.05
OMA costs per property served	\$/Prop	1 028	1 124	1 110	1 032	12 431
DRAINAGE SCHEMES						
Economic Factors						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
Efficiency						
System water loss	%	n.p.	n.p.	n.p.	n.p.	n.p.
OMA costs per 100km of main (1)	\$'000/ 100km	25.0	n.p.	n.p.	n.p.	n.p.
Employees per 1000 properties served	Emp/ '000Prop	n.p.	n.p.	n.p.	n.p.	n.p.
Total days lost	%	n.p.	n.p.	n.p.	n.p.	n.p.
Effectiveness						
Real price index	Index	n.p.	n.p.	n.p.	n.p.	n.p.
DRAINAGE SCHEMES (continued)						

DEPARTMENT OF NATURAL RESOURCES, STATE WATER PROJECTS (continued)

	Units	1992-93	1993-94	1994-95	1995-96	1996-97
Effectiveness (continued)						
Real price movement:						
- residential	Index	n.p.	n.p.	n.p.	n.p.	n.p.
- commercial	Index	n.p.	n.p.	n.p.	n.p.	n.p.
- industrial	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Properties served per km of main	No	0.6	0.6	0.5	0.5	0.5
Size						
Total employment	No	n.p.	n.p.	n.p.	n.p.	n.p.
Pipeline length (water)	km	513	546	720	690	724
Properties served (water)	'000	0.3	0.3	0.3	0.4	0
Cost & Revenue Measures (1)						
Average revenue received per property (water)	\$/Prop	2 233	n.p.	n.p.	n.p.	n.p.
OMA costs per property served	\$/Prop	443	n.p.	n.p.	n.p.	n.p.

NOTES TO INDICATORS FOR DEPARTMENT OF NATURAL RESOURCES

Key: n.p. - not provided; n.r. - not relevant.

- 1) Comparisons with previous years are not meaningful as the basis of accounting in 1996-97 was changed from cash to accrual.

GOLD COAST WATER

Queensland

Comments on own performance

Current operations

Gold Coast Water provides integrated urban water supply, sewerage and trade waste services to consumers in the Gold Coast region. The provision of these services is inclusive of the ownership and operation of the Hinze Dam, which supplies some 95 per cent of urban water throughout the City. The range of customers include residential, commercial and industrial, and there are some 170 000 properties serviced with water and 168 000 properties serviced with sewerage. Environmental regulation of the business is provided by the State Government Department of Environment.

Following a public benefit assessment to determine the extent of the application of National Competition Policy related reforms, Council have resolved to commercialise Gold Coast Water from 1 July 1998. As a result Gold Coast Water will be making the transition to a more commercial and performance-oriented operation.

In addition Gold Coast Water will introduce consumption based water pricing in January 1998 consisting of a two-part price structure including an access charge together with a volumetric charge for each kilolitre of water.

Financial performance

Gold Coast Water realised an eight per cent reduction in operating costs per rateable property in 1996–97 and remains well below the national average; however this is in part due to the relatively high density of properties in the region.

Gold Coast Water has achieved a notional economic rate of return on assets of seven per cent for 1996–97.

Non-financial performance

The number of water main failures per 100 kilometres has decreased by nine per cent and sewer chokes per 100 kilometres is down by 39 per cent. Council has established a strategy to upgrade all of its wastewater treatment plants to tertiary standard (currently 13 per cent) by 2003.

The percentage of system water loss through leakage, theft and defective meters, continues to be amongst the nations lowest at 16 per cent.

GOLD COAST WATER (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1,2)						
Return on assets	%	n.p.	n.p.	5.2	5.0	5.4
Return on operating assets	%	n.p.	n.p.	5.6	5.4	5.8
Operating sales margin	%	n.p.	n.p.	42.0	38.7	41.1
Return on equity	%	n.p.	n.p.	3.8	3.9	2.7
Dividend to equity ratio	%	n.p.	n.p.	0.0	0.0	0.0
Dividend payout ratio	%	n.p.	n.p.	0.0	0.0	0.0
Debt to equity	%	n.p.	n.p.	23.3	23.4	23.0
Total liabilities to equity	%	n.p.	n.p.	23.3	24.3	23.8
Current ratio	%	n.p.	n.p.	n.p.	2 716.1	3 289.5
Interest cover	%	n.p.	n.p.	241.1	272.2	166.0
Cost recovery ratio	%	n.p.	n.p.	171.6	162.6	169.4
Operational performance	%	n.p.	n.p.	5.6	5.4	5.7
Non-financial Ratios						
<i>Economic Factors</i>						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return (3)	%	n.p.	n.p.	6.73	6.78	7.17
<i>Efficiency</i>						
System water loss (as % of total volume supplied)	%	n.p.	n.p.	28.0	15.3	15.8
OMA cost per 100km of main:						
- water	\$'000/100km	n.p.	n.p.	745	826	726
- sewerage	\$'000/100km	n.p.	n.p.	990	1 039	991
- drainage	\$'000/100km	n.r.	n.r.	n.r.	n.r.	n.r.
Employees per 1000 properties served	Emp/'000Prop	n.p.	n.p.	2.6	2.4	2.2
Total days lost	%	n.p.	n.p.	5.40	3.70	4.41
<i>Effectiveness</i>						
Real price index	Index	n.p.	n.p.	100.0	95.6	n.p.
Real price movement:						
- residential	Index	n.p.	n.p.	n.p.	n.p.	n.p.
- commercial	Index	n.p.	n.p.	n.p.	n.p.	n.p.
- industrial	Index	n.p.	n.p.	n.p.	n.p.	n.p.
<i>Effectiveness (continued)</i>						

GOLD COAST WATER (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
Properties served per km of main:						
- water	No/km	n.p.	n.p.	78.0	77.8	72.9
- sewerage mains	No/km	n.p.	n.p.	70.0	73.0	77.0
- drainage	No/km	n.p.	n.p.	n.p.	n.p.	n.p.
Unsewered properties (% of total properties)	%	n.p.	n.p.	9.0	4.8	1.2
Flooding incidents per 100 km of main (sewers)	No/100km	n.p.	n.p.	n.p.	n.p.	1.6
<i>Service Quality</i>						
Compliance with sewerage effluent standards	%	95.6	95.3	97.4	99.5	99.6
Compliance with water quality standards	%	n.p.	n.p.	99.0	98.4	96.4
Water restrictions	%	57.0	57.0	57.0	57.0	57.0
Properties with service interruption	%	n.p.	n.p.	n.p.	n.p.	5.3
Average interruption duration	Hr	2.0	2.0	2.0	n.p.	n.p.
Service restored within 5 hours	%	92.0	93.0	94.0	91.0	98.5
Customer satisfaction results	%	n.p.	n.p.	n.p.	n.p.	n.p.
Main breaks per 100 km (water)	No/100km	n.p.	n.p.	20.2	21.5	19.4
Sewer chokes per 100 km	No/100km	n.p.	n.p.	0.0	23.0	13.9
<i>Size</i>						
Total assets	\$M	n.p.	n.p.	967	995	1 023
Total revenue (2)	\$M	n.p.	n.p.	120	127	131
Total employment	No	n.p.	n.p.	399	387	369
Pipeline length:						
- water	km	n.p.	n.p.	2 128	2 159	2 332
- sewerage	km	n.p.	n.p.	2 156	2 177	2 183
- drainage	km	n.r.	n.r.	n.r.	n.r.	n.r.
Properties served:						
- water	'000	n.p.	n.p.	166	168	170
- sewerage	'000	n.p.	n.p.	151	160	168
- drainage	'000	n.r.	n.r.	n.r.	n.r.	n.r.
New housing allotments served	No	n.p.	n.p.	4 448	7 298	3 560
Megalitres of water supplied	'000 Ml	58	54	60	56	59
Volume of sewage treated	'000 Ml	41	37	36	40	42

Size (continued)

Sewage treatment ratios:

GOLD COAST WATER (continued)

	Units	1992–93	1993–94	1994–95	1995–96	1996–97
- primary	%	0	0	0	0	0
- secondary	%	100	100	87	87	87
- tertiary	%	0	0	13	13	13
Cost & Revenue Measures						
Average revenue received per property:						
- water	\$/Prop	n.p.	n.p.	311	338	344
- sewerage	\$/Prop	n.p.	n.p.	391	381	384
- drainage	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.
Average revenue per kl:						
- residential	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
- commercial	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
- industrial	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
- other	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
- total	\$/kl	n.p.	n.p.	1.20	1.19	1.17
OMA costs per property served:						
- water	\$/Prop	n.p.	n.p.	95.40	106.20	99.60
- sewerage	\$/Prop	n.p.	n.p.	141.40	141.30	128.80
- drainage	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.

NOTES TO INDICATORS FOR GOLD COAST WATER

Key: n.p. - not provided; n.r. - not relevant.

- 1) Financial information reported for 1994–95 is on a cash basis whereas all following years are on accrual basis therefore any time series financial analysis including 1994–95 is not appropriate.
- 2) ‘Total Revenue’ includes developer contributions and contributed assets.
- 3) *Economic Rate of Return* = (Revenue from operations less (Replacement cost depreciation + OMA) / Written Down Value of assets.

SOUTH AUSTRALIAN WATER CORPORATION

South Australia

Comments on own performance

1996–97 was the second year of operation for SA Water as a statutory corporation, with an improved financial result and major progress in water quality, environmental management and water industry development.

Current operations

The SA Water Corporation provides services to both the metropolitan and country areas for water and sewerage. Irrigation and drainage were transferred from the Engineering and Water Supply Department (EWS) to the Minister for Infrastructure on creation of the SA Water Corporation on 1 July 1995.

Non-financial performance

Under a long-term contract with United Water, SA Water has been able to focus on issues of customer service and outcomes while United Water has concentrated on service delivery. This has resulted in significant improvements in the microbiological quality of Adelaide's water supply. The focus on water quality also continued across our country area operations.

SA Water has also committed to a significant Environment Improvement Program covering the four large Adelaide metropolitan wastewater treatment plants.

Under its Charter, SA Water has responsibility for facilitating the development of a viable, export focussed and vigorous water industry in South Australia. The target for net exports in 1996 of \$9.5 million was exceeded with an export result of over \$24 million.

Commercial achievement

A strong after-tax profit of \$102 million reflects increased water and wastewater revenues, tight control over operating costs and a significant reduction in interests costs in part due to improved debt management.

During the year, the South Australian Government implemented a new community service obligations (CSO) policy. The major CSO for SA Water is the provision of water and wastewater services to country areas. CSO revenue from the Government amounted to \$72 million, which was partially offset by a \$47 million increase in depreciation charges.

Financial Ratios - all undertakings (1–5, 9,12)

SOUTH AUSTRALIAN WATER CORPORATION(cont.)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Return on assets	%	1.1	1.9	2.1	2.1	4.0
Return on operating assets	%	1.0	1.9	2.1	2.1	4.0
Operating sales margin	%	14.3	26.0	26.3	27.9	44.8
Return on equity	%	-1.7	-0.2	0.1	-0.2	1.9
Dividend to equity ratio	%	0.0	0.0	1.4	0.9	2.0
Dividend payout ratio	%	0.0	0.0	1 681.5	-437.4	108.7
Debt to equity	%	24.7	23.3	22.5	24.1	22.2
Total liabilities to equity	%	26.4	24.9	24.0	26.1	25.9
Current ratio	%	187.0	152.2	85.5	47.1	109.4
Interest cover	%	44.1	93.9	103.3	103.0	249.1
Cost recovery ratio	%	130.5	135.2	140.6	138.1	182.0
Operational performance	%	1.7	1.9	2.2	2.0	4.0

Non-financial Ratios - all undertakings***Economic Factors***

Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	1.87	2.29	2.49	2.35	4.16

Efficiency

OMA costs per 100km of main	\$'000	n.r.	n.r.	n.r.	n.r.	n.r.
Total days lost	%	n.p.	n.p.	n.p.	n.p.	3.58

Effectiveness

Real price index	Index	110.40	109.40	112.40	112.10	116.00

Size

Total assets (9)	\$M	5 103	5 197	5 345	5 511	5 757
Total revenue	\$M	345	376	417	401	505
Total employment	No	3 254	2 601	2 153	1 636	1 141

Financial Ratios - Metropolitan (1-5)

SOUTH AUSTRALIAN WATER CORPORATION(cont.)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Return on assets	%	3.0	3.6	4.0	4.1	4.6
Return on operating assets	%	2.9	3.6	3.9	4.0	4.5
Operating sales margin	%	33.1	42.2	42.4	45.9	48.5
Return on equity	%	1.0	1.7	2.2	1.9	2.3
Dividend to equity ratio	%	0.0	0.0	2.2	1.4	2.4
Dividend payout ratio	%	0.0	0.0	100.4	71.6	105.2
Debt to equity	%	22.1	21.0	24.9	23.0	21.7
Total liabilities to equity	%	23.8	22.6	26.4	24.9	25.2
Current ratio	%	187.0	152.2	99.7	58.8	27.4
Interest cover	%	136.9	162.5	178.3	202.8	283.6
Cost recovery ratio	%	169.1	173.0	175.6	182.1	195.6
Operational performance	%	3.6	3.6	3.9	4.0	4.6

Non-financial Ratios - Metropolitan

Economic Factors

Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	3.41	3.55	3.90	3.98	4.70

Efficiency

System water loss (as % of total volume supplied)	%	16.8	17.3	12.5	19.5	15.2
OMA cost per 100km of main:						
- water	\$'000/ 100km	675	694	785	756	764
- sewerage	\$'000/ 100km	650	682	735	682	665
- drainage	\$'000/ 100km	n.r.	n.r.	n.r.	n.r.	n.r.
Employees per 1000 properties served:						
- water	Emp/ '000Prop	2.80	2.30	1.70	1.08	0.63
- sewerage	Emp/ '000Prop	1.90	1.40	1.50	0.85	0.38
Total days lost	%	n.p.	n.p.	n.p.	n.p.	3.58

METROPOLITAN (continued)

SOUTH AUSTRALIAN WATER CORPORATION(cont.)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
<i>Effectiveness</i>						
Real price index	Index	110.40	109.40	112.40	112.10	116.00
Real price movement residential:						
- water	Index	105.8	103.7	100.6	104.8	110.1
- sewerage	Index	114.0	113.8	121.5	122.2	126.7
Real price movement commercial:						
- water	Index	105.8	103.7	100.6	95.1	95.6
- sewerage	Index	114.0	113.8	121.5	122.2	126.7
Real price movement industrial:						
- water	Index	105.8	103.7	100.6	90.2	90.5
- sewerage	Index	114.0	113.8	121.5	122.2	126.7
Properties served per km of main:						
- water	No/km	49.7	50.2	51.1	53.5	53.9
- sewerage mains	No/km	64.9	65.2	65.9	66.1	66.5
- drainage	No/km	n.r.	n.r.	n.r.	n.r.	n.r.
Unsewered properties (% of total properties) (11)	%	9.30	9.40	9.50	5.00	4.98
Flooding incidents per 100 km of main (sewers)	No/100km	25.10	24.70	23.60	21.80	28.56
<i>Service Quality</i>						
Compliance with sewerage effluent standards (10)	%	n.p.	n.p.	n.p.	100	100
Compliance with water quality standards (7)	%	n.p.	n.p.	n.p.	n.p.	98.60
Water restrictions	%	0.00	0.00	0.00	0.00	0.00
Properties with service interruption	%	n.p.	n.p.	n.p.	n.p.	n.p.
Average interruption duration	Hr	n.p.	n.p.	n.p.	n.p.	n.p.
Service restored within 5 hours	%	n.p.	n.p.	n.p.	99.0	97.7
Customer satisfaction results	%	n.p.	n.p.	n.p.	n.p.	n.p.
Main breaks per 100 km (water)	No/100km	17.7	25.9	27.6	26.8	22.7
Sewer chokes per 100 km	No/100km	45.4	56.8	63.8	63.1	63.4
<i>Size</i>						
Total assets	\$M	3 332	3 379	3 466	3 479	3 565
Total revenue	\$M	271	284	318	306	330
Total employment	No	1 985	1 572	1 390	830	436

METROPOLITAN (continued)

SOUTH AUSTRALIAN WATER CORPORATION(cont.)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Size (continued)						
Pipeline length:						
- water (8)	km	9 017	9 097	9 097	8 412	8 427
- sewerage	km	6 101	6 174	6 227	6 294	6 317
- drainage	km	n.r.	n.r.	n.r.	n.r.	n.r.
Properties served:						
- water	'000	437	445	453	438	442
- sewerage	'000	396	403	410	416	420
- drainage	'000	n.r.	n.r.	n.r.	n.r.	n.r.
New housing allotments served	No	8 313	19 855	9 073	4 000	4 000
Megalitres of water supplied	'000Ml	150	174	176	173	172
Volume of sewage treated	'000Ml	92	93	90	86	90
Sewage treatment ratios:						
- primary	%	0	0	0	0	0
- secondary	%	100	100	100	100	100
- tertiary	%	0	0	0	0	0
Cost & Revenue Measures						
Average revenue received per property:						
- water	\$/Prop	317	335	339	333	356
- sewerage	\$/Prop	303	306	334	343	365
- drainage	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.
Average revenue per kl:						
- residential	\$/kl	0.98	0.93	0.93	1.00	1.03
- commercial	\$/kl	2.69	2.44	2.22	2.34	2.49
- industrial	\$/kl	1.02	0.96	0.94	0.88	0.92
- other	\$/kl	1.11	1.02	0.98	0.92	0.94
- total	\$/kl	1.11	1.04	1.00	1.05	1.08
OMA costs per property served:						
- water	\$/Prop	139	142	158	145	146
- sewerage	\$/Prop	100	105	112	103	100
- drainage	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.

Financial Ratios - Country (1-5)

Return on assets	%	-1.4	0.0	-0.1	0.0	3.4

SOUTH AUSTRALIAN WATER CORPORATION(cont.)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Return on operating assets	%	-1.4	-0.1	-0.1	0.0	3.4
Operating sales margin	%	-39.4	-1.4	-2.2	-1.0	44.1
Return on equity	%	-4.5	-1.8	-1.8	-2.3	1.4
Dividend to equity ratio	%	0.0	0.0	0.0	0.0	1.4
Dividend payout ratio	%	0.0	0.0	0.0	0.0	103.0
Debt to equity	%	22.3	21.3	14.9	23.9	22.4
Total liabilities to equity	%	23.6	22.5	16.0	25.5	25.9
Current ratio	%	187.0	152.2	59.8	29.5	165.0
Interest cover	%	-61.4	-2.9	-6.7	-2.0	207.7
Cost recovery ratio	%	78.9	98.6	99.2	95.7	181.4
Operational performance	%	-0.9	-0.1	0.0	-0.2	3.5

Non-financial Ratios - Country***Economic Factors***

Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	-0.77	-0.06	0.04	-0.18	3.53

Efficiency

System water loss (as % of total volume supplied)	%	28.6	27.8	21.0	24.0	17.0
OMA cost per 100km of main:						
- water	\$'000/ 100km	262	232	263	256	270
- sewerage	\$'000/ 100km	872	969	911	1 006	975
- drainage	\$'000/ 100km	n.r.	n.r.	n.r.	n.r.	n.r.
Employees per 1000 properties served:						
- water	Emp/ '000Prop	5.20	3.50	3.00	2.75	2.43
- sewerage	Emp/ '000Prop	3.80	3.20	2.30	2.25	1.86
Total days lost - total	%	n.p.	n.p.	n.p.	n.p.	3.58

COUNTRY (continued)***Effectiveness***

SOUTH AUSTRALIAN WATER CORPORATION(cont.)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Real price index	Index	110.4	109.4	112.4	112.1	116.0
Real price movement residential:						
- water	Index	105.8	103.7	100.6	104.8	110.1
- sewerage	Index	114.0	113.8	121.5	122.2	126.7
Real price movement commercial:						
- water	Index	105.8	103.7	100.6	95.1	95.6
- sewerage	Index	114.0	113.8	121.5	122.2	126.7
Real price movement industrial:						
- water	Index	105.8	103.7	100.6	90.2	90.5
- sewerage	Index	114.0	113.8	121.5	122.2	126.7
Properties served per km of main:						
- water	No/km	9.2	9.4	9.1	10.2	10.3
- sewerage	No/km	53.6	53.5	52.6	53.4	52.7
- drainage	No/km	n.r.	n.r.	n.r.	n.r.	n.r.
Unsewered properties (% of total properties) (11)	%	62.4	62.3	61.8	66.3	66.7
Flooding incidents per 100 km of main (sewers) (6)	No/100km	n.r.	n.r.	n.r.	5.4	8.4
Service Quality						
Compliance with sewerage effluent standards (10)	%	n.p.	n.p.	100	100	100
Compliance with water quality standards (7)	%	96.1	96.9	96.0	96.0	97.0
Water restrictions	%	0.0	0.0	0.0	0.0	0.0
Properties with service interruption	%	n.p.	n.p.	n.p.	n.p.	n.p.
Average interruption duration	Hr	n.p.	n.p.	n.p.	n.p.	3.7
Service restored within 5 hours	%	n.p.	n.p.	n.p.	n.p.	83.0
Customer satisfaction results	%	n.p.	n.p.	n.p.	n.p.	n.p.
Main breaks per 100 km (water)	No/100km	8.4	7.6	7.6	8.5	8.9
Sewer chokes per 100 km (6)	No/100km	17.2	19.0	18.5	25.2	24.6
Size						
Total assets	\$M	1 853	1 872	1 911	2 048	2 110
Total revenue	\$M	64	74	82	82	161
Total employment	No	930	676	552	569	513

COUNTRY (continued)**Size (continued)**

SOUTH AUSTRALIAN WATER CORPORATION(cont.)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Pipeline length:						
- water (8)	km	15 474	15 484	15 569	16 239	16 251
- sewerage	km	991	1 010	1 041	1 049	1 062
- drainage	km	n.r.	n.r.	n.r.	n.r.	n.r.
Properties served:						
- water	'000	141	143	144	166	168
- sewerage	'000	53	54	55	56	56
- drainage	'000	n.r.	n.r.	n.r.	n.r.	n.r.
New housing allotments served	No	1 824	5 901	1 673	1 000	1 000
Megalitres of water supplied	'000Ml	65	78	76	77	76
Volume of sewage treated	'000Ml	9	9	n.p.	8	11
Sewage treatment ratios:						
- primary	%	0	0	0	0	0
- secondary	%	100	100	100	100	100
- tertiary	%	0	0	0	0	0
Cost & Revenue Measures						
Average revenue received per property:						
- water	\$/Prop	335	382	405	357	389
- sewerage	\$/Prop	235	249	278	298	324
- drainage	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.
Average revenue per kl:						
- residential	\$/kl	0.97	0.96	0.95	1.05	1.07
- commercial	\$/kl	1.64	1.62	1.61	1.38	1.49
- industrial	\$/kl	0.91	0.87	0.92	0.88	0.92
- other	\$/kl	1.01	0.96	0.95	0.97	0.99
- total	\$/kl	1.00	0.97	0.96	1.01	1.04
OMA costs per property served:						
- water	\$/Prop	287	251	284	250	261
- sewerage	\$/Prop	163	181	173	189	185
- drainage	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.

SOUTH AUSTRALIAN WATER(continued)

NOTES TO INDICATORS FOR SOUTH AUSTRALIAN WATER CORPORATION

Key: n.p. - not provided; n.r. - not relevant.

- 1) The asset valuation and depreciation data is based on comprehensive reviews undertaken on asset values in 1995–96 upon the implementation of deprival value of assets and asset lives in 1996–97. The resulting improved information has been back-cast for consistency over the time series. Consequently the data does not correspond with the series published in the 1996 Steering Committee Report, which did not reflect the adjustments to asset lives (see Note 9 to the Financial Statements: SA Water Annual Report 1997).
- 2) The aggregations used for the financial performance measures in this return are: Metropolitan (M) – aggregate results for metropolitan water supply and metropolitan sewerage services; Country (C) – aggregate of country water supply country sewerage undertakings; Total (T) – result for the full range of SA Water undertakings, including the metropolitan and country aggregates, non-business undertakings and contributions by the South Australian Government towards the provision of services. ‘Total’ performance measures after 1993–94 do not include irrigation undertakings. As a result of the *Irrigation Act 1994*, certain assets and associated debt which were controlled by the Engineering and Water Department were not vested with SA Water.
- 3) Metropolitan and Country boundaries were redefined in 1995–96.
- 4) A number of measures in the non-financial section relate to the number of properties served. The figures used for the return to this survey do not align with those given in the Annual Reports for the same period due to the change in definition of a property served. Annual Report figures are based on the number of connections, while this survey uses numbers based on the number of assessments.
- 5) Effective from 1 July 1995, SA Water was designated a State Trading Enterprise for the purposes of the South Australian Substantive Taxation Equivalent Regime.
- 6) Prior to 1995–96 there is no differentiation between floodings and chokes for country centres.

SOUTH AUSTRALIAN WATER CORPORATION(cont.)

NOTES TO INDICATORS FOR SOUTH AUSTRALIAN WATER CORPORATION (continued)

- 7) Water quality targets:
- For metropolitan Adelaide, the 1996–97 outcomes are based on the NHMRC guidelines, in accordance with the definition
 - For non-metropolitan/country, the results given reflect the following internal targets: (Adelaide Hills and country centres with population of 1 000 or more) Type 1: faecal coliform — absent (in 0/100 ml) in 95 per cent of routine samples; count in remainder should not exceed 2/100 ml. Type 2: faecal coliforms — absent in (0/100 ml) in 90 per cent of routine samples; count in remainder should not exceed 2/100 ml. Type 1 includes filtered, disinfected and good ground waters. Type 2 includes unfiltered and others.

- 8) Pipeline length — Water: Supply zone boundaries were redefined in 1994–95.

- 9) Asset revaluations:

<i>Category of asset</i>	<i>Method of valuation</i>	<i>Date of revaluation</i>	<i>Impact of revaluation (\$ million)</i>
Infrastructure assets	ODV	30 June 1996	2 75
Infrastructure assets	ODV	30 June 1997	540
Land and buildings	Valuation	30 June 1996	150
Plant and equipment	Historical cost	not applicable	not applicable
Other	Historical cost	not applicable	not applicable

- 10) Figures refer to performance against internal targets, but in each case reflect a 100 per cent achievement of Environment Protection Authority licence requirements.

- 11) Changes in the outcomes for this indicator for both Metropolitan and Non-Metropolitan sectors results from reclassification of unsewered outer-metropolitan districts to the Non-Metropolitan sector.

SOUTH AUSTRALIAN WATER CORPORATION(cont.)

NOTES TO INDICATORS FOR SOUTH AUSTRALIAN WATER CORPORATION (continued)

12) Community service obligations:

<i>Category of CSO</i>	<i>Method of valuation</i>	<i>Source of funding</i>	<i>Year</i>	<i>Cost (\$ million)</i>
Provision of country water and wastewater services	Avoidable cost	Minister for Regional Development	1996–97	70.84
rate concessions for the Adelaide Festival Centre Trust ^a	Avoidable cost	Minister for Arts	1996–97	0.26
Wastewater to exempt properties for charities ^a	Avoidable cost	Minister or Family & Community Services	1996–97	2.09
Provision of water and wastewater services to emergency services ^a	Avoidable cost	Minister for Emergency Services	1996–97	0.05

a For these items the estimated costs are based on revenue foregone. However, final payment is likely to be based on avoidable cost. Accordingly, the value of CSOs for 1996–97 presented in the SA Water 1997 Annual Report at \$72 million reflects an expectation that there will be a reduction in item three when a more rigorous avoidable cost estimate framework is provided by the South Australian Government.

WATER CORPORATION

Western Australia

Comments on own performance

Background and operations

The Water Corporation was established on 1 January 1996, following a major restructure of the Western Australian water industry.

The Corporation holds a five year Operating Licence issued by the Office of Water Regulation. This details stringent conditions and standards under which the Corporation is to operate and provide services to its customers.

The organisation is subject to the Corporations Law and returns monies to the State through tax equivalents and dividends.

The Water Corporation is a business enterprise operating the utility functions previously the responsibility of the Water Authority of Western Australia. The Corporation provides public water supply, sewerage, drainage and irrigation services to a population of over 1.7 million in more than 300 towns and communities throughout Western Australia. The Corporation's customers fall into four principal groups: industrial and commercial; land development; rural and remote areas; and domestic customers.

Performance

The Corporation finished the year in a strong financial position, returning a profit after-tax of \$250.2 million. The profit was boosted by recognition of abnormal revenue of \$24.6 million for unbilled water consumption and contributions for community service obligations totalling \$182.3 million which were previously funded from internal sources.

The boost in revenue was offset by provisions to the State Government totalling \$315.5 million, comprising \$198.7 million in dividends, \$107.3 million in income tax equivalents and a further \$9.5 million in sales and land tax equivalents and local rates.

In addition, the Corporation was able to reduce debt by \$125 million while maintaining its extensive capital works and maintenance programs. A major part of the Corporation's capital works program is the ten year Infill Sewerage Program, one of the most important environmental initiatives undertaken in Western Australia.

The Corporation is committed to providing an excellent service to its customers. This was highlighted through the results of a customer satisfaction survey which resulted in a six per cent improvement in overall customer satisfaction.

Improvements were also seen in the areas of water provision and wastewater disposal, where the number of water bursts and sewerage blockages decreased significantly from the prior year.

WATER CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios - all undertakings (1-4)						
Return on assets	%	1.9	1.9	1.9	1.5	4.1
Return on operating assets	%	1.7	1.8	1.6	1.2	4.0
Operating sales margin	%	19.5	22.7	22.1	16.8	42.2
Return on equity	%	0.2	0.7	0.9	0.3	2.4
Dividend to equity ratio	%	0.4	0.4	0.4	0.8	2.6
Dividend payout ratio	%	217.0	59.7	40.7	293.9	110.7
Debt to equity	%	18.2	11.8	11.1	9.5	7.7
Total liabilities to equity	%	22.5	15.0	14.5	12.9	11.9
Current ratio	%	442.0	466.4	480.1	281.9	130.2
Interest cover	%	108.4	143.1	171.5	154.1	560.5
Cost recovery ratio	%	130.6	132.9	131.0	129.8	168.1
Operational performance	%	2.1	2.0	1.7	1.6	3.7
Non-financial Ratios - all undertakings						
<i>Economic Factors</i>						
Total factor productivity	Index	100.0	103.4	104.5	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
<i>Efficiency</i>						
System water loss (as % of total volume supplied)	%	12.0	15.0	7.0	12.7	9.6
OMA costs per 100km of main	\$'000/100km	551.0	583.0	637.0	616.8	574.4
Employees per 1000 properties served	Emp/'000Prop	2.9	2.7	2.4	1.4	1.3
Total days lost	%	4.0	3.2	4.9	4.7	6.0
<i>Effectiveness</i>						
Real price index	Index	101.6	105.7	107.9	103.9	102.3
Real price movement:						
- residential	Index	103.3	108.9	112.4	109.1	108.1
- commercial	Index	103.4	104.7	105.3	100.1	97.7
- industrial	Index	99.1	100.3	100.9	100.1	97.7
Properties served per km of main:						
- water	No/km	25.8	26.5	26.9	26.8	24.2
- sewerage	No/km	57.1	58.4	59.2	53.3	44.0
- drainage	No/km	94.4	86.9	90.3	91.1	92.1
- irrigation	No/km	1.7	1.8	1.9	2.0	4.6

WATER CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
ALL UNDERTAKINGS (continued)						
Effectiveness (continued)						
Unsewered properties (% of total properties)	%	33.7	32.7	31.7	29.8	28.3
Flooding incidents per 100 km of main (sewers)	No/100km	8.2	4.4	12.2	9.1	5.9
Service Quality						
Compliance with sewerage effluent standards (7)	%	n.p.	n.p.	n.p.	n.p.	87
Compliance with water quality standards	%	96.0	98.0	97.0	97.0	98.5
Water restrictions	%	0.36	0.72	0.01	0.02	0.08
Properties with service interruption (5) (6)	%	n.p.	n.p.	n.p.	n.p.	1.6
Average interruption duration (5)	Hr	n.p.	n.p.	n.p.	n.p.	1.0
Service restored within 5 hours (5)	%	n.p.	n.p.	n.p.	n.p.	97.5
Customer satisfaction results						
- water	%	83	82	86	n.p.	n.p.
- sewerage	%	96	96	98	n.p.	n.p.
- drainage	%	n.p.	63	71	n.p.	n.p.
Main breaks per 100 km (water)	No/km	19	17	19	19	17
Sewer chokes per 100 km	No/km	29	36	37	29	21
Size						
Total assets (1)	\$M	5 807	7 913	8 236	8 436	8 578
Total revenue	\$M	499	539	589	587	800
Total employment	Emp	3 956	3 757	3 519	2 054	2 032
Pipeline length:						
- water	km	25 872	26 038	26 446	27 205	30 736
- sewerage	km	7 865	8 107	8 345	9 737	12 313
- drainage	km	2 603	2 896	2 899	2 900	2 912
Properties served:						
- water	'000	668	690	712	728	744
- sewerage	'000	449	471	494	519	542
- drainage	'000	246	252	262	264	268
New housing allotments served	No	16 416	19 211	18 850	13 696	12 277
Megalitres of water supplied	'000Ml	297	335	315	315	321
Volume of sewage treated	'000Ml	91	95	96	101	105

ALL UNDERTAKINGS (continued)

WATER CORPORATION (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
Size (continued)						
Sewage treatment ratios:						
- primary	%	38	36	36	36	36
- secondary	%	62	64	64	64	64
- tertiary	%	0	0	0	0	0
Cost & Revenue Measures (4)						
Average revenue received per property:						
- water	\$/Prop	369	393	398	381	390
- sewerage	\$/Prop	406	415	425	417	411
- drainage	\$/Prop	61	56	57	59	59
Average revenue per kl:						
- residential	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
- commercial	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
- industrial	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
- other	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
- total	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
OMA costs per property served:						
- water	\$/Prop	200	202	213	216	229
- sewerage	\$/Prop	130	143	160	151	154
- drainage	\$/Prop	34	38	36	37	38
- irrigation	\$/Prop	5 002	5 864	4 890	5 188	7 829

Financial Ratios - Metropolitan (1–4)

WATER CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Return on assets	%	4.4	4.0	3.7	3.3	3.9
Return on operating assets	%	4.3	4.1	3.6	3.3	4.0
Operating sales margin:						
- water	%	39.3	46.7	42.6	38.9	46.0
- sewerage	%	48.2	44.1	43.4	42.3	46.3
- drainage	%	21.8	12.3	16.7	22.4	27.8
- total	%	42.7	44.2	42.0	39.9	45.5
Return on equity	%	3.4	3.3	3.1	2.4	2.4
Dividend to equity ratio						
- water	%	0.2	0.2	0.2	1.1	1.4
- sewerage	%	0.2	0.2	0.2	0.7	1.2
- drainage	%	0.0	0.0	0.0	0.0	0.1
- total	%	0.4	0.5	0.4	1.9	2.7
Dividend payout ratio:						
- water	%	12.6	11.5	12.1	93.1	108.8
- sewerage	%	12.8	15.9	13.6	60.0	113.9
- drainage	%	32.8	129.2	40.1	68.5	99.1
- total	%	13.0	13.8	13.1	76.7	110.8
Debt to equity	%	15.1	9.6	8.9	6.8	5.2
Total liabilities to equity	%	19.8	13.2	12.4	11.2	9.5
Financial Ratios - Metropolitan (1-4)						
Current ratio	%	1 073.2	1 648.3	1 688.0	619.7	494.8
Interest cover:						
- water	%	356.2	496.0	545.1	652.1	932.4
- sewerage	%	239.9	270.9	319.7	405.3	601.3
- drainage	%	184.6	130.8	207.6	377.8	291.7
- total	%	281.0	351.1	398.2	494.2	714.9
Cost recovery ratio:						
- water	%	178.5	194.5	178.7	174.3	171.7
- sewerage	%	206.3	184.9	180.2	181.3	186.5
- drainage	%	141.5	119.7	124.2	138.5	138.8
- total	%	188.2	185.7	176.5	175.7	176.8
Operational performance	%	4.8	4.3	3.7	3.5	3.7

Non-financial Ratios - Metropolitan

WATER CORPORATION (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
<i>Efficiency</i>						
System water loss (as % of total volume supplied)	%	11.3	13.3	5.0	11.0	9.2
OMA cost per 100km of main:						
- water	\$'000/100km	635.5	614.6	715.4	677.4	598.8
- sewerage	\$'000/100km	712.9	812.1	933.6	745.2	603.0
- drainage	\$'000/100km	769.6	923.9	894.6	818.0	829.1
- total	\$'000/100km	669.4	700.5	802.7	710.2	608.0
Employees per 1000 properties served	Emp/'000Prop	2.6	2.3	2.1	1.0	1.0
Total days lost	%	n.p.	n.p.	n.p.	n.p.	n.p.
<i>Effectiveness</i>						
Real price index	Index	101.7	105.9	108.2	104.3	102.7
Real price movement:						
- residential	Index	101.7	107.2	110.7	107.7	106.7
- commercial	Index	101.6	103.9	104.3	99.0	96.5
- industrial	Index	101.6	103.9	104.3	99.0	96.5
Properties served per km of main:						
- water	No/100km	49	50	51	49	39
- sewerage	No/100km	61	62	64	61	44
- drainage	No/100km	282	287	295	298	298
Unsewered properties (% of total properties)	%	25.3	24.3	23.3	21.1	19.5
Flooding incidents per 100 km of main (sewers)	No/100km	10.0	5.4	11.2	7.0	4.6
<i>Service Quality</i>						
Compliance with sewerage effluent standards (7)	%	n.p.	100	100	100	100
Compliance with water quality standards	%	97	99	99	98	99
Water restrictions	%	0	0	66	0	0
Properties with service interruption (5) (6)	%	n.p.	n.p.	n.p.	n.p.	1.2
Average interruption duration (5)	Hr	n.p.	n.p.	n.p.	n.p.	0.8
Service restored within 5 hours (5)	%	n.p.	n.p.	n.p.	n.p.	99

METROPOLITAN (continued)

WATER CORPORATION (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
<i>Service Quality (continued)</i>						
Customer satisfaction results:						
- water	%	n.p.	83	86	n.p.	n.p.
- sewerage	%	n.p.	96	97	n.p.	n.p.
- drainage	%	n.p.	63	71	n.p.	n.p.
Main breaks per 100 km (water)	No/100km	11	13	10	9	8
Sewer chokes per 100 km	No/100km	29	36	34	25	16
<i>Size</i>						
Total assets	\$M	4 004	5 365	5 666	5 972	6 021
Total revenue	\$M	381	408	445	444	493
Total employment	No	2 806	2 653	2 425	1 248	1 267
Pipeline length:						
- water	km	10 182	10 270	10 511	11 003	14 252
- sewerage	km	6 064	6 266	6 438	7 824	10 314
- drainage	km	806	812	815	816	828
Properties served:						
- water	'000	498	515	533	544	557
- sewerage	'000	372	390	409	429	448
- drainage	'000	227	233	241	243	247
New housing allotments served	No	13 000	14 104	14 476	10 228	9 122
Megalitres of water supplied	'000 Ml	217	229	215	214	224
Volume of sewage treated	'000 Ml	76	78	80	83	87
Sewage treatment ratios:						
- primary	%	44	43	43	43	42
- secondary	%	56	57	57	57	58
- tertiary	%	0	0	0	0	0
<i>Cost & Revenue Measures (4)</i>						
Average revenue received per property:						
- water	\$/Prop	344	362	364	345	352
- sewerage	\$/Prop	422	431	439	427	418
- drainage	\$/Prop	61	61	62	64	64

METROPOLITAN (continued)

WATER CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
<i>Cost & Revenue Measures (continued)</i>						
Average revenue per kl :						
- residential	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
- commercial	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
- industrial	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
- other	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
- total	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
OMA costs per property served:						
- water	\$/Prop	130	123	141	137	153
- sewerage	\$/Prop	116	131	147	136	139
- drainage	\$/Prop	27	33	30	28	28

Financial Ratios - Country (1-4)

Return on assets	%	-3.5	-2.5	-2.0	-2.8	4.6

WATER CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Return on operating assets	%	-3.2	-2.3	-1.8	-2.5	3.9
Operating sales margin:						
- water	%	-45.6	-34.0	-27.3	-38.6	37.9
- sewerage	%	-1.1	6.1	9.7	6.2	43.1
- drainage	%	-220.7	-1 369.0	-1 426.8	-2 302.1	33.4
- water resources	%	-1 442.5	-2 301.9	-2 107.5	-9 619.3	n.p.
- irrigation	%	-196.3	-144.3	-116.2	-377.9	9.4
- total	%	-52.1	-42.2	-36.9	-51.2	37.3
Return on equity	%	-7.0	-5.3	-4.1	-5.1	2.3
Dividend to equity ratio						
- water	%	0.2	0.2	0.2	-1.3	1.9
- sewerage	%	0.1	0.1	0.1	-0.2	0.6
- drainage	%	0.0	0.0	0.0	-0.2	0.0
- water resources	%	0.0	0.0	0.0	0.0	0.0
- irrigation	%	0.0	0.0	0.0	-0.2	0.0
- total	%	0.3	0.3	0.3	-1.8	2.5
Dividend payout ratio:						
- water	%	-4.7	-6.5	-8.3	43.9	107.1
- sewerage	%	-9.2	-14.7	-22.3	56.4	123.7
- drainage	%	-0.9	-1.1	-0.1	60.7	90.4
- water resources	%	0.0	0.0	0.0	0.0	n.p.
- irrigation	%	-1.3	-2.5	-3.6	16.1	89.3
- total	%	-4.1	-5.7	-6.8	36.0	110.4
Debt to equity		25.8	16.6	16.3	16.4	14.0
Total liabilities to equity	%	29.2	19.1	19.2	17.3	18.0
Current ratio	%	-899.5	-2 275.4	-2 333.9	-1 124.2	-692.9
Interest cover:						
- water	%	-144.9	-120.4	-101.8	-137.2	383.5
- sewerage	%	-2.5	17.6	37.6	25.3	444.7
- drainage	%	-137.5	-195.7	-197.7	-247.5	268.7
- water resources	%	n.p.	n.p.	n.p.	n.p.	n.p.
- irrigation	%	-449.1	-2 177.5	-1 509.2	-4 992.9	224.5
- total	%	-151.0	-139.8	-132.2	-175.8	388.3

Financial Ratios - Country (continued)

WATER CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Cost recovery ratio:						
- water	%	70.1	75.9	79.6	74.5	156.7
- sewerage	%	101.5	108.8	112.5	110.5	176.3
- drainage	%	32.2	7.0	6.7	4.3	150.4
- water resources	%	6.5	4.3	4.7	1.1	n.p.
- irrigation	%	34.7	41.9	47.1	46.3	110.5
- total	%	67.1	71.7	74.3	73.3	156.5
Operational performance	%	-3.0	-2.2	-1.7	-1.8	3.7

Non-financial Ratios - Country***Efficiency***

System water loss (as % of total volume supplied)	%	14.3	16.8	10.0	16.0	10.3
OMA cost per 100km of main						
- water	\$'000/ 100km	440	482	480	511	516
- sewerage	\$'000/ 100km	841	901	1001	1059	1062
- drainage	\$'000/ 100km	113	94	100	150	162
- water resources	\$'000/ 100km	n.p.	n.p.	n.p.	n.p.	n.p.
- irrigation	\$'000/ 100km	857.5	1 083.5	950.7	1 015.7	3 598.0
- total	\$'000/100km	447	480	490	526	533
Employees per 1000 properties served	Emp/ '000Prop	4.3	4.0	3.7	2.7	2.6
Total days lost	%	n.p.	n.p.	n.p.	n.p.	n.p.

Effectiveness

Real price index	Index	101.7	105.3	107.2	102.8	101.1
Real price movement:						
- residential	Index	101.7	107.0	109.9	105.9	104.7
- commercial	Index	102.7	103.9	104.9	100.1	98.1
- industrial	Index	102.7	103.9	104.9	100.1	98.1

COUNTRY (continued)

WATER CORPORATION (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
<i>Effectiveness (continued)</i>						
Properties served per km of main:						
- water	No/km	11	11	11	11	11
- sewerage mains	No/km	44	44	45	47	47
- drainage	No/km	10	9	10	10	10
- irrigation	No/km	2	2	2	2	5
Unsewered properties (% of total properties)	%	57.0	56.2	55.2	54.0	52.8
Flooding incidents per 100 km of main (sewers)	No/100km	2.3	1.0	15.6	4.5	12.5
<i>Service Quality</i>						
Compliance with sewerage effluent standards (7)	%	n.p.	n.p.	n.p.	n.p.	84
Compliance with water quality standards	%	96	97	97	97	98
Water restrictions	%	1.43	2.82	20.86	0.06	0.34
Properties with service interruption (5) (6)	%	n.p.	n.p.	n.p.	n.p.	3.10
Average interruption duration (5)	Hr	n.p.	n.p.	n.p.	n.p.	1.25
Service restored within 5 hours (5)	%	n.p.	n.p.	n.p.	n.p.	96.40
Customer satisfaction results:						
- water	%	n.p.	81	85	n.p.	n.p.
- sewerage	%	n.p.	96	99	n.p.	n.p.
- drainage	%	n.p.	n.p.	n.p.	n.p.	n.p.
- irrigation	%	n.p.	64	77	n.p.	n.p.
Main breaks per 100 km (water)	No/100km	12	19	25	25	22
Sewer chokes per 100 km	No/100km	27	36	46	40	35
<i>Size</i>						
Total assets	\$M	1 802	2 548	2 570	2 464	2 557
Total revenue	\$M	118	131	144	144	307
Total employment	No	1 150	1 104	1 094	806	765
Pipeline length;						
- water	km	15 690	15 768	15 935	16 203	16 484
- sewerage	km	1 766	1 841	1 907	1 913	1 999
- drainage	km	1 797	2 084	2 084	2 084	2 084

COUNTRY (continued)***Size (continued)***

WATER CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Properties served;						
- water	'000	170	175	180	184	187
- sewerage	'000	77	81	85	90	94
- drainage	'000	18	18	21	21	21
New housing allotments served	No	3 416	5 117	4 374	3 468	3 482
Megalitres of water supplied	'000Ml	80	107	101	102	97
Volume of sewage treated	'000Ml	15	17	17	17	18
Sewage treatment ratios:						
- primary	%	6	2	2	2	5
- secondary	%	94	98	98	98	95
- tertiary	%	0	0	0	0	0
Cost & Revenue Measures (4)						
Average revenue received per property:						
- water	\$/Prop	444	485	499	488	501
- sewerage	\$/Prop	331	344	359	365	376
- drainage	\$/Prop	56	2	0	0	0
- irrigation	\$/Prop	2 762	3 365	3 297	3 132	2 546
Average revenue per kl:						
- residential	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
- commercial	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
- industrial	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
- other	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
- total	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
OMA costs per property served:						
- water	\$/Prop	406	435	425	451	454
- sewerage	\$/Prop	197	205	224	226	226
- drainage	\$/Prop	110	92	98	147	159
- irrigation	\$/Prop	5 002	5 864	4 890	5 188	7 829

WATER CORPORATION (continued)

NOTES TO INDICATORS FOR WATER CORPORATION

Key: n.p. - not provided; n.r. - not relevant.

- 1) During 1996–97 fixed assets were not revalued. The last revaluation was on 1 July 1994. However, during 1996–97, asset values were adjusted by applying appropriate economic and engineering indices. Asset revaluations:

<i>Category of asset</i>	<i>Method of valuation</i>	<i>Date of revaluation</i>	<i>Impact of revaluation (\$'000)</i>
Buildings	Application of economic and engineering indices	March 1997	4 103
Other infrastructure	Application of economic and engineering indices	March 1997	136 941
Vehicles and mobile plant	Not revalued	Not revalued	nil

- 2) Community service obligations:

<i>Category of CSO</i>	<i>Method of valuation</i>	<i>Source of funding</i>	<i>Year</i>	<i>Cost (\$ million)</i>
Country water services	Net loss incurred in providing the service	Explicit payment from State Government	1996–97	107.9
Country waste water services	Net loss incurred in providing the service	Explicit payment from State Government	1996–97	17.9
Country drainage services	Net loss incurred in providing the service	Explicit payment from State Government	1996–97	7.1
Irrigation services	Net loss incurred in providing the service	Explicit payment from State Government	1996–97	11.7
Pensioner and seniors rebates	Loss of revenue and administration costs	Explicit payment from State Government	1996–97	26.4
Non-rated properties	Estimate of revenue foregone based on average revenue from rateable properties	Explicit payment from State government	1996-97	7.5
Infill sewerage	Actual cost	Explicit payment from State government	1996-97	3.2
Aboriginal Reserves	Net loss incurred in providing the service	Explicit payment from State government	1996-97	0.6

WATER CORPORATION (continued)

NOTES TO INDICATORS FOR WATER CORPORATION (continued)

- 3) The Water Corporation is subject to certain taxes including sales tax, and income tax under the State Enterprises (Commonwealth Tax Equivalents) Act 1996. These taxes were payable from 1 January 1996. The Corporation is also required to pay land tax and local government rates equivalence payments. These taxes were payable from 1 July 1996.
- 4) The Water Corporation received community service obligation (CSO) contributions of \$182.253 million from the State Government from 1 July 1996. These are included under total revenue. This has resulted in favourable increases in the operational ratios for the 1996–97 year.
- 5) The data provided for these indicators represents data for only six months (January 97 to June 97).
- 6) Figures provided are for water service.
- 7) Calculation is based on The Water Corporation's own internal assessment of a number of key effluent and disposal criteria.

HOBART REGIONAL WATER AUTHORITY**Tasmania****Comments on own performance**

In accordance with the *Hobart Regional Water (Arrangements) Act 1996*, from 1 January 1997 all assets, property, rights and liabilities of the state owned Hobart Regional Water Board were transferred to a joint authority established under s.38 of the *Local Government Act 1993*.

This joint authority is known as the Hobart Regional Water Authority trading under the name of Hobart Water. Hobart Water is owned and controlled by the eight councils in and around the Hobart area, but has an independent Board of Management.

The principal goals and objectives of Hobart Water are:

- to provide bulk water supplies within the area served by the Hobart regional bulk water supply system at acceptable prices and quality, the latter must conform to the Australian Drinking Water Guidelines;
- to be a successful water business by operating efficiently in accordance with sound commercial practice, maximising the net worth of Hobart Water's assets, and, producing sustainable returns to Joint Authority Council Members;
- to have regard to the economic and social well being of its customers, water users, staff and the general community in the greater Hobart region;
- to follow environmentally sound principles in its development and resource management activities; and
- to have regard to the obligations of the Joint Authority Council Members in relation to national competition agreements and their impact on future policies, procedures and practices concerning the water industry.

Employing about 60 people, Hobart Water has an annual income of over \$17 million and assets of around \$170 million in written down current cost terms. The water supply system comprises a major water treatment plant, eight large storage dams, 32 pumping stations and approximately 400 kilometres of pipelines. Around 38 000 megalitres of water are supplied to councils each year.

Hobart Water introduced a new water pricing policy from 1 July 1997 based on a two-part tariff, with the first part being based on the amount of water each council uses, and the second part being in the form of a fixed charge.

HOBART REGIONAL WATER AUTHORITY(continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
Financial Ratios (1, 2)						
Return on assets (6)	%	3.9	3.9	3.7	3.5	3.3
Return on operating assets (6)	%	3.8	3.8	3.8	3.7	3.4
Operating sales margin	%	37.5	37.5	37.0	37.6	33.2
Return on equity (3)	%	-0.9	0.5	0.6	1.2	1.1
Dividend to equity ratio (4)	%	0.0	0.0	0.0	0.0	0.0
Dividend payout ratio (4)	%	0.0	0.0	0.0	0.0	0.0
Debt to equity	%	47.9	44.8	41.3	37.6	25.7
Total liabilities to equity	%	54.9	52.6	48.0	43.6	30.5
Current ratio	%	195.1	67.2	68.1	90.6	14.2
Interest cover	%	87.3	109.4	112.8	129.4	130.9
Cost recovery ratio	%	161.4	159.9	158.8	153.5	149.8
Operational performance	%	3.9	3.8	3.8	3.3	3.4
Non-financial Ratios						
<i>Economic Factors</i>						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	4.59	4.08	4.58	4.18	3.64
<i>Efficiency</i>						
System water loss (as % of total volume supplied) (7)	%	n.p.	n.p.	n.p.	n.p.	n.p.
OMA cost per 100km of main						
- water	\$'000/100km	1 532	1 506	1 580	1 465	1 595
- sewerage (10)	\$'000/100km	n.r.	n.r.	n.r.	n.r.	n.r.
- drainage (10)	\$'000/100km	n.r.	n.r.	n.r.	n.r.	n.r.
Employees per 1000 properties served	Emp/'000Prop	0.90	0.90	0.79	0.74	0.68
Total days lost (8)	%	3.80	5.10	6.65	4.77	6.14
<i>Effectiveness</i>						
Real price index (9)	Index	109.20	97.90	102.60	112.49	116.89
Real price movement: (9)						
- residential	Index	109.00	97.50	102.00	112.58	117.08
- commercial	Index	n.p.	n.p.	n.p.	n.p.	n.p.
- industrial	Index	110.60	99.20	105.00	105.00	106.03
<i>Effectiveness (continued)</i>						

HOBART REGIONAL WATER AUTHORITY(continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
Properties served per km of main:						
- water	No	175.2	173.0	178.3	181.4	184.5
- sewerage (10)	No	n.r.	n.r.	n.r.	n.r.	n.r.
- drainage (10)	No	n.r.	n.r.	n.r.	n.r.	n.r.
Unsewered properties (% of total properties) (10)	%	n.r.	n.r.	n.r.	n.r.	n.r.
Flooding incidents per 100 km of main (sewers) (10)	No/100km	n.r.	n.r.	n.r.	n.r.	n.r.
<i>Service Quality</i>						
Compliance with sewerage effluent standards (10)	%	n.r.	n.r.	n.r.	n.r.	n.r.
Compliance with water quality standards (11)	%	96.9	98.3	98.8	99.3	99.0
Water restrictions	%	0.0	0.0	3.0	0.0	0.0
Properties with service interruption	%	n.p.	n.p.	n.p.	n.p.	n.p.
Average interruption duration	Hr	n.p.	n.p.	n.p.	n.p.	n.p.
Service restored within 5 hours	%	n.r.	n.r.	n.r.	n.r.	n.r.
Customer satisfaction results	%	n.p.	n.p.	n.p.	n.p.	n.p.
Main breaks per 100 km (water)	No/100km	2.0	1.8	1.0	1.2	2.5
Sewer chokes per 100 km (10)	No/100km	n.r.	n.r.	n.r.	n.r.	n.r.
<i>Size</i>						
Total assets (3)	\$M	175	177	184	184	175
Total revenue	\$M	17	17	18	17	18
Total employment	No	60	59	54	54	50
Pipeline length:						
- water	km	394	401	401	401	401
- sewerage (10)	km	n.r.	n.r.	n.r.	n.r.	n.r.
- drainage (10)	km	n.r.	n.r.	n.r.	n.r.	n.r.
Properties served:						
- water	'000	69	69	71	73	74
- sewerage (10)	'000	n.r.	n.r.	n.r.	n.r.	n.r.
- drainage (10)	'000	n.r.	n.r.	n.r.	n.r.	n.r.
New housing allotments served	No	711	385	2 127	1 271	1 379
Megalitres of water supplied	'000 Ml	39	41	40	34	36
Volume of sewage treated (10)	'000 Ml	n.r.	n.r.	n.r.	n.r.	n.r.

Size (continued)

Sewage treatment ratios: (10)

HOBART REGIONAL WATER AUTHORITY(continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
- primary	%	n.r.	n.r.	n.r.	n.r.	n.r.
- secondary	%	n.r.	n.r.	n.r.	n.r.	n.r.
- tertiary	%	n.r.	n.r.	n.r.	n.r.	n.r.
<i>Cost & Revenue Measures</i>						
Average revenue received per property: (9)						
- water	\$/Prop	226	251	224	216	231
- sewerage (10)	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.
- drainage (10)	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.
Average revenue per kl: (9)						
- residential	\$/kl	0.40	0.40	0.42	0.48	0.49
- commercial	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
- industrial	\$/kl	0.30	0.20	0.27	0.28	0.29
- other	\$/kl	n.r.	n.r.	n.r.	n.r.	n.r.
- total	\$/kl	0.40	0.40	0.40	0.46	0.47
OMA costs per property served:						
- water	\$/Prop	88	88	89	82	87
- sewerage (10)	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.
- drainage (10)	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.

HOBART REGIONAL WATER AUTHORITY(continued)

NOTES TO INDICATORS FOR HOBART REGIONAL WATER BOARD

Key: n.p. - not provided: n.r. - not relevant.

- 1) Hobart Water is a joint authority established under s.38 of the Tasmanian *Local Government Act 1993* rather than a government business enterprise subject to the *Government Business Enterprises Act 1995*.
- 2) Figures are based on the Hobart Water audited 1997–98 Financial Statements and are the same as those reported in the WSAA *facts* Statistics (Water Services Association of Australia Publication) except for total assets, total financial assets and total equity. These are based on average balances rather than closing balances. Earnings figures in these statistics includes government subsidies, unlike the same figures supplied for the WSAA *facts*, causing some ratios to differ from the WSAA *facts*.
- 3) Audited 1996–97 asset replacement cost valuations (including depreciation) and estimated 1992–93 to 1995–96 asset replacement cost valuations (including depreciation) have been used in the indicators.
- 4) Hobart Water will begin to pay a dividend to its Joint Authority Council Members from the 1997–98 financial year onwards.
- 5) Hobart Water is required to pay taxation equivalents as from 1 July 1997.
- 6) Asset valuation:

<i>Category of asset</i>	<i>Method of valuation</i>	<i>Date of revaluation</i>	<i>Impact of revaluation (\$ million)</i>
All non-current Assets	Current replacement deprival value	1 January 1997	118.438

- 7) The bulk water supply system is not fully metered, so information for some indicators is not available.
- 8) Available number of working days is defined as 365 days less 104 days for 52 weekends and less 12 days for public holidays. An allowance has been made for annual leave or long service leave, as in previous years.
- 9) Based on the pricing policy of the former Hobart Regional Water Board. Hobart Water, as from 1 July 1997, has introduced a new pricing policy.
- 10) Hobart Water is a bulk water supply authority only and is not concerned with reticulation, sewerage or stormwater.

HOBART REGIONAL WATER AUTHORITY(continued)

NOTES TO INDICATORS FOR HOBART REGIONAL WATER BOARD (continued)

- 11) The performance indicator on the compliance with water quality standards is measured against the NH&MRC and AWRC Drinking Water Guidelines (1996).

NORTH WEST REGIONAL WATER AUTHORITY

Tasmania

Comments on own performance

Background

The North West Regional Water Authority was established by an Act of Parliament in December 1976 and came into being on 1 July 1977. Prior to the establishment of the Authority, Local Councils had varying degrees of water treatment. Most either lacked sufficient supply or quality or a combination of both. The Regional Scheme currently includes Circular Head, Waratah–Wynyard, Central Coast, Devonport, Latrobe and Kentish Municipalities.

In January 1991, the Authority became a Statutory Authority under the *Statutory Authorities Financial Management Act 1990* and in 1995 became a Government Business Enterprise under the *Government Business Enterprises Act 1995*. The Authority is still charged with the responsibility of providing a safe, high quality and reliable bulk water supply in an efficient, environmentally responsible and economically sound manner.

Current operations

The Authority sells bulk water to six Councils on the North–West Coast of Tasmania and the current year has seen a five per cent increase in consumption. Through technology, training, multiskilling, and efficiencies, staffing levels have been reduced from 27 in 1992–93 to 24.6 in 1996–97. The water supply system comprises six water treatment plants, a maintenance depot, a regional control centre, 12 pump stations, 28 reservoirs/storages and 142 kilometres of pipeline spanning the six municipalities.

Performance

The Authority made a conscious decision to keep its price for water at seven per cent below the previous year's price and maintain that price for the 1997–98 financial year. A small loss has been sustained for 1996–97 reflecting a nil return on equity which is not inconsistent with the performance of past years. The declining trend in return on assets and operational performance is largely due to financing costs being reduced significantly over the last seven years, and, keeping profits at a break even position as currently required by legislation. In the last five years, alone, \$10 million in debt has been repaid.

The debt to equity and total liabilities to equity ratios are primarily influenced by a 8.75 per cent or \$8.2 million downward revaluation of authority assets as at 30 June 1997. The current ratio of 37.7 per cent is heavily influenced by borrowings of \$5.5 million maturing during 1997–98. It is envisaged that 80 per cent of this debt will be refinanced next year which would suggest that the current ratio could be more realistically reflected as 95 per cent. The Authority is currently reviewing its capital structure and pricing policies.

NORTH WEST REGIONAL WATER AUTHORITY (cont.)

	Units	1992-93	1993-94	1994-95	1995-96	1996-97
Financial Ratios (7,8)						
Return on assets (1,2,5)	%	8.6	5.4	4.1	4.3	3.2
Return on operating assets (1,2,5,)	%	9.0	5.4	4.0	4.3	3.2
Operating sales margin	%	54.2	45.7	43.6	47.8	36.2
Return on equity (2,3,4)	%	-0.1	1.0	0.1	1.3	0.0
Dividend to equity ratio (3,4)	%	0.0	0.0	0.0	0.0	0.0
Dividend payout ratio	%	0.0	0.0	0.0	0.0	0.0
Debt to equity	%	152.0	57.4	44.9	39.2	40.8
Total liabilities to equity	%	165.3	62.6	49.5	43.0	45.7
Current ratio	%	164.8	102.7	49.5	60.3	37.7
Interest cover (2,6)	%	99.5	110.7	100.9	126.9	99.6
Cost recovery ratio (4)	%	218.4	185.2	177.0	173.5	156.7
Operational performance (1,2,5)	%	9.0	5.5	4.0	3.7	3.2
Non-financial Ratios						
<i>Economic Factors</i>						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	9.05	4.35	4.05	4.23	4.65
<i>Efficiency</i>						
System water loss (as % of total volume supplied)	%	n.p.	n.p.	n.p.	n.p.	n.p.
OMA cost per 100km of main						
- water	\$'000/100km	2 222	2 002	2 068	2 082	2 263
- sewerage	\$'000/100km	n.p.	n.p.	n.p.	n.p.	n.p.
- drainage	\$'000/100km	n.p.	n.p.	n.p.	n.p.	n.p.
Employees per 1000 properties served	Emp/'000Prop	1.00	1.00	0.93	0.85	0.88
Total days lost	%	1.76	2.14	3.30	4.06	2.09
<i>Effectiveness</i>						
Real price index	Index	119.5	103.4	90.7	99.0	90.7
Real price movement						
- residential	Index	n.r.	n.r.	n.r.	n.r.	n.r.
- commercial	Index	n.r.	n.r.	n.r.	n.r.	n.r.
- industrial	Index	n.r.	n.r.	n.r.	n.r.	n.r.

Effectiveness (continued)

NORTH WEST REGIONAL WATER AUTHORITY(cont.)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Properties served per km of main						
- water	No/km	190.1	190.1	190.1	196.4	197.8
- sewerage	No/km	n.p.	n.p.	n.p.	n.p.	n.p.
- drainage	No/km	n.p.	n.p.	n.p.	n.p.	n.p.
Unsewered properties (% of total properties)	%	n.r.	n.r.	n.r.	n.r.	n.r.
Flooding incidents per 100 km of main (sewers)	No/100km	n.r.	n.r.	n.r.	n.r.	n.r.
Service Quality						
Compliance with sewerage effluent standards	%	n.r.	n.r.	n.r.	n.r.	n.r.
Compliance with water quality standards	%	98.0	98.9	99.7	99.7	96.6
Water restrictions	%	0.0	0.0	0.0	0.0	0.0
Properties with service interruption	%	0.0	0.0	0.0	0.0	0.0
Average interruption duration	Hr	7.3	7.1	5.6	3.1	2.0
Service restored within 5 hours	%	n.r.	n.r.	n.r.	n.r.	n.r.
Customer satisfaction results	%	n.p.	n.p.	n.p.	n.p.	n.p.
Main breaks per 100 km (water)	No/100km	3.0	4.0	5.0	0.7	0.1
Sewer chokes per 100 km	No/100km	n.r.	n.r.	n.r.	n.r.	n.r.
Size						
Total assets (1,7)	\$M	60	94	95	97	89
Total revenue	\$M	9	9	9	9	8
Total employment	No	27	26	25	26	25
Size (continued)						
Pipeline length:						
- water	km	142	142	142	142	142
- sewerage	km	n.r.	n.r.	n.r.	n.r.	n.r.
- drainage	km	n.r.	n.r.	n.r.	n.r.	n.r.
Properties served:						
- water	'000	27	27	27	28	28
- sewerage	'000	n.r.	n.r.	n.r.	n.r.	n.r.
- drainage	'000	n.r.	n.r.	n.r.	n.r.	n.r.
New housing allotments served	No	361	185	658	433	196
Megalitres of water supplied	'000Ml	12	13	14	12	13
Volume of sewage treated	'000Ml	n.r.	n.r.	n.r.	n.r.	n.r.

Size (continued)

Sewage treatment ratios:

NORTH WEST REGIONAL WATER AUTHORITY(cont.)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
- primary	%	n.r.	n.r.	n.r.	n.r.	n.r.
- secondary	%	n.r.	n.r.	n.r.	n.r.	n.r.
- tertiary	%	n.r.	n.r.	n.r.	n.r.	n.r.
<i>Cost & Revenue Measures</i>						
Average revenue received per property:						
- water	\$/Prop	333	305	296	293	282
- sewerage	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.
- drainage	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.
Average revenue per kl:						
- residential	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.
- commercial	\$/kl	n.r.	n.r.	n.r.	n.r.	n.r.
- industrial	\$/kl	n.r.	n.r.	n.r.	n.r.	n.r.
- other	\$/kl	0.74	0.64	0.59	0.66	0.61
- total	\$/kl	0.74	0.64	0.59	0.66	0.61
OMA costs per property served:						
- water	\$/Prop	95	105	109	106	114
- sewerage	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.
- drainage	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.

NORTH WEST REGIONAL WATER AUTHORITY(cont.)

NOTES TO INDICATORS FOR NORTH WEST REGIONAL WATER AUTHORITY

Key: n.p. - not provided; n.r. - not relevant.

- 1) Average total assets includes written down replacement cost values of assets as at 30 June. The asset figures prior to 1993–94 are unaudited.
- 2) Earnings before interest and tax (EBIT) includes depreciation based on the current replacement cost value of assets. The asset figures prior to 1993–94 are unaudited.
- 3) Average total equity includes the written down replacement cost value of assets. The asset figures prior to 1993–94 are unaudited.
- 4) Total equity includes the written down replacement cost value of assets. The asset figures prior to 1993–94 are unaudited.
- 5) Total expenses includes depreciation based on the current replacement cost value of assets. The asset figures prior to 1993–94 are unaudited.
- 6) Gross interest expense includes a government guarantee fee as follows : 1992–93 \$218 000; 1993–94 \$194 000; 1994–95 \$183 553 and 1995–96 \$160 994.
- 7) Asset revaluations:

<i>Category of asset</i>	<i>Method of valuation</i>	<i>Date of revaluation</i>	<i>Impact of revaluation (\$'000)</i>
Plant	Deprival	30th June 1997	-5 610.9
Land	Market Valuation	30th June 1997	-54.5
Pipelines	Deprival	30th June 1997	-3 479.2
Storages/reservoirs	Deprival	30th June 1997	894.7
Furniture, Equip. & M/V	Historical	not applicable	not applicable

- 8) Community service obligations:
 - Fluoridation (as per Act of State Parliament): Reimbursement from the State for expenditure sustained totalled \$23 922 for 1996–97.
 - Discounted rate for large users (as per regulation, *NWRW Act 1987*): This discount is given to Councils who have customers that consume 100 megalitres of water or more per annum.

RIVERS AND WATER SUPPLY COMMISSION, Tasmania NORTH ESK

Comments on own performance

On 1 July 1997 the North Esk Scheme's assets were transferred to the control and ownership of a local government joint venture.

Previously, the Scheme was managed by a business unit established within the Rivers and Water Supply Commission, a statutory authority subject to the *Government Business Enterprises Act 1995*. The Scheme operated a bulk water scheme under the provisions of the *North Esk Regional Water Act 1960*. It was not involved with reticulation, sewage or stormwater.

Financial performance

The financial performance of the Scheme has improved dramatically since 1990–91 when it had retained losses of \$414 000. Since that time, effective cost management combined with a necessary increase in the water price have resulted in retained profits at the end of 1996–97 of \$1.07 million.

The Scheme sustained an operating loss after abnormals of \$1.71 million for the 1996–97 financial year compared to a profit of \$217 000 for the previous year. An abnormal loss on debt defeasance of \$2.10 million and an abnormal contribution to the Prosser River Water Supply Scheme of \$89 000 were the contributing factors. The impact of this result can be seen in several of the published financial performance indicators.

Excluding the impact of the abnormal expenses the Scheme's operating profit increased by \$263 000. This result was substantially due to a 2.22 per cent increase in water consumption over the previous year.

It should be noted that for the period 1990–91 to 1993–94 the Scheme's assets were valued on the basis of estimated current replacement cost. A full asset valuation was conducted as at 30 June 1995 in accordance with an independent valuation by the Australian Valuation Office; the basis of valuation was deprival value. This valuation was consistent with the recommendations of the Steering Committee on National Performance Monitoring of GTEs and has received the approval of the Auditor-General.

RIVERS AND WATER SUPPLY COMMISSION, NORTH ESK (cont.)

	Units	1992-93	1993-94	1994-95	1995-96	1996-97
Financial Ratios (1-5)						
Return on assets	%	3.7	6.0	6.9	3.3	0.6
Return on operating assets	%	3.4	6.2	6.8	3.0	0.2
Operating sales margin	%	34.7	57.0	66.5	40.5	3.1
Return on equity	%	-1.0	3.3	5.0	0.4	-3.0
Dividend to equity ratio	%	0.0	0.0	0.0	0.0	0.0
Dividend payout ratio	%	0.0	0.0	0.0	0.0	0.0
Debt to equity	%	60.3	62.9	36.5	32.5	26.6
Total liabilities to equity	%	65.8	68.7	40.8	36.4	29.7
Current ratio	%	1 430.4	1 028.1	463.2	336.6	15.9
Interest cover	%	85.4	149.9	191.9	109.6	20.8
Cost recovery ratio	%	205.5	226.5	298.9	168.1	177.2
Operational performance	%	5.0	5.9	6.8	3.0	3.2
Non-financial Ratios						
Economic Factors						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	3.73	4.70	5.32	4.10	3.66
Efficiency						
System water loss (as % of total volume supplied)	%	n.p.	n.p.	n.p.	n.p.	n.p.
OMA cost per 100km of main						
- water	\$'000/100km	1 932	2 014	1 819	2 777	2 756
- sewerage	\$'000/100km	n.r.	n.r.	n.r.	n.r.	n.r.
- drainage	\$'000/100km	n.r.	n.r.	n.r.	n.r.	n.r.
Employees per 1000 properties served	Emp/'000Prop	n.r.	n.r.	n.r.	n.r.	n.r.
Total days lost	%	n.p.	n.p.	n.p.	n.p.	n.p.
Effectiveness						
Real price index	Index	125.20	132.60	137.20	135.64	137.89
Real price movement:						
- residential	Index	125.20	132.60	137.20	135.64	137.89
- commercial	Index	n.r.	n.r.	n.r.	n.r.	n.r.
- industrial	Index	125.20	132.60	137.20	135.64	137.89

RIVERS AND WATER SUPPLY COMMISSION NORTH, ESK (cont.)

	Units	1992-93	1993-94	1994-95	1995-96	1996-97
Effectiveness (continued)						
Properties served per km of main						
- water	No/km	n.r.	n.r.	n.r.	n.r.	n.r.
- sewerage	No/km	n.r.	n.r.	n.r.	n.r.	n.r.
- drainage	No/km	n.r.	n.r.	n.r.	n.r.	n.r.
Unsewered properties (% of total properties)	%	n.r.	n.r.	n.r.	n.r.	n.r.
Flooding incidents per 100 km of main (sewers)	No/100km	n.r.	n.r.	n.r.	n.r.	n.r.
Service Quality						
Compliance with sewerage effluent standards	%	n.r.	n.r.	n.r.	n.r.	n.r.
Compliance with water quality standards	%	95.00	98.00	98.00	98.00	98.00
Water restrictions	%	n.r.	n.r.	n.r.	n.r.	n.r.
Properties with service interruption	%	n.p.	n.p.	n.p.	n.p.	n.p.
Average interruption duration	Hr	n.p.	n.p.	n.p.	n.p.	n.p.
Service restored within 5 hours	%	n.p.	n.p.	n.p.	n.p.	n.p.
Customer satisfaction results	%	n.p.	n.p.	n.p.	n.p.	n.p.
Main breaks per 100 km (water)	No/100km	6.50	6.50	8.98	3.60	0.00
Sewer chokes per 100 km	No/100km	n.r.	n.r.	n.r.	n.r.	n.r.
Size						
Total assets (3)	\$M	52	57	75	77	73
Total revenue	\$M	5	6	7	6	6
Total employment	No	21	22	23	24	21
Pipeline length:						
- water	km	111	111	111	111	111
- sewerage	km	n.r.	n.r.	n.r.	n.r.	n.r.
- drainage	km	n.r.	n.r.	n.r.	n.r.	n.r.
Properties served:						
- water	'000	n.r.	n.r.	n.r.	n.r.	n.r.
- sewerage	'000	n.r.	n.r.	n.r.	n.r.	n.r.
- drainage	'000	n.r.	n.r.	n.r.	n.r.	n.r.
New housing allotments served	No	n.p.	n.p.	n.p.	n.r.	n.r.
Megalitres of water supplied	'000 Ml	8	8	9	8	8
Volume of sewage treated	'000 Ml	n.r.	n.r.	n.r.	n.r.	n.r.

RIVERS AND WATER SUPPLY COMMISSION, NORTH ESK (cont.)

	Units	1992-93	1993-94	1994-95	1995-96	1996-97
Size (continued)						
Sewage treatment ratios:						
- primary	%	n.r.	n.r.	n.r.	n.r.	n.r.
- secondary	%	n.r.	n.r.	n.r.	n.r.	n.r.
- tertiary	%	n.r.	n.r.	n.r.	n.r.	n.r.
Cost & Revenue Measures						
Average revenue received per property						
- water	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.
- sewerage	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.
- drainage	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.
Average revenue per kl						
- residential	\$/kl	n.r.	n.r.	n.r.	n.r.	n.r.
- commercial	\$/kl	n.r.	n.r.	n.r.	n.r.	n.r.
- industrial	\$/kl	n.r.	n.r.	n.r.	n.r.	n.r.
- other	\$/kl	n.r.	n.r.	n.r.	n.r.	n.r.
- total	\$/kl	0.54	0.60	0.64	0.66	0.68
OMA costs per property served:						
- water	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.
- sewerage	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.
- drainage	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.

NOTES TO INDICATORS FOR RIVERS AND WATER SUPPLY COMMISSION, NORTH ESK

Key: n.p. - not provided; n.r. - not relevant.

- 1) During 1996-97 the Rivers and Water Supply Commission was exempt from taxation or taxation equivalent payments with the exception of payroll tax and fringe benefits tax, however these taxes will be applicable in 1997-98. The Commission was not required to pay dividends to the Tasmanian Government during 1996-97.
- 2) The Commission's customers include councils and industries. With the exception of a small number of wayside consumers it does not service residential areas directly. The Commission's activities do not include sewerage treatment or drainage.

RIVERS AND WATER SUPPLY COMMISSION, NORTH ESK (cont.)

NOTES TO INDICATORS FOR RIVERS AND WATER SUPPLY COMMISSION, NORTH ESK
(continued)

3) Asset revaluations:

<i>Category of asset</i>	<i>Method of valuation</i>	<i>Date of revaluation</i>	<i>Impact of revaluation (\$ million)</i>
Property plant & equipment	Deprival value	30 June 1997	1.564
Property plant & equipment	Deprival value	30 June 1996	3.131
Property plant & equipment	Deprival value	30 June 1995	50.637
Work in Progress	Historical cost	not applicable	not applicable

4) The Rivers and Water Supply Commission undertook a debt consolidation program during 1996–97. This resulted in an abnormal loss on debt defeasance of \$2.104 million for the North Esk Scheme and an abnormal contribution to the Prosser River Scheme of \$0.089 million.

5) Audited financial data has been used where appropriate.

POWER AND WATER AUTHORITY**Northern Territory****Comments on own performance**

The Power and Water Authority was established in 1987 by the amalgamation of the Northern Territory Electricity Commission, the Northern Territory Water Authority and the Water Resources Division of the Department of Mines and Energy. The Authority is the sole provider of public electricity, water and sewerage services throughout the Northern Territory.

Current operations

The Authority provides a vertically integrated water and sewerage service in the four main regions of the Northern Territory, namely Darwin, Katherine, Tennant Creek and Alice Springs. In addition to the provision of services to these urban centres the Authority provides water services to 80 remote Aboriginal communities and 553 outstations throughout the Territory, and sewerage services to 33 remote communities. Overall, the Authority provides 34 700 water and 39 200 sewerage services across the Territory.

Financial performance

Costs per service are high in the Northern Territory compared to other states. The Authority maintains infrastructure over a large area for a relatively small customer base. All water requires pumping for delivery to customers, adding to reticulation costs. Full cost recovery is being achieved through a combination of tariff increases and funding of community service obligations. Water tariffs have been increased by 25 per cent in real terms since 1992–93.

Non-financial performance

Over the period from 1992–93 to 1996–97, labour productivity (employees per thousand properties) has improved from 6.9 to 3.7 for metropolitan water and 3.3 to 2.6 for metropolitan sewerage.

POWER AND WATER AUTHORITY (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios - Metropolitan (1-4)						
Return on assets	%	-0.3	-2.0	-0.2	0.5	0.5
Return on operating assets	%	-0.4	-2.1	-0.4	0.1	0.2
Operating sales margin	%	-3.2	-16.5	-3.2	0.8	1.4
Return on equity	%	-1.9	-3.7	-1.6	-1.0	-1.1
Dividend to equity ratio	%	0.0	0.0	0.0	0.0	1.6
Dividend payout ratio	%	0.0	0.0	0.0	0.0	-146.0
Debt to equity	%	16.7	10.1	19.4	15.2	17.7
Total liabilities to equity	%	19.1	13.0	26.6	20.6	22.6
Current ratio	%	594.5	430.6	155.3	217.9	215.7
Interest cover	%	-23.3	-178.0	-17.9	34.8	34.0
Cost recovery ratio	%	93.4	82.7	97.7	102.4	101.4
Operational performance	%	-0.9	-2.6	-0.3	0.3	0.2
Non-financial Ratios - Metropolitan						
<i>Economic Factors</i>						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
<i>Efficiency</i>						
System water loss (5)	%	15.9	14.5	13.6	17.2	21.7
OMA cost per 100km of main:						
- water	\$'000/ 100km	1 184	1 167	1 136	1 202	1 238
- sewerage	\$'000/ 100km	1 116	1 090	1 378	1 279	1 459
- drainage	\$'000/ 100km	n.r.	n.r.	n.r.	n.r.	n.r.
Employees per 1000 properties served (9)						
- water	Emp/ '000Prop	6.90	3.04	3.99	3.19	3.69
- sewerage	Emp/ '000 Prop	3.29	2.08	2.75	1.75	2.57
Total days lost	%	n.p.	3.90	3.55	4.35	5.23

POWER AND WATER AUTHORITY (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
METROPOLITAN (continued)						
Effectiveness						
Real price index:	Index	109.0	109.0	106.0	111.8	122.8
Real price movement - residential:						
- water	Index	109.9	109.8	106.7	114.9	133.2
- sewerage	Index	103.0	101.0	99.0	102.2	100.4
Real price movement - commercial:						
- water	Index	109.9	109.8	106.7	114.9	133.2
- sewerage	Index	103.0	101.0	99.0	102.2	100.4
Real price movement - government:						
- water	Index	119.0	121.0	118.0	127.4	145.4
- sewerage	Index	103.0	101.0	99.0	102.2	100.4
Properties served per km of main:						
- water	No/km	23.0	23.0	23.0	22.7	22.0
- sewerage	No/km	45.4	46.0	46.0	45.9	46.8
- drainage	No/km	n.r.	n.r.	n.r.	n.r.	n.r.
Unsewered properties (% of total properties)	%	-16.3	-17.0	-19.0	-19.0	-20.3
Flooding incidents per 100 km of main (sewers)	No/100km	0.2	5.1	1.1	0.3	0.7
Service Quality						
Compliance with sewerage effluent standards (6)	%	100.0	100.0	100.0	100.0	100.0
Compliance with water quality standards:						
- health	%	98.0	99.0	99.0	99.0	99.0
- aesthetics	%	n.p.	91.0	91.0	91.0	91.0
Water restrictions	%	0.0	0.0	0.9	0.0	0.0
Properties with service interruption (water)	%	n.p.	18.00	0.70	8.80	18.02
Average interruption duration (water)	Hr	n.p.	2.00	2.00	2.00	2.00
Service restored within 5 hours (water)	%	100.00	100.00	100.00	100.00	100.00
Customer satisfaction results (8)	%	92.00	93.00	91.00	90.25	n.p.
Main breaks per 100 km (water)	No/100km	20.00	17.00	18.00	17.60	11.12
Sewer chokes per 100 km	No/100km	32.10	77.00	69.00	68.62	34.89

POWER AND WATER AUTHORITY (continued)

	Units	1992-93	1993-94	1994-95	1995-96	1996-97
METROPOLITAN (continued)						
Size						
Total assets (2)	\$M	259	263	267	266	258
Total revenue (3,4)	\$M	37	34	36	36	31
Total employment (9)	Emp	345	239	278	241	158
Pipeline length:						
- water	km	920	954	971	995	1 061
- sewerage (10)	km	536	551	571	586	599
- drainage	km	n.r.	n.r.	n.r.	n.r.	n.r.
Properties served:						
- water (11)	'000	21	22	22	23	23
- sewerage (12)	'000	24	25	26	27	28
- drainage	'000	n.r.	n.r.	n.r.	n.r.	n.r.
New housing allotments served (13)	No	n.p.	n.p.	329	404	523
Megalitres of water supplied	'000Ml	34	35	35	35	37
Volume of sewage treated	'000Ml	12	13	16	14	16
Sewage treatment ratios (14):						
- primary	%	25	25	25	25	25
- secondary	%	65	65	65	67	67
- tertiary	%	0	0	0	0	0
Cost & Revenue Measures						
Average revenue received per property:						
- water	\$/Prop	573	611	620	626	758
- sewerage	\$/Prop	384	377	365	400	398
- drainage	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.
Average revenue per kl:						
- residential	\$/kl	0.42	0.40	0.40	0.45	0.51
- commercial	\$/kl	0.42	0.41	0.41	0.45	0.51
- industrial	\$/kl	n.r.	n.r.	n.r.	n.r.	0.00
- government	\$/kl	0.42	0.52	0.57	0.61	0.66
- total	\$/kl	0.42	0.44	0.45	0.49	0.55
OMA costs per property served: (15)						
- water	\$/Prop	521	513	500	529	564
- sewerage	\$/Prop	246	236	300	279	312
- drainage	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.

POWER AND WATER AUTHORITY (continued)

	Units	1992-93	1993-94	1994-95	1995-96	1996-97
Financial Ratios - Country (1-4)						
Return on assets	%	-0.4	-1.0	-2.0	-3.3	4.3
Return on operating assets	%	-0.4	-1.2	-2.2	-3.5	4.2
Operating sales margin	%	-4.1	-11.7	-21.8	-40.2	24.6
Return on equity	%	-0.7	-2.1	-3.8	-5.6	3.8
Dividend to equity ratio	%	0.0	0.0	0.0	0.0	1.0
Dividend payout ratio	%	0.0	0.0	0.0	0.0	26.8
Debt to equity	%	2.7	8.0	21.0	19.2	19.6
Total liabilities to equity	%	4.3	10.2	24.7	26.8	24.5
Current ratio	%	373.9	472.6	153.2	41.2	121.9
Interest cover	%	-151.3	-117.5	-156.6	-278.5	331.8
Cost recovery ratio	%	88.3	82.4	81.4	72.0	132.7
Operational performance	%	-1.3	-2.0	-2.3	-3.4	4.2
Non-financial Ratios - Country						
<i>Economic Factors</i>						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
<i>Efficiency</i>						
System water loss (as % of total volume supplied) (5)	%	n.p.	15.9	15.7	15.6	16.8
OMA cost per 100km of main:						
- water	\$'000/100km	3 862	3 849	4 850	3 825	3 894
- sewerage	\$'000/100km	1 676	2 169	1 773	1 710	1 774
- drainage	\$'000/100km	n.r.	n.r.	n.r.	n.r.	n.r.
Employees per 1000 properties served:						
- water (9)	Emp/'000Prop	5.6	6.0	7.8	10.0	6.6
- sewerage	Emp/'000Prop	3.5	2.8	2.3	3.0	2.5
Total days lost - total	%	n.p.	4.08	3.93	3.76	3.26

POWER AND WATER AUTHORITY (continued)

	Units	1992-93	1993-94	1994-95	1995-96	1996-97
COUNTRY (continued)						
Effectiveness						
Real price index		108.0	108.0	105.0	111.7	123.0
Real price movement residential:						
- water	Index	110.0	109.8	106.7	114.9	133.2
- sewerage	Index	103.0	101.0	99.0	102.2	100.4
Real price movement commercial:						
- water	Index	110.0	109.8	106.7	114.9	133.2
- sewerage	Index	103.0	101.0	99.0	102.2	100.4
Real price movement government:						
- water	Index	119.0	121.0	118.0	127.4	145.4
- sewerage	Index	103.0	101.0	99.0	102.2	100.4
Properties served per km of main:						
- water	No/km	30.0	35.0	35.0	27.4	25.8
- sewerage	No/km	36.0	37.7	38.7	37.6	37.9
- drainage	No/km	n.r.	n.r.	n.r.	n.r.	n.r.
Unsewered properties (% of total properties)	%	-4.30	4.10	1.80	2.70	1.85
Flooding incidents per 100 km of main (sewers)	No/100km	2.60	1.10	1.10	0.69	0.68
Service Quality						
Compliance with sewerage effluent standards (6)	%	100.0	100.0	100.0	100.0	100.0
Compliance with water quality standards:						
- health	%	96	96	96	96	96
- aesthetics	%	n.p.	n.p.	n.p.	n.p.	n.p.
Water restrictions	%	0.0	0.0	0.0	0.0	0.0
Properties with service interruption (water)	%	n.p.	3.9	4.1	2.6	4.1
Average interruption duration (water)	Hr	n.p.	1.7	1.7	2.4	2.4
Service restored within 5 hours (water)	%	100.0	100.0	100.0	100.0	100.0
Customer satisfaction results) (8)	%	92.0	93.0	91.0	90.25	n.p.
Main breaks per 100 km (water)	No/100km	15.0	13.9	10.4	5.35	8.37
Sewer chokes per 100 km	No/100km	18.3	20.0	15.0	17.5	18.98

COUNTRY (continued)

POWER AND WATER AUTHORITY (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Size						
Total assets (2)	\$M	219	230	231	227	228
Total revenue (3,4)	\$M	23	23	23	21	39
Total employment (9)	No	77	90	112	146	103
Pipeline length:						
- water	km	314	315	317	411	442
- sewerage (10)	km	273	278	282	291	295
- drainage	km	n.r.	n.r.	n.r.	n.r.	n.r.
Properties served:						
- water (11)	'000	9	11	11	11	11
- sewerage (12)	'000	10	11	11	11	11
- drainage	'000	n.r.	n.r.	n.r.	n.r.	n.r.
New housing allotments served (13)	No	n.p.	n.p.	186	150	44
Megalitres of water supplied	'000Ml	26	25	26	26	25
Volume of sewage treated	'000Ml	6	4	4	4	4
Sewage treatment ratios : (14)						
- primary	%	0	0	0	0	0
- secondary	%	100	100	100	100	100
- tertiary	%	0	0	0	0	0
Cost & Revenue Measures						
Average revenue received per property:						
- water	\$/Prop	613	604	632	686	782
- sewerage	\$/Prop	461	434	424	461	459
- drainage	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.
Average revenue per kl:						
- residential	\$/kl	0.38	0.40	0.41	0.44	0.52
- commercial	\$/kl	0.38	0.39	0.41	0.43	0.50
- government	\$/kl	0.38	0.45	0.53	0.64	0.70
- other	\$/kl	n.r.	n.r.	n.r.	n.r.	n.r.
- total	\$/kl	0.38	0.41	0.44	0.50	0.55
OMA costs per property served: (15)						
- water	\$/Prop	1 289	1 113	1 384	1 397	1 509
- sewerage	\$/Prop	466	576	458	455	468
- drainage	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.

POWER AND WATER AUTHORITY (continued)

NOTES TO INDICATORS FOR POWER AND WATER AUTHORITY

Key: n.p. - not provided; n.r. - not relevant.

- 1) PAWA is an integrated service provider and care should be taken in interpreting trends in assets, equity, revenue, expenses and staff numbers. A significant component of capital assets has been allocated between power and water segments. Total revenue includes a significant component of government contributions for community service obligations and to cover operating deficits up to 1993–94. A significant component of corporate level expense and headcount have been allocated between power and water segments, in the published accounts. The basis for this allocation has changed from year to year.
- 2) Based on revalued assets and current value depreciation for all years — actual for 1994–95 and estimated for previous years using WSAA model.
- 3) Total revenue includes funding for the cash deficit in the Authority's Aboriginal Essential Service Program and from 1996–97 a contribution to support the Northern Territory's uniform tariff policy in the face of high operating costs outside Darwin (country). Total revenue includes about \$10 million in Water Resources revenue up to 1995–96. Capital contributions were not separately identified and no deduction from total revenue has been made for this period.

POWER AND WATER AUTHORITY (continued)

NOTES TO INDICATORS FOR POWER AND WATER AUTHORITY (continued)

4) Community service obligations:

<i>Category of CSO</i>	<i>Method of valuation</i>	<i>Source of funding</i>	<i>Year</i>	<i>Cost (\$'000)</i>
Cost of funding uniform tariff policy to country services	Previous year accrual loss	NT Government	1996–97	12 573
Aboriginal community services	Cash deficit	NT Government	1992–93	7 930
			1993–94	8 422
			1994–95	10 706
			1995–96	8 470
			1996–97	11 424
Aboriginal community services	Cost of program	Commonwealth	1994–95	354
Water resources	Cash deficit	NT Government	1992–93	4 569
			1993–94	7 412
			1994–95	8 389
			1995–96	7 394
Water resources	Cost of program	Commonwealth	1992–93	807
			1993–94	715
			1994–95	401
			1995–96	492
Charitable organisations	Lost revenue	Internal	1994–95	197
			1995–96	190
			1996–97	230
Sporting bodies	Lost revenue	Internal	1994–95	8
			1995–96	8
			1996–97	9

- 5) Calculated as (production-billed)/production. For non-metro, consumption on remote Aboriginal communities is largely unmetered so an estimate is deducted from production.
- 6) There are no licensing agreements. PAWA currently monitors coastal outfalls at end of pipe, as mixing zones are yet to be determined. Inland regions are designed for zero release.
- 7) NHMRC 1987 guidelines used. For non-metro, there is 98 per cent compliance for major urban centres, and 85 per cent for all centres with populations greater than 100.
- 8) Ratings cover power, water and sewerage services.
- 9) Metro includes all of the Water Resources Division prior to and including 1995–96.

POWER AND WATER AUTHORITY (continued)

NOTES TO INDICATORS FOR POWER AND WATER AUTHORITY (continued)

- 10) Extrapolated back from 1994–95 using number of services as guide.
- 11) Defined as billed properties.
- 12) Sewerage services include vacant sewered blocks, of which there were 2000 in 1992–93, largely metro. Services exclude septic tanks.
- 13) Based on change in number of services.
- 14) Eight to ten per cent only maceration, grit and detritus removal from an ocean outfall which is scheduled to be closed down and re-routed to an upgraded treatment facility in the next two to three.
- 15) Operation, maintenance and administration costs defined by WSAA to exclude interest and depreciation.

ACTEW CORPORATION**Australian Capital Territory****Comments on own performance***Background*

ACTEW was formed in 1988 by the amalgamation of the ACT Electricity Authority with ACT Water. ACTEW supplies electricity and water to a population of approximately 300 000 people in the Canberra region. On 1 July 1995, ACTEW became a corporation and is subject to the payment of equivalent income and sales taxes and dividends to the ACT Government.

Generally, stringent planning requirements have often required higher service provision standards than would have been required elsewhere.

The Corporation serves the ACT but also provides its skills and seeks business opportunities elsewhere in Australia and the Asia Pacific region. ACTEW's major functions are:

- to supply water and energy, including electricity;
- to promote and manage the use of energy and water; and
- to collect and treat sewerage and to provide sewerage services.

Performance

Total revenues from ACTEW's water operations were \$96.5 million and operating profit before tax was \$7.7 million for the year. Earnings before interest and tax (EBIT) as a percentage of revenue was 14.8 per cent for the 1996–97 year.

ACTEW continues to be the provider of the lowest residential prices for water and sewerage of any major capital city in Australia whilst providing very high standards of reliability, service, water quality and sewerage treatment compliance.

Dynamic transformation

ACTEW's move from servicing a single market to compete against Australian and international competitors has transformed its operations and business culture. Competitive advantage is gained through an increased customer orientation by ACTEW's total workforce, resulting in unprecedented high levels of customer satisfaction. The Corporation has pursued strategies successfully in recent years to position itself for a future very different from its past. These strategies have given us the people, the skills, the resources and the business partners to continue to grow and prosper.

ACTEW CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios						
Return on assets	%	1.1	0.6	0.9	1.9	1.6
Return on operating assets	%	1.0	0.4	0.8	1.9	1.6
Operating sales margin	%	12.5	5.3	9.3	20.5	14.8
Return on equity	%	0.4	-0.2	0.3	0.8	0.6
Dividend to equity ratio	%	0.3	0.0	0.0	0.6	0.4
Dividend payout ratio	%	82.5	0.0	0.0	75.5	62.1
Debt to equity	%	6.9	6.6	6.0	7.2	6.9
Total liabilities to equity	%	8.1	8.1	8.0	7.2	8.5
Current ratio	%	220.9	124.7	119.7	234.1	321.5
Interest cover	%	144.6	78.5	135.9	250.2	218.0
Cost recovery ratio	%	104.3	103.8	99.7	115.3	133.8
Operational performance	%	0.3	0.3	0.0	1.1	2.6
Non-financial Ratios						
<i>Economic Factors</i>						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
<i>Efficiency</i>						
System water loss (as % of total volume supplied)	%	n.p.	n.p.	n.p.	n.p.	n.p.
OMA cost per 100km of main:						
- water	\$'000/100km	788	848	956	855	n.p.
- sewerage	\$'000/100km	942	1 115	1 189	1 074	n.p.
- drainage	\$'000/100km	n.p.	n.p.	n.p.	n.p.	n.p.
Employees per 1000 properties served:						
- water	Emp/'000Prop	2.8	2.9	2.7	n.p.	n.p.
- sewerage	Emp/'000Prop	2.8	2.8	2.8	n.p.	n.p.
Total days lost - total	%	3.20	4.70	3.98	3.49	3.05

ACTEW CORPORATION (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
<i>Effectiveness</i>						
Real price index:						
- water	Index	107.3	109.6	111.9	110.4	112.8
- sewerage	Index	121.8	129.5	128.7	125.1	128.5
- overall	Index	114.7	119.7	120.4	118.5	120.8
Real price movement:						
- residential	Index	n.p.	n.p.	n.p.	n.p.	n.p.
- commercial	Index	n.p.	n.p.	n.p.	n.p.	n.p.
- industrial	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Properties served per km of main:						
- water	No/km	39.2	38.8	40.1	40.3	40.5
- sewerage	No/km	39.1	39.6	40.9	41.7	41.0
- drainage	No/km	n.p.	n.p.	n.p.	n.p.	n.p.
Unsewered properties (% of total properties)	%	0	0	0	0	0
Flooding incidents per 100 km of main (sewers)	No/100km	n.p.	n.p.	99.5	83.4	85.0
<i>Service Quality</i>						
Compliance with sewerage effluent standards	%	100.0	98.0	96.0	97.3	100.0
Compliance with water quality standards:						
- health	%	99	100	100	100	100
- aesthetics	%	97	97	92	91	94
Water restrictions	%	0	0	0	0	0
Properties with service interruption	%	0	0	0	0	4
Average interruption duration:						
- water	Hr	n.p.	n.p.	4.5	4.5	4.5
- sewerage	Hr	n.p.	n.p.	1.0	1.0	1.0
Service restored within 5 hours	%	100	99	99	100	100
Customer satisfaction results	%	74	75	74	89	85
Main breaks per 100 km (water)	No/100km	14	13	14	11	13
Sewer chokes per 100 km	No/100km	89	109	120	102	146
<i>Size</i>						
Total assets	\$M	1 118	1 111	1 125	871	856
Total revenue	\$M	84	92	96	91	96
Total employment	No	601	637	611	602	n.p.

ACTEW CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Size (continued)						
Pipeline length:						
- water	km	2 694	2 793	2 830	2 877	2 895
- sewerage	km	2 704	2 737	2 774	2 784	2 806
- drainage	km	n.r.	n.r.	n.r.	n.r.	n.r.
Properties served:						
- water	'000	106	108	113	116	117
- sewerage	'000	106	108	113	116	115
- drainage	'000	n.r.	n.r.	n.r.	n.r.	n.r.
New housing allotments served	No	n.p.	n.p.	n.p.	n.p.	n.p.
Megalitres of water supplied	'000 Ml	50	59	61	53	62
Volume of sewage treated	'000 Ml	35	33	30	32	34
Sewage treatment ratios:						
- primary	%	0	0	0	0	0
- secondary	%	0	0	0	0	0
- tertiary	%	100	100	100	100	100
Cost & Revenue Measures						
Average revenue received per property:						
- water	\$/Prop	315	338	320	316	347
- sewerage	\$/Prop	334	361	369	376	393
- drainage	\$/Prop	n.p.	n.p.	n.p.	n.p.	n.p.
Average revenue per kl:						
- residential	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
- commercial	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
- industrial	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
- other	\$/kl	n.p.	n.p.	n.p.	n.p.	n.p.
- total	\$/kl	0.66	0.62	0.60	0.69	0.66
Cost & Revenue Measures						
OMA costs per property served:						
- water	\$/Prop	201	218	239	212	n.p.
- sewerage	\$/Prop	241	281	291	258	n.p.
- drainage	\$/Prop	n.r.	n.r.	n.r.	n.r.	n.r.

NOTES TO INDICATORS FOR ACTEW CORPORATION (WATER)

Key: n.p. - not provided; n.r. - not relevant.

4 URBAN TRANSPORT

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STATE TRANSIT AUTHORITY

New South Wales

Comments on own performance

State Transit is the largest operator of buses and ferries in Australia, with services covering much of metropolitan Sydney and Newcastle. State Transit is established under the *Transport Administration Act 1988* and, like other bus and ferry operators, works within the regulatory framework of the *Passenger Transport Act 1990*. State Transit's vision is of a quality urban environment underpinned by an efficient, attractive public transport network. In pursuit of this vision, State Transit is committed to providing services which meet customers' expectations, at efficient cost levels and with a superior level of customer service.

In recent years, State Transit has delivered significant service improvements, leading to increased patronage. In 1996–97 State Transit recorded its fourth consecutive year of passenger growth, with patronage increasing by 3.3 per cent to 210 million passenger journeys. This growth exceeded Sydney's population growth, demonstrating that State Transit is being successful in attracting more passengers to public transport. State Transit's service improvements include:

- more services and integrated ticketing with other public transport operators, increasing as the newly formed Public Transport Authority works to improve integration;
- a new fare system in Newcastle (time based fares) which contributed to a patronage growth of 4.7 per cent during the six months trial;
- improved customer service, through more flexible ticketing and passenger information and feedback systems;
- improved accessibility features in buses and ferries for the less mobile members of the community; and
- regular service reviews to ensure that services match changing community needs and that new services are established in areas of emerging needs.

State Transit's fleet of buses and ferries are being progressively improved, with 90 new buses having been put into service in 1996–97, offering vastly improved accommodation with full air conditioning and wheelchair accessibility. In 1998, two new 150 seat passenger vessels will be introduced to meet the growth on the Parramatta River.

In 1996–97 there was a significant increase to State Transit's cost base due primarily to:

- an increase in the cost of registration and compulsory third party insurance of \$7.2 million;
- the introduction of sales tax payments increasing costs by \$4.3 million; and
- an increase in depreciation and amortisation charges of \$9.3 million (40 per cent) mainly due to a revaluation of assets.

Despite this significant increase to the cost base, the Authority returned a surplus of \$1.1 million, beforeabnormals, compared with a profit of \$10.5 million in 1995–96.

STATE TRANSIT AUTHORITY(continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1,2,8)						
Return on assets	%	2.5	2.8	7.0	3.6	-0.4
Return on operating assets	%	2.1	1.9	6.6	2.8	-1.0
Operating sales margin	%	2.2	1.8	6.1	2.8	-0.9
Return on equity (3)	%	1.3	4.0	16.7	4.5	-0.9
Dividend to equity ratio	%	0.0	0.0	1.3	3.5	0.0
Dividend payout ratio	%	0.0	0.0	7.5	77.0	0.0
Debt to equity	%	91.8	56.9	37.2	24.4	20.7
Total liabilities to equity	%	355.6	254.2	182.0	134.1	134.0
Current ratio (4,5)	%	74.2	115.6	104.2	90.2	38.6
Interest cover	%	112.7	155.6	407.4	419.9	-61.6
Cost recovery ratio	%	103.3	104.0	111.5	102.8	100.5
Operational performance	%	2.9	3.9	11.2	2.8	0.5

Non-financial Ratios - All Operations***Economic Factors***

Total factor productivity (8)	Index	2.1	2.2	2.2	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.

Size

Total assets (6)	\$M	399	383	363	400	379
Total revenue	\$M	334	351	340	335	362
Cash box and other non-government revenue	\$'000	153 538	156 771	185 760	195 779	212 023

Non-financial Ratios - Sydney Buses***Economic Factors***

Total factor productivity (8)	Index	1.22	1.29	1.26	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.

Efficiency

Passenger revenue per total vehicle capacity kilometre	Cents/ TVCKm	4.98	4.53	5.20	5.30	5.58
Expenditure per total vehicle capacity kilometre	Cents/ TVCKm	6.15	5.34	5.30	5.50	6.05
Employees per vehicle	Emp/Veh	2.60	2.50	2.60	2.55	2.57
Vehicles in excess of maximum daily demand	%	9.3	13.7	11.1	11.1	11.1

SYDNEY BUSES (continued)

STATE TRANSIT AUTHORITY(continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
<i>Efficiency (continued)</i>						
Kilometres per vehicle	km/Veh	45 905	46 522	47 111	48 078	46 729
Vehicle kilometres per employee	km/Emp	19 246	20 865	20 297	20 364	20 194
Vehicle capacity kilometres per employee	'000 TVCkm/ Emp	1 256	1 494	1 324	1 329	1 318
Total days lost:						
- industrial disputes	%	0.00	0.00	0.00	0.00	0.00
- sick leave	%	4.90	5.10	5.00	4.60	4.49
- industrial accidents	%	1.50	2.00	0.70	0.80	0.63
- total	%	6.40	7.10	5.70	5.40	5.12
<i>Effectiveness</i>						
Real price index (7)	Index	107.40	108.30	106.40	104.50	106.70
Boardings per vehicle kilometre	Bd/km	2.8	2.7	2.7	2.7	2.7
Boardings per employee	Bd/Emp	54 004	56 984	55 634	54 927	54 618
Boardings per head of population:						
- metro	Bd/Hd	44.6	44.7	45.4	47.5	49.2
- catchment	Bd/Hd	95.9	96.2	97.7	102.2	105.9
<i>Service Quality</i>						
Service cancellations	%	0.70	0.20	0.20	0.33	0.27
Service delays	%	1.50	0.40	0.60	0.48	0.62
<i>Size</i>						
Total employment	No	3 053	2 903	3 022	3 225	3 360
Total vehicle kilometres	'000 km	58 759	60 571	61 339	65 674	67 851
Total passenger boardings	'000	164 873	165 424	168 126	177 141	183 517
Number of scheduled services	'000	4 741	5 026	3 980	4 131	4 255
Revenue vehicle fleet	No	1 280	1 302	1 302	1 366	1 452
<i>Cost and Revenue Measures</i>						
Average fare per boarding	\$/Bd	1.2	1.2	1.2	1.3	1.4
Passenger revenue per vehicle kilometre	\$/km	3.2	3.2	3.4	3.5	3.6
Passenger revenue per employee	\$/Emp	62 549	67 653	69 463	70 534	73 463
Expenditure per vehicle kilometre	\$/km	4.0	3.8	3.5	3.6	3.9
Expenditure per boarding	\$/Bd	1.4	1.4	1.3	1.3	1.5
Government operating subsidy	%	51.9	52.2	52.7	42.3	41.3

Non-financial Ratios - Sydney Ferries

STATE TRANSIT AUTHORITY(continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
<i>Economic Factors</i>						
Total factor productivity (8)	Index	0.98	0.88	0.94	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
<i>Efficiency</i>						
Passenger revenue per total vehicle capacity kilometre	Cents/ TVCKm	5.40	5.60	4.30	4.70	4.86
Expenditure per total vehicle capacity kilometre	Cents/ TVCKm	8.50	9.00	7.20	6.90	7.35
Employees per vehicle	Emp/Veh	19.20	17.00	17.60	18.60	18.95
Vehicles in excess of maximum daily demand	%	21.1	18.2	18.2	22.7	22.7
Kilometres per vehicle	km/Veh	43 609	47 308	49 962	49 259	49 519
Vehicle kilometres per employee	km/Emp	2 755	3 298	3 357	3 252	3 206
Vehicle capacity kilometres per employee	'000 TVCKm/ Emp	1 719	1 744	2 014	1 951	1 924
Total days lost:						
- industrial disputes	%	0.10	0.00	0.00	0.00	0.00
- sick leave	%	4.70	4.20	5.00	4.60	4.15
- industrial accidents	%	1.20	3.10	0.60	0.43	0.28
- total	%	6.10	7.30	5.60	5.03	4.43
<i>Effectiveness</i>						
Real price index (7)	Index	107.40	108.40	106.40	104.50	106.70
Boardings per vehicle kilometre	Bd/km	12.5	10.6	10.3	9.5	9.7
Boardings per employee	Bd/Emp	34 407	35 040	34 561	31 039	31 197
Boardings per head of population:						
- metro	Bd/Hd	3.4	3.5	3.6	3.4	3.5
- catchment	Bd/Hd	125.2	130.7	133.8	127.0	130.1
<i>Service Quality</i>						
Service cancellations	%	0.30	0.40	0.50	0.88	1.50
Service delays	%	0.00	0.30	0.40	0.54	0.90

SYDNEY FERRIES (continued)

STATE TRANSIT AUTHORITY(continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Size						
Total employment	No	364	373	387	409	417
Total vehicle kilometres	'000 km	1 003	1 230	1 299	1 330	1 337
Total passenger boardings	'000	10 425	11 045	11 874	12 695	13 009
Number of scheduled services	'000	125	130	130	130	130
Revenue vehicle fleet	No	23	26	26	27	27

Cost and Revenue Measures

Average fare per boarding	\$/Bd	2.7	2.8	2.5	2.9	3.0
Passenger revenue per vehicle kilometre	\$/km	33.8	29.6	25.7	28.1	29.2
Passenger revenue per employee	\$/Emp	93 209	97 523	86 408	91 487	93 523
Expenditure per vehicle kilometre	\$/km	53.1	47.8	43.3	41.0	44.1
Expenditure per boarding	\$/Bd	4.2	4.5	4.2	4.3	4.5
Government operating subsidy	%	52.2	42.4	38.9	41.2	37.3

Non-financial Ratios - Newcastle services

Economic Factors

Total factor productivity (8)	Index	1.55	1.62	1.69	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.

Efficiency

Passenger revenue per total vehicle capacity kilometre	Cents/ TVCKm	3.10	3.30	2.70	2.69	2.99
Expenditure per total vehicle capacity kilometre	Cents/ TVCKm	4.50	4.60	4.20	4.19	4.67
Employees per vehicle	Emp/Veh	2.53	2.53	2.46	2.48	2.45
Vehicles in excess of maximum daily demand	%	8.7	8.8	8.3	11.0	12.7
Kilometres per vehicle	km/Veh	55 809	57 719	58 112	59 135	57 701
Vehicle kilometres per employee	km/Emp	23 981	24 825	25 593	26 471	26 527
Vehicle capacity kilometres per employee	'000 TVCKm/ Emp	1 565	1 620	1 670	1 727	1 731
Total days lost:						
- industrial disputes	%	0.20	0.00	0.00	0.00	0.00
- sick leave	%	5.40	4.40	4.70	4.70	4.65
- industrial accidents	%	1.50	0.40	0.50	0.48	0.83
- total	%	7.20	4.90	5.20	5.18	5.48

NEWCASTLE SERVICES (continued)

Effectiveness

STATE TRANSIT AUTHORITY(continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Real price index (7)	Index	107.40	108.40	106.40	104.50	106.70
Boardings per vehicle kilometre	Bd/km	1.4	1.4	1.4	1.3	1.3
Boardings per employee	Bd/Emp	34 318	34 581	34 676	35 272	34 797
Boardings per head of population:						
- metro	Bd/Hd	49.4	49.1	51.1	50.9	50.6
- catchment	Bd/Hd	58.3	57.9	60.3	60.0	59.7
<i>Service Quality</i>						
Service cancellations	%	0.03	0.03	0.05	0.04	0.02
Service delays	%	7.53	6.92	7.88	7.20	6.93
<i>Size</i>						
Total employment	No	377	372	386	382	385
Total vehicle kilometres	'000 km	9 041	9 235	9 879	10 112	10 213
Total passenger boardings	'000	12 938	12 864	13 385	13 474	13 397
Number of scheduled services	'000	438	438	438	450	432
Revenue vehicle fleet	No	162	160	170	171	177
<i>Cost and Revenue Measures</i>						
Average fare per boarding	\$/Bd	1.4	1.6	1.3	1.3	1.5
Passenger revenue per vehicle kilometre	\$/km	2.1	2.2	1.8	1.7	2.0
Passenger revenue per employee	\$/Emp	49 239	54 142	45 039	45 882	51 810
Expenditure per vehicle kilometre	\$/km	3.0	3.0	2.8	2.8	3.1
Expenditure per boarding	\$/Bd	2.1	2.2	2.0	2.1	2.3
Government operating subsidy	%	65.5	67.5	58.6	54.4	57.4

Non-financial Ratios - Corporate Policy and Resources***Efficiency***

Total days lost:

- industrial disputes	%	0.00	0.00	0.00	0.00	0.00
- sick leave	%	3.40	3.70	2.00	2.90	2.58
- industrial accidents	%	0.00	0.00	0.00	0.00	0.00
- total	%	3.40	3.70	2.00	2.90	2.58

CORPORATE POLICY AND RESOURCES (continued)***Size***

STATE TRANSIT AUTHORITY(continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
Total employment	No	92	81	79	85	80
<i>Cost and Revenue Measures</i>						
Government operating subsidy	%	0.0	0.0	0.0	0.0	0.0

NOTES TO INDICATORS FOR STATE TRANSIT AUTHORITY

Key: n.p. - not provided; n.r. - not relevant.

- 1) In 1996–97 State Transit incurred an abnormal expense of \$5 million as provision for unfunded superannuation liabilities resulting from unprovided employer tax allocations in previous years. Had this expense not been incurred State Transit would have achieved a small operating profit.
- 2) The year ended 30 June 1997 is the first year during which State Transit has been subject to the full application of the NSW Treasury tax equivalent regime. In 1996–97 State Transit recorded a \$2.5 million income tax benefit.
- 3) This return is based on the average of the current and prior years.
- 4) During 1997–98 \$25.9 million of leases due for expiry will be extended for a further five years.
- 5) Short term investments funded from the sale of assets were used in 1996–97 to fund State Transit's capital works program.
- 6) During the year ended 1995–96, State Transit changed its accounting policy in relation to the valuation of property, plant and equipment in order to comply with NSW Treasury requirements. In accordance with these requirements, all property, plant and equipment, except wharf improvements and work in progress, have been revalued at balance date to current cost, subject to the revalued amount not exceeding the recoverable amount.
- 7) The real price index used is a weighted average for all product groups. During the period the index has been affected both by increases in ticket prices and a change in the mix of ticket types.

STATE TRANSIT AUTHORITY(continued)

NOTES TO INDICATORS FOR STATE TRANSIT AUTHORITY (continued)

- 8) For 1994–95, the method of calculating total factor productivity (TFP) differed from previous years. For individual modes, the data for bus services in 1990–91 has been used as a base. For GTE aggregate TFP indices (ie. across modes) data for 1990–91 has been used as a base. Previous to 1994–95, weighted average data was used as a base for all TFP indices.

- 9) Community service obligations :

<i>CSO category</i>	<i>Method of Valuation (All payments are State government explicit)</i>				
Free & Concessional Travel	The extent to which groups are entitled to free and concessional travel is determined by the Government. Reimbursement is based on the trips taken and the value of the fare reduction.				
Pricing CSO	Reflects the difference between fare scales charged by the Authority and an equivalent true commercial fare scale.				
Service CSO	Is paid in relation to off-peak services and which are above predetermined minimum service levels.				
Input Disability	Based on a portion of costs incurred as a result of being government owned, ie additional costs not incurred by private operators.				
<i>CSO category</i>	<i>1992–93 (\$ million)</i>	<i>1993–94 (\$ million)</i>	<i>1994–95 (\$ million)</i>	<i>1995–96 (\$ million)</i>	<i>1996–97 (\$ million)</i>
Free & concessional travel	97.5	101.1	101.3	102.6	111.2
Pricing CSO	n.a.	18.6	22.5	20.1	24.9
Service CSO	54.9 ^a	29.6	25.8	16.3	14.4
Input disability	15.3	13.0	2.8	0	0
Total	167.7	162.3	152.4	139.0	150.5

a In 1992-93 there was a combined Service and Pricing CSO.

BRISBANE TRANSPORT

Queensland

Comments on own performance

Brisbane Transport is the only major public transport undertaking by an Australian local government. The Brisbane City Council in committing itself to the delivery of quality, value for money passenger transport has identified ten themes in its Corporate Plan 1997–2001. Transport and Traffic feature as one of the themes for the ease of travel or ‘getting around’, as a good test of a city’s livability.

Following a public benefit assessment involving widespread consultations, a ‘fully commercialised model’ within Council is considered to be the appropriate vehicle by which to carry out the commercialised activities of Brisbane Transport. The transition to a fully commercialised business unit has required significant reform and restructuring processes, at operational and head office locations.

In 1996–97, bus patronage recorded a slight decline of 0.3 per cent, despite numerous improvements to bus services including Paddo Shuttle, Chermside Community Service, the Night Rider, Dial and Ride and the Brown Plains Cityxpress to mention a few.

Conversely, ferry patronage continued its exponential growth pattern, as witnessed by the significant use of ferry services by commuter users and more particularly the recreational market. In November 1996, six new Citycat catamarans commenced services from Hamilton to Queensland University, St Lucia. These services complemented the existing mono-hull cross river services.

Among the major achievements of the reform process in 1996–97 were:

- implementation of community based bus services;
- additional joint partnership arrangements with private bus operators;
- innovative services such as the Dial and Ride and Night Rider services;
- electronic ticketing and bus radio enhancements to the bus fleet;
- extension of the satellite depot concept by opening the Richlands depot to further develop the bus operator self managed teams concept;
- acquisition of 20 low floor wheel chair accessible buses;
- acquisition of 20 mini buses for use on local community service runs; and
- implementation of the up-down river ferry services with acquisition of six high speed, low wash catamaran ferries.

Brisbane Transport is continuing the reform process by undertaking a network re-design of all services, restructuring of all head office, regional offices and workshop and garage locations by re-designing work procedures. The reform agenda also allows for the review of bus operator award conditions and the proposed employment of casual and part-time staff.

BRISBANE TRANSPORT (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1)						
Return on assets	%	6.4	1.4	5.3	10.1	7.2
Return on operating assets	%	6.4	1.4	5.4	11.1	7.2
Operating sales margin	%	7.9	2.1	7.7	10.7	6.6
Return on equity	%	0.0	0.0	0.0	17.1	4.3
Dividend to equity ratio	%	0.0	0.0	0.0	0.0	14.8
Dividend payout ratio	%	n.p.	n.p.	n.p.	0.0	341.1
Debt to equity	%	57.7	100.9	147.4	115.5	129.2
Total liabilities to equity	%	9.4	108.7	199.9	163.1	191.3
Current ratio	%	24.0	95.0	59.7	87.8	91.0
Interest cover	%	100.0	100.0	100.0	251.6	127.7
Cost recovery ratio	%	49.5	47.8	59.3	55.1	55.9
Operational performance	%	-37.3	-33.5	-26.3	-41.6	-45.3

Non-financial Ratios***Economic Factors***

Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.

Efficiency

Passenger revenue per total vehicle capacity kilometre	Cents/ TVCKm	1.80	1.90	2.01	2.14	n.p.
Expenditure per total vehicle capacity kilometre	Cents/ TVCKm	0.04	0.04	0.04	0.04	n.p.
Employees per vehicle	Emp/Veh	3.22	3.21	2.87	2.33	2.50
Vehicles in excess of maximum daily demand	%	12.10	13.60	13.54	12.00	13.04
Kilometres per vehicle	km/Veh	52 797	54 340	53 452	56 682	52 675
Vehicle kilometres per employee	km/Emp	18 600	19 255	21 129	24 310	24 234
Vehicle capacity kilometres per employee	'000 TVCKm/ Emp	1 456	1 403	1 579	1 823	1 121
Total days lost:						
- industrial disputes	%	0.01	0.05	0.00	0.00	0.07
- sick leave	%	4.24	4.51	4.84	6.90	6.82
- industrial accidents	%	1.50	1.23	1.25	1.52	1.38
- total	%	5.75	5.79	6.09	8.42	8.27

Effectiveness (2)

BRISBANE TRANSPORT (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
Real price index	Index	92.00	91.00	87.00	110.77	123.84
Boardings per vehicle kilometre	Bd/km	1.4	1.4	1.5	1.4	1.4
Boardings per employee	Bd/Emp	25 522	27 079	32 484	33 784	32 944
Boardings per head of population:						
- metro	Bd/Hd	53.8	55.3	60.6	56.6	55.0
- catchment	Bd/Hd	66.8	55.3	60.6	56.6	55.0
Service Quality						
Service cancellations	%	n.p.	n.p.	n.p.	n.p.	0.07
Service delays	%	n.p.	n.p.	10.00	n.p.	n.p.
Size (1)						
Total assets	\$M	134	167	117	126	124
Total revenue	\$M	98	99	97	115	124
Cash box and other non-government revenue	'000	44 744	46 175	52 967	56 751	64 015
Total employment	No	1 618	1 603	1 485	1 357	1 378
Total vehicle kilometres	'000 km	30 094	30 865	31 376	32 989	33 080
Total passenger boardings	'000	41 294	43 406	48 239	45 845	44 969
Number of scheduled services	'000	2 099	2 088	1 704	1 628	1 635
Revenue vehicle fleet	No	570	568	587	582	628
Cost and Revenue Measures						
Average fare per boarding	\$/Bd	0.99	0.99	0.98	1.04	n.p.
Passenger revenue per vehicle kilometre	\$/km	1.35	1.39	1.51	1.61	n.p.
Passenger revenue per employee	\$/Emp	25 059	26 830	31 864	39 091	n.p.
Expenditure per vehicle kilometre	\$/km	3.26	3.34	3.08	3.26	n.p.
Expenditure per boarding	\$/Bd	2.38	2.37	2.01	2.12	n.p.
Government operating subsidy	%	54.4	53.1	46.2	54.3	n.p.

NOTES TO INDICATORS FOR BRISBANE TRANSPORT

Key: n.p. - not provided; n.r. - not relevant.

- 1) In 1996–97, Brisbane Transport has incorporated data from private operators who provide bus services under contract to Brisbane Transport. This data includes passenger boardings, revenue, contract expenditure and kilometres. Previously all data related to private operators was excluded.

BRISBANE TRANSPORT (continued)

NOTES TO INDICATORS FOR BRISBANE TRANSPORT (continued)

- 2) In 1996–97, Brisbane Transport calculated passenger boardings by reference to data collected on multi-trip ticket validations from Electronic Ticketing equipment. This resulted in a downward revision of the boarding factor applied to multi-trip tickets. Consequently the 1995–96 comparative data applying to boardings has been adjusted.

TRANSADELAIDE**South Australia****Comments on own performance**

The 1996–97 financial year was a year of consolidation of our business environment with TransAdelaide in October 1996 being awarded the Outer North–East and the North–East Cross Suburban contracts.

Following the awarding of these contracts a review of the tendering process was announced. With this pause in competitive tendering, TransAdelaide was able to negotiate the remaining contracts with the Passenger Transport Board. These contracts commenced in January 1997.

This decision allowed the remaining worksite agreements to be implemented and now all employees have in operation significant worksite reforms on which TransAdelaide can build upon. In addition new work practices were also introduced in the rail area and the benefits from these practices are now evident in our financial returns.

To further enhance our position, TransAdelaide marketing and customer service initiatives have now become regionally based to ensure that our services are tailored to meet the needs of local residents.

This has lead to a positive patronage trend in the latter part of the financial year. This reverses the trend of years of patronage loss and vindicates our approach of involving employees and customers in our business.

The progress TransAdelaide has achieved has enabled us to become more focussed, competitive and innovative. This success has been widely acknowledged in the public transport industry.

TRANSADELAIDE (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios - All operations						
Return on assets	%	6.5	5.2	6.7	6.3	6.8
Return on operating assets	%	6.4	5.2	6.7	6.1	6.7
Operating sales margin	%	14.4	11.7	14.1	11.8	13.9
Return on equity	%	2.7	1.0	1.6	4.5	4.5
Dividend to equity ratio	%	0.0	0.0	0.0	0.0	0.1
Dividend payout ratio	%	0.0	0.0	0.0	0.0	1.3
Debt to equity	%	157.3	151.9	143.3	115.6	89.4
Total liabilities to equity	%	198.2	186.0	188.2	156.5	115.9
Current ratio	%	51.8	38.0	59.0	36.9	76.2
Interest cover	%	116.7	107.2	109.0	135.5	139.8
Cost recovery ratio	%	42.4	38.5	41.3	5.4	7.5
Operational performance	%	- 21.5	- 24.0	- 23.8	- 43.1	- 37.5

Non-financial Ratios - All operations***Economic Factors***

Total factor productivity (10)	Index	1.37	1.38	1.51	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.

Efficiency

Passenger revenue per total vehicle capacity kilometre	Cents/TVCKm	1.70	1.59	1.50	n.p.	n.p.
Expenditure per total vehicle capacity kilometre	Cents/TVCKm	5.20	5.31	4.90	4.90	4.90
Employees per vehicle	Emp/Veh	4.20	3.79	3.50	3.30	3.10
Vehicles in excess of maximum daily demand	%	13.5	13.0	13.3	13.9	15.5
Kilometres per vehicle	km/Veh	53 255	53 065	54 920	59 999	58 291
Vehicle kilometres per employee	km/Emp	14 449	15 802	17 628	20 730	21 979
Vehicle capacity kilometres per employee	'000 TVCKm/Emp	n.p.	n.p.	n.p.	n.r.	n.r.
Total days lost: (1)						
- industrial disputes	%	0.00	0.00	0.04	0.28	0.01
- sick leave	%	3.26	3.67	4.52	4.47	4.44
- industrial accidents	%	1.67	1.57	1.41	1.29	0.98
- total	%	4.93	5.24	5.12	5.45	5.43

ALL OPERATIONS (continued)

TRANSADELAIDE (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
<i>Effectiveness</i>						
Real price index (4)	Index	103.30	101.60	101.65	105.05	109.95
Boardings per vehicle kilometre	Bd/km	1.5	1.4	1.3	1.3	1.3
Boardings per employee	Bd/Emp	21 296	22 370	23 285	26 781	28 901
Boardings per head of population:						
- metro (2)	Bd/Hd	61.4	60.9	57.9	52.8	48.4
- catchment (3)	Bd/Hd	62.3	61.7	58.7	53.6	49.2
<i>Service Quality</i>						
Service cancellations	%	n.p.	n.p.	n.p.	n.p.	n.p.
Service delays	%	n.p.	n.p.	n.p.	n.p.	n.p.
<i>Size</i>						
Total assets (7)	\$M	510	502	422	375	432
Total revenue	\$M	224	222	217	205	191
Cash box and other non-government revenue	\$'000	55 681	53 355	54 982	10 596	7 161
Total employment (8)	No	3 107	2 925	2 683	2 136	1 822
Total vehicle kilometres	'000 km	44 894	46 220	47 286	44 279	40 046
Total passenger boardings	'000	66 168	65 433	62 463	57 205	52 658
Number of scheduled services	'000	2 430	2 585	2 494	2 086	1 879
Revenue vehicle fleet	No	843	871	861	738	687
<i>Cost and Revenue Measures</i>						
Average fare per boarding	\$/Bd	1.05	1.01	1.04	n.p.	n.p.
Passenger revenue per vehicle kilometre	\$/km	1.54	1.42	1.38	n.p.	n.p.
Passenger revenue per employee	\$/Emp	22 295	22 510	24 297	n.p.	n.p.
Expenditure per vehicle kilometre	\$/km	4.75	4.77	4.44	4.45	4.59
Expenditure per boarding	\$/Bd	3.23	3.37	3.36	3.44	3.49
Government operating subsidy	%	76.4	76.6	79.7	96.9	102.2

Non-financial Ratios - Buses

TRANSADELAIDE (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
<i>Economic Factors</i>						
Total factor productivity (10)	Index	1.08	1.11	1.25	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
<i>Efficiency</i>						
Passenger revenue per total vehicle capacity kilometre (5)	Cents/ TVCKm	2.00	1.86	1.80	n.p.	n.p.
Expenditure per total vehicle capacity kilometre (5, 6)	Cents/ TVCKm	5.00	5.17	4.80	n.p.	n.p.
Employees per vehicle	Emp/Veh	3.50	3.16	2.90	2.90	2.70
Vehicles in excess of maximum daily demand	%	11.7	11.2	11.3	12.6	14.3
Kilometres per vehicle	km/Veh	53 486	52 860	55 001	60 039	57 631
Vehicle kilometres per employee	km/Emp	17 071	18 624	20 763	23 640	24 091
Vehicle capacity kilometres per employee	'000 TVCKm/ Emp	1 266	1 353	1 513	1 674	1 706
<i>Effectiveness</i>						
Boardings per vehicle kilometre	Bd/km	1.43	1.33	1.23	1.21	1.24
Boardings per employee	Bd/Emp	24 333	24 729	25 638	28 675	29 812
<i>Service Quality</i>						
Service cancellations	%	n.p.	0.21	0.19	n.p.	n.p.
Service delays (9)	%	n.p.	0.29	0.13	n.p.	n.p.
<i>Size</i>						
Total employment (8)	No	2 237	2 038	1 931	1 567	1 354
Total vehicle kilometres	'000 km	38 189	39 222	40 096	37 044	32 619
Total passenger boardings	'000	54 435	52 080	49 511	44 933	40 366
Number of scheduled services	'000	2 236	2 389	2 303	1 890	1 683
Revenue vehicle fleet	No	714	742	729	617	566
<i>Cost and Revenue Measures</i>						
Average fare per boarding	\$/Bd	1.04	1.02	1.04	n.p.	n.p.
Passenger revenue per vehicle kilometre	\$/km	1.48	1.35	1.28	n.p.	n.p.
Passenger revenue per employee	\$/Emp	25 224	25 130	26 601	n.p.	n.p.
Expenditure per vehicle kilometre	\$/km	3.7	3.8	3.5	n.p.	n.p.
Expenditure per boarding	\$/Bd	2.6	2.8	2.9	n.p.	n.p.
Government operating subsidy	%	74.1	74.5	76.3	n.p.	n.p.
Non-financial Ratios - Trains						

TRANSADELAIDE (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
<i>Economic Factors</i>						
Total factor productivity (10)	Index	0.57	0.58	0.62	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
<i>Efficiency</i>						
Passenger revenue per total vehicle capacity kilometre (5)	Cents/ TVCKm	0.90	0.86	0.90	n.p.	n.p.
Expenditure per total vehicle capacity kilometre (5, 6)	Cents/ TVCKm	5.50	5.44	5.00	n.p.	n.p.
Employees per vehicle	Emp/Veh	8.30	7.80	7.10	5.60	4.40
Vehicles in excess of maximum daily demand	%	17.4	17.4	19.4	13.6	13.6
Kilometres per vehicle	km/Veh	55 296	58 157	58 712	65 470	66 930
Vehicle kilometres per employee	km/Emp	7 845	8 760	9 915	13 375	17 339
Vehicle capacity kilometres per employee	'000 TVCKm/ Emp	1 512	1 686	1 902	2 683	3 478
<i>Effectiveness</i>						
Boardings per vehicle kilometre	Bd/km	1.64	1.78	1.68	1.60	1.54
Boardings per employee	Bd/Emp	12 879	15 628	16 652	21 350	26 705
<i>Service Quality</i>						
Service cancellations	%	0.10	0.00	n.p.	n.p.	n.p.
Service delays (9)	%	13.80	7.90	n.p.	n.p.	n.p.
<i>Size</i>						
Total employment (8)	No	761	694	657	490	386
Total vehicle kilometres	'000 km	5 972	6 281	6 517	6 547	6 693
Total passenger boardings	'000	9 804	11 205	10 945	10 451	10 308
Number of scheduled services	'000	150	151	147	151	151
Revenue vehicle fleet	No	108	108	111	100	100
<i>Cost and Revenue Measures</i>						
Average fare per boarding	\$/Bd	1.07	0.92	1.04	n.p.	n.p.
Passenger revenue per vehicle kilometre	\$/km	1.8	1.7	1.8	n.p.	n.p.
Passenger revenue per employee	\$/Emp	13 769	14 448	17 312	n.p.	n.p.
Expenditure per vehicle kilometre	\$/km	10.7	10.5	9.6	n.p.	n.p.
Expenditure per boarding	\$/Bd	6.5	5.9	5.7	n.p.	n.p.
Government operating subsidy	%	81	82	88	n.p.	n.p.
Non-financial Ratios - Trams						
<i>Economic Factors</i>						

TRANSADELAIDE (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
Total factor productivity (10)	Index	0.51	0.56	0.57	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
<i>Efficiency</i>						
Passenger revenue per total vehicle capacity kilometre (5)	Cents/ TVCKm	2.60	2.80	2.80	n.p.	n.p.
Expenditure per total vehicle capacity kilometre (5, 6)	Cents/ TVCKm	9.20	8.00	7.20	n.p.	n.p.
Employees per vehicle	Emp/Veh	9.10	8.50	7.80	6.60	6.80
Vehicles in excess of maximum daily demand	%	75.0	75.0	75.0	75.0	75.0
Kilometres per vehicle	km/Veh	34 905	34 143	32 048	32 762	34 952
Vehicle kilometres per employee	km/Emp	6 741	7 029	7 156	8 654	8 951
Vehicle capacity kilometres per employee	'000 TVCKm/ Emp	845	901	917	1 101	1 145
<i>Effectiveness</i>						
Boardings per vehicle kilometre	Bd/km	2.63	3.00	2.98	2.65	2.70
Boardings per employee	Bd/Emp	17 739	21 059	21 341	22 906	24 195
<i>Service Quality</i>						
Service cancellations	%	n.p.	0.00	0.0	n.p.	n.p.
Service delays (9)	%	n.p.	0.00	0.00	n.p.	n.p.
<i>Size</i>						
Total employment (8)	No	109	99	94	80	82
Total vehicle kilometres	'000 km	733	717	673	688	734
Total passenger boardings	'000	1 929	2 148	2 007	1 821	1 984
Number of scheduled services	'000	44	45	44	45	45
Revenue vehicle fleet	No	21	21	21	21	21
<i>Cost and Revenue Measures</i>						
Average fare per boarding	\$/Bd	1.22	1.19	1.21	n.p.	n.p.
Passenger revenue per vehicle kilometre	\$/km	3	4	4	n.p.	n.p.
Passenger revenue per employee	\$/Emp	21 721	25 088	25 829	n.p.	n.p.
Expenditure per vehicle kilometre	\$/km	11	10	9	n.p.	n.p.
Expenditure per boarding	\$/Bd	4	3	3	n.p.	n.p.
Government operating subsidy	%	79	72	70	n.p.	n.p.

TRANSADELAIDE (continued)

NOTES TO INDICATORS FOR TRANSADELAIDE

Key: n.p. - not provided; n.r. - not relevant.

- 1) Based on 230 available working days per person.
- 2) Population estimates for metro area based on figures for Adelaide Statistical Division, (ABS Cat. No. 3202.4) for June 1988 to June 1993. Figure for 30 June 1996 based on assumed 1993–96 growth of 0.4 percent.
- 3) Catchment population derived as Adelaide Statistical Division minus D.C. of Willunga.
- 4) Calculated on the basis of movements in fare revenue per journey.
- 5) For the purposes of inter-system comparison, vehicle capacity figures (ie number of seated-standees for each vehicle) are calculated here on the notional basis of seated plus 50 per cent for buses and seated plus 100 per cent for trams and railcars. In practice, the number of standees permitted on all STA vehicles is determined by safety considerations on an individual vehicle basis. In the case of trams and railcars, the number standees permitted never exceeds 32.
- 6) Expenditure includes abnormals.
- 7) Asset figures provided are written down values based on the following valuation methods:
 - replacement cost adjusted for age and condition;
 - current market valuation; and
 - historical cost less accumulated depreciation.
- 8) Employee numbers are full time equivalents at 30 June 1997.
- 9) Service delay figures not provided.
- 10) The method of calculating total factor productivity (TFP) for 1994–5 differs from previous years. For individual modes, the data for bus services in 1990–91 has been used as a base. For GTE aggregate TFP indices (ie. across modes) data for 1990–91 has been used as a base. In previous years, weighted average data was used as a base for all TFP indices.

METROBUS

Western Australia

Comments on own performance

The Metropolitan (Perth) Passenger Transport Trust (MTT) was established by an Act of Parliament that was proclaimed in January 1958. Prior to its establishment public transport services were provided by private operators. The faltering financial viability of private operators resulted in government intervention to ensure a reliable public transport system. The public transport system adopted the trading name of Transperth in 1986 to provide a strong visual cohesion to the bus, train and ferry services and facilities it provided. As part of the government's transport reform strategy Transperth was restructured during the latter part of 1993–94. The reforms included the establishment of a Public Transport Co-ordinator within the Department of Transport which is responsible for public transport policy, planning and the co-ordination of competitive tendering of route service contracts. MetroBus was the trading name adopted by the MTT subsequent to the restructure. The change has allowed MetroBus to concentrate on the provision of cost effective public transport services. As the government owned operator it is competing for service contracts as they are tendered.

Since the reform process commenced in September 1993, MetroBus has achieved annual audited savings of \$37.9 million in real terms. Over the past three years MetroBus has won three tenders with a further six being transferred to three private operators.

On 5 October 1997, the Minister for Transport announced that the remaining business and the three tenders previously won by MetroBus, will be tendered out to the private sector. MetroBus will cease to operate in mid July 1998.

METROBUS (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios - All operations						
Return on assets (1,5)	%	4.1	36.3	183.7	-31.5	4.8
Return on operating assets (1,5)	%	4.3	39.0	205.9	-43.5	6.9
Operating sales margin	%	3.4	23.6	71.4	-37.2	2.9
Return on equity (1,5)	%	13.7	-128.4	-878.1	n.p.	n.p.
Dividend to equity ratio (1,5)	%	0.0	0.0	0.0	n.p.	n.p.
Dividend payout ratio	%	0.0	0.0	0.0	n.p.	n.p.
Debt to equity (1,5)	%	-250.9	-360.9	-216.9	0.0	0.0
Total liabilities to equity (1,5)	%	-477.3	-640.6	-555.2	-375.2	-210.3
Current ratio	%	154.0	424.1	316.7	120.1	152.7
Interest cover	%	51.0	489.6	2 012.3	-602.7	n.p.
Cost recovery ratio	%	63.3	64.9	64.5	50.6	26.5
Operational performance (1,5)	%	-42.7	-44.4	-29.2	-76.1	-171.4

Non-financial Ratios - All operations***Economic Factors***

Total factor productivity (4)	Index	1.87	2.07	2.12	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.

Efficiency

Passenger revenue per total vehicle capacity kilometre	Cents/ TVCKm	1.25	1.27	1.44	1.87	0.93
Expenditure per total vehicle capacity kilometre	Cents/ TVCKm	4.90	4.70	4.06	4.10	3.67
Employees per vehicle	Emp/Veh	3.20	3.20	2.40	1.88	1.94
Vehicles in excess of maximum daily demand	%	15.7	15.1	11.3	9.6	10.2
Kilometres per vehicle	km/Veh	58 554	62 692	56 809	47 580	69 455
Vehicle kilometres per employee	km/Emp	21 010	22 852	26 724	30 403	35 775
Vehicle capacity kilometres per employee	'000 TVCKm/ Emp	1 667	1 944	1 823	1 981	1 782
Total days lost:						
- industrial disputes	%	n.p.	n.p.	n.p.	n.p.	n.p.
- sick leave	%	n.p.	n.p.	n.p.	n.p.	n.p.
- industrial accidents	%	n.p.	n.p.	n.p.	n.p.	n.p.
- total	%	n.p.	n.p.	n.p.	n.p.	n.p.

ALL OPERATIONS(continued)

METROBUS (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
<i>Effectiveness</i>						
Real price index	Index	120.53	140.09	142.48	143.96	142.25
Boardings per vehicle kilometre (2)	Bd/km	1.1	1.1	1.0	1.0	1.0
Boardings per employee (2)	Bd/Emp	23 757	25 804	26 819	29 212	34 294
Boardings per head of population:						
- metro (2)	Bd/Hd	52.1	54.3	38.9	38.6	42.5
- catchment (2)	Bd/Hd	n.r.	n.r.	n.r.	n.r.	n.r.
<i>Size</i>						
Total assets (1)	\$M	196	195	130	78	40
Total revenue (5)	\$M	231	302	418	89	78
Cash box and other non-government revenue (7)	\$'000	41 908	54 352	32 841	57 977	19 043
Total employment	No	2 734	2 694	1 815	1 543	862
Total vehicle kilometres	'000 km	57 442	61 564	48 514	47 580	30 838
Total passenger boardings (2)	'000	64 953	69 516	48 757	45 717	29 561
Number of scheduled services	'000	2 413	2 532	2 212	2 096	1 325
Revenue vehicle fleet	No	981	982	854	833	444
<i>Cost and Revenue Measures</i>						
Average fare per boarding (2)	\$/Bd	0.88	0.96	0.98	1.27	0.64
Passenger revenue per vehicle kilometre	\$/km	1.00	1.08	0.98	1.87	0.62
Passenger revenue per employee	\$/Emp	20 916	24 722	26 216	56 880	22 092
Expenditure per vehicle kilometre	\$/km	3.91	3.98	2.77	2.67	2.43
Expenditure per boarding (2)	\$/Bd	3.46	3.53	2.75	2.78	2.53
Government operating subsidy	%	84.1	83.9	81.9	23.2	76.1

Non-financial Ratios - Buses

METROBUS (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
<i>Economic Factors</i>						
Total factor productivity	Index	0.95	1.04	1.08	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
<i>Efficiency</i>						
Passenger revenue per total vehicle capacity kilometre	Cents/TVC km	1.30	1.40	1.44	1.87	0.93
Expenditure per total vehicle capacity kilometre	Cents/TVCkm	4.30	4.40	4.03	4.10	3.67
Employees per vehicle	Emp/Veh	2.80	2.70	2.37	1.88	1.94
Vehicles in excess of maximum daily demand	%	16.3	15.8	11.2	9.6	10.2
<i>Efficiency</i>						
Kilometres per vehicle	km/Veh	54 215	54 483	56 983	57 119	69 455
Vehicle kilometres per employee	km/Emp	22 722	23 279	26 747	30 403	35 775
Vehicle capacity kilometres per employee	'000 TVCkm/Emp	1 522	1 543	1 825	1 981	1 782
<i>Effectiveness</i>						
Boardings per vehicle kilometre (2)	Bd/km	1.02	0.95	1.00	0.96	0.96
Boardings per employee (2)	Bd/Emp	23 077	22 071	26 728	27 398	34 294
<i>Service Quality</i>						
Service cancellations (6)	%	0.08	0.10	0.11	0.90	0.03
Service delays	%	0.14	0.18	0.15	0.10	0.02
<i>Size</i>						
Total employment	No	2 176	2 090	1 813	1 565	862
Total vehicle kilometres	'000 km	49 443	48 653	48 492	47 580	30 838
Total passenger boardings (2)	'000	50 215	46 129	48 459	45 717	29 561
Number of scheduled services	'000	2 227	2 275	2 198	2 096	1 325
Revenue vehicle fleet	No	912	893	851	833	444
<i>Cost and Revenue Measures</i>						
Average fare per boarding (2)	\$/Bd	0.83	1.18	0.68	1.27	0.64
Passenger revenue per vehicle kilometre	\$/km	0.85	1.12	0.68	1.22	0.62
Passenger revenue per employee	\$/Emp	19 259	26 006	18 114	37 046	22 092
Expenditure per vehicle kilometre	\$/km	2.9	2.9	2.8	2.7	2.4
Expenditure per boarding (2)	\$/Bd	2.8	3.0	2.8	2.8	2.5

METROBUS (continued)

NOTES TO INDICATORS FOR METROBUS

Key: n.p. - not provided; n.r. - not relevant.

- 1) It should be noted that prior to 1994–95 assets pertaining to rail infrastructure are not MetroBus (Transperth) assets but belong to Westrail who provided the suburban rail services under contract to MetroBus (Transperth). MetroBus was not associated with the provision of train services during 1994–95.
- 2) Boardings include charter boardings calculated for this report on the basis of number of charter trips times average rigid bus fleet capacity. These boardings are only used for this particular report.
- 3) Asset valuation by MetroBus utilises an historical costing methodology.
- 4) The method of calculating total factor productivity (TFP) indices for 1994–95 differs from previous years. For individual modes, the data for bus services in 1990–91 has been used as a base. For GTE aggregate TFP indices (ie. across modes) data for 1990–91 has been used as a base. In previous years, weighted average data was used as a base for all TFP indices.
- 5) 1994–95 financial ratios and total revenue are affected by abnormal items of \$275.9 million which relate to actuarial adjustments to superannuation provisions.
- 6) The 1995–96 figure for service cancellations is higher than in previous years as a result of industrial action by drivers during the year. The level of service cancellations for other reasons is consistent with previous years.
- 7) Revenue for 1995–96 included \$13.1 million of rail ticket vending machines cash collected by MetroBus under contract.

METROPOLITAN TRANSPORT TRUST**Tasmania****Comments on own performance**

Metro was established in 1954 to take over public transport supplied by local authorities in Hobart and Launceston. Metro became a Government Business Enterprise (GBE) subject to the *Government Business Enterprise Act 1995* (GBE Act) on 1 July 1995.

The GBE Act provides a framework that enables Tasmania's GBEs to manage their operational affairs with greater independence, whilst providing for better strategic oversight, accountability and improved commercial performance. In this way, the Act contributes to maximising the long-term sustainable returns to the State and improving the efficient operation of the whole economy. Metro's operating environment was regulated during this survey, by the *Metropolitan Transport Act 1954*, which prescribes the areas in which it may operate and its powers and functions. In 1996–97 a three year funding contract was negotiated with Government to continue to provide bus services at the then current levels.

The following reforms are to be introduced in 1997–98:

- repeal the Metropolitan Transport Act 1954;
- introduce new legislation to vest ownership and management responsibility of Metro in a new corporate entity subject to corporations law while retaining Government ownership; and
- vest those powers of public transport policy and regulatory arrangements, previously exercised by Metro, with the Department of Transport.

During 1997, the Government Prices Oversight Commission, established under the *Government Prices Oversight Act 1995* as an independent commission to investigate and report on the pricing policies of GBEs, reviewed Metro's fare structure and determined the revenue required to fund the current level of Metro services. The Government chose not to implement the Commission's fare recommendations in relation to increased prices, choosing to limit future increases to annual CPI.

Services are increasingly patronised by children and adult concession passengers. In the period under review, the percentage of full fare-paying adult passengers decreased from 33 percent in 1990–91 to 25 percent in 1996–97. Metro obtains reimbursement from the Government for costs incurred in providing transport for school travel. Although no reimbursement is received explicitly for uneconomic activities other than school travel, Metro received a contribution to its operations of \$12.3 million in 1996–97.

The 1996–97 deficit before 'abnormal items' decreased by 20.9 per cent in actual terms. Abnormal changes of \$3.9 million were incurred principally as the result of an adjustment

METROPOLITAN TRANSPORT TRUST (continued)

to superannuation provisions. Operating kilometres were reduced by 3.6 per cent because of rationalising poorly patronised services. These changes had little affect on patronage.

METROPOLITAN TRANSPORT TRUST (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios						
Return on assets (1,5,6,7)	%	29.4	-3.2	-5.5	-7.8	-5.1
Return on operating assets (1,5,6,7)	%	46.8	-16.9	-16.1	-15.2	-12.3
Operating sales margin (1,5,6,7)	%	32.1	-20.5	-22.6	-21.3	-16.9
Return on equity (2,5,6,7)	%	53.9	-10.1	-12.6	-18.6	-13.0
Dividend to equity ratio	%	0.0	0.0	0.0	0.0	0.0
Dividend payout ratio (2)	%	0.0	0.0	0.0	0.0	0.0
Debt to equity (3)	%	23.3	21.6	21.0	29.2	35.4
Total liabilities to equity	%	84.6	86.0	92.3	113.9	138.8
Current ratio (4)	%	120.9	87.9	323.1	46.6	33.5
Interest cover (1,5,6,7)	%	1 530.1	-194.2	-352.6	-496.7	-313.6
Cost recovery ratio (1)	%	37.8	46.4	50.4	49.2	55.2
Operational performance (1)	%	-61.7	-47.2	-38.5	-38.9	-33.6
Non-financial Ratios						
<i>Economic Factors</i>						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	0.00
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	0.00
<i>Efficiency</i>						
Passenger revenue per total vehicle capacity kilometre (9)	Cents/ TVCKm	1.37	1.27	1.34	1.32	1.42
Expenditure per total vehicle capacity kilometre	Cents/ TVCKm	4.62	5.20	4.84	4.98	4.91
Employees per vehicle	Emp/Veh	2.38	2.28	2.22	2.22	2.20
Vehicles in excess of maximum daily demand	%	14.10	13.00	13.24	9.77	11.90
Kilometres per vehicle	km/Veh	43 588	44 165	44 630	47 593	48 098
Vehicle kilometres per employee	km/Emp	20 850	21 857	22 680	24 155	24 708
Vehicle capacity kilometres per employee	'000 TVCKm/ Emp	1 331	1 383	1 507	1 561	1 597
Total days lost:						
- industrial disputes	%	0.00	0.00	0.00	0.00	0.00
- sick leave	%	2.52	3.52	3.30	2.93	2.83
- industrial accidents	%	0.13	0.44	3.00	3.34	3.47
- total	%	2.65	3.96	6.30	6.26	6.30
<i>Effectiveness</i>						

METROPOLITAN TRANSPORT TRUST (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
Real price index	Index	117.77	117.70	124.68	123.90	140.72
Boardings per vehicle kilometre	Bd/km	1.1	1.1	1.1	1.0	1.0
Boardings per employee	Bd/Emp	23 539	23 935	24 521	24 205	24 290
Boardings per head of population:						
- metro	Bd/Hd	45.8	43.9	43.9	43.1	40.9
- catchment	Bd/Hd	50.7	48.6	48.6	47.6	45.2
<i>Service Quality</i>						
Service cancellations	%	n.p.	n.p.	n.p.	n.p.	0.00
Service delays	%	n.p.	n.p.	n.p.	n.p.	0.00
<i>Size</i>						
Total assets	\$M	64	65	63	57	56
Total revenue	\$M	48	32	31	31	31
Cash box and other non-government revenue (8)	\$'000	12 754	11 836	11 604	10 336	11 165
Total employment	Emp	508	491	480	465	438
Total vehicle kilometres	'000 km	10 592	10 732	11 068	11 232	10 822
Total passenger boardings	'000	11 958	11 752	11 770	11 558	10 639
Number of scheduled services	'000	880	808	808	740	668
Revenue vehicle fleet	No	243	243	248	236	225
<i>Cost and Revenue Measures</i>						
Average fare per boarding (9)	\$/Bd	0.77	0.73	0.83	0.83	0.93
Passenger revenue per vehicle kilometre (9)	\$/km	0.87	0.80	0.88	0.86	0.92
Passenger revenue per employee (9)	\$/Emp	18 181	17 546	20 231	20 660	22 695
Expenditure per vehicle kilometre	\$/km	2.95	3.26	2.85	3.22	3.17
Expenditure per boarding	\$/Bd	2.61	2.98	2.68	3.13	3.23
Government operating subsidy	%	62.1	58.2	61.1	57.3	56.30

METROPOLITAN TRANSPORT TRUST (continued)

NOTES TO INDICATORS FOR METROPOLITAN TRANSPORT TRUST

Key: n.p. - not provided; n.r. - not relevant.

- 1) Gross interest charges excludes operating lease charges.
- 2) Income tax equivalent payable to State Government commencing 1990–91 at company tax rate.
- 3) Debt includes bank overdraft.
- 4) Current assets include stores.
- 5) 1992–93 results from adjustments to superannuation provisions.
- 6) 1993–94 financial indicators affected by a loss on property revaluation. 1994–95 financial indicators affected by revaluation of bus fleet. 1995–96 financial indicators affected by property and bus revaluations and a change in accounting policy regarding workers compensation charges and redundancies. 1996–97 financial indicators affected by adjustments to superannuation, workers' compensation and redundancies.
- 7) Asset revaluations:

<i>Category of asset</i>	<i>Method of valuation</i>	<i>Date of revaluation</i>	<i>Impact of revaluation (\$ million)</i>
Land and buildings	Open market valuation	June 1996	-2.76
Buses	Deprival Value	June 1995	-3.9
Sundry	Historical	not applicable	not applicable

- 8) Includes profit on fixed asset disposals, but not proceeds.
- 9) No payments are received to compensate for concession fares, concessions include free school travel for some children, notional fares revenue has been included.

ACTION

Australian Capital Territory

Comments on own performance

ACTION (Australian Capital Territory (ACT) Internal Omnibus Network) is a division of the ACT Government's Department of Urban Services. ACTION was established in 1977 under the provisions of the *Motor Omnibus Services Act 1955* but had operated previously as the Canberra Bus Service as a unit of various Federal government departments with responsibility for the ACT.

ACTION provides public transport services in the form of scheduled urban and school bus services throughout the entire Canberra metropolitan area. As the ACT private bus sector is small and concentrates on tourist/charter work plus some special school services, ACTION has an almost non-competitive environment. Following the introduction of self government for the ACT in May 1989, there have been substantial changes in ACTION's financial arrangements. It is now liable for the payment of State and Federal taxes and charges (excluding payroll tax), has assumed responsibility for a range of corporate service functions and costs previously provided centrally by the Department, and pays debt servicing charges on capital advances, including on assets transferred to the ACT on self government.

A budget strategy of reducing the real level of Government outlays commenced in 1992–93 and by 1994–95 savings of more than \$10 million had been achieved through productivity and efficiency initiatives. The savings strategy has continued with the ACT Office of Financial Management and ACTION agreeing to a further reduction of \$12.7 million over three years (1995–96 to 1997–98).

The first year of the new savings agreement was unsettled due to industrial action (between the Government and the unions) which resulted in fares not being collected over a two month period. Consequently income of about \$3 million, normally received as fares revenue to ACTION's account was instead supplemented by the Government. The dispute also resulted in cost savings of about \$0.9 million being deferred. With this aside ACTION's effort in reducing Government outlays in the first year of the new agreement was significant, down about \$3 million on the previous year.

The performance in the second year of the agreement (1996–97) was influenced by the following outcomes. External and internal factors contributed to a significant drop in patronage and fares revenue (\$4.1 million and \$3.9 million respectively) while costs were greater than expected due, in part, to an above budget outlay of about \$3.8 million in regard to workers compensation premiums. In addition, costs and revenue were higher than previous years due to a change in accounting treatment in regard to redundancies (\$2.5 million), with recoveries now grossed instead of being netted. Furthermore, a special needs transport function was transferred to ACTION on 1 January 1997 which increased revenue and expenditure by \$1.02 million for the six months.

ACTION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1)						
Return on assets	%	4.9	10.7	6.8	4.3	-1.1
Return on operating assets	%	4.9	10.8	6.8	4.3	-1.1
Operating sales margin	%	8.9	18.1	11.9	7.9	-2.0
Return on equity	%	-4.4	10.2	0.2	-3.3	-13.2
Dividend to equity ratio	%	0.0	0.0	0.0	0.0	0.0
Dividend payout ratio	%	0.0	0.0	0.0	0.0	0.0
Debt to equity	%	142.7	118.3	112.9	106.8	44.8
Total liabilities to equity	%	172.9	143.1	138.9	136.3	69.5
Current ratio	%	59.0	71.1	58.1	52.6	47.2
Interest cover	%	74.5	159.2	101.1	75.8	-19.9
Cost recovery ratio	%	41.9	58.5	61.2	56.4	95.5
Operational performance	%	-27.7	-20.2	-19.2	-22.2	-2.6
Non-financial Ratios						
<i>Economic Factors</i>						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
<i>Efficiency</i>						
Passenger revenue per total vehicle capacity kilometre	Cents/ TVCKm	1.00	1.27	1.34	1.40	1.77
Expenditure per total vehicle capacity kilometre	Cents/ TVCKm	5.00	4.94	4.98	4.67	5.54
Employees per vehicle	Emp/Veh	2.70	2.57	2.49	2.30	2.29
Vehicles in excess of maximum daily demand	%	10.80	10.24	9.22	9.04	8.69
Kilometres per vehicle	km/Veh	47 820	50 010	53 866	54 491	51 909
Vehicle kilometres per employee	km/Emp	19 649	21 411	23 404	25 639	24 412
Vehicle capacity kilometres per employee	'000 TVCKm/ Emp	1 351	1 451	1 585	1 747	1 655
Total days lost:						
- industrial disputes	%	n.p.	n.p.	n.p.	n.p.	n.p.
- sick leave	%	n.p.	n.p.	n.p.	n.p.	n.p.
- industrial accidents	%	n.p.	n.p.	n.p.	n.p.	n.p.
- total	%	n.p.	n.p.	n.p.	n.p.	n.p.
<i>Effectiveness</i>						

ACTION (continued)

Real price index	Index	117.10	122.00	122.50	135.50	147.30
Boardings per vehicle kilometre	Bd/km	1.1	1.0	1.0	1.0	0.9
Boardings per employee	Bd/Emp	20 845	21 835	24 188	24 724	22 703
Boardings per head of population:						
- metro	Bd/Hd	72.0	71.0	70.0	65.6	58.6
- catchment	Bd/Hd	72.0	71.0	70.0	65.6	58.6
Service Quality						
Service cancellations	%	0.27	1.25	0.60	0.50	0.42
Service delays	%	0.03	0.06	0.04	0.00	0.00
Size						
Total assets	\$M	128	127	122	117	112
Total revenue	\$M	72	75	71	65	65
Cash box and other non-government revenue	\$'000	18 884	17 555	19 174	18 174	21 556
Total employment	Emp	1 027	981	893	814	791
Total vehicle kilometres	'000 km	20 180	21 004	20 900	20 870	19 310
Total passenger boardings	'000	21 408	21 420	21 600	20 125	17 958
Number of scheduled services	'000	1 066	1 077	995	884	915
Revenue vehicle fleet	No	422	420	391	386	372
Cost and Revenue Measures						
Average fare per boarding	\$/Bd	0.70	0.74	0.77	0.89	0.98
Passenger revenue per vehicle kilometre	\$/km	0.84	0.86	0.91	0.87	1.20
Passenger revenue per employee	\$/Emp	16 598	18 421	21 278	24 486	29 248
Expenditure per vehicle kilometre	\$/km	3.66	3.35	3.37	3.19	3.75
Expenditure per boarding	\$/Bd	3.45	3.28	3.26	3.30	4.04
Government operating subsidy	%	69.7	65.3	56.6	56.1	58.3

ACTION (continued)

NOTES TO INDICATORS FOR ACTION

Key: n.p. - not provided; n.r. - not relevant.

1) Community service obligations:

<i>Category of CSO</i>	<i>Method of valuation</i>	<i>Source of funding</i>	<i>Year</i>	<i>Cost (\$ million)</i>
Pricing CSO	Net Peak cost	Government payment	1996-97	16.34
Off -peak CSO	Avoidable cost	Government payment	1996-97	9.03
School services CSO	Net cost	Government payment	1996-97	9.39

5 RAILWAYS

State Rail Authority of New South Wales (NSW)	309
Freight Rail Corporation of New South Wales (NSW)	315
Public Transport Corporation (Vic)	319
Queensland Rail (Qld)	333
Westrail (WA)	339
Australian National Railways Commission (C'wealth)	345
National Rail Corporation (C'wealth)	349

STATE RAIL AUTHORITY OF NSW**New South Wales****Comments on own performance**

On 1 July 1996 the New South Wales Government initiated a reform program to improve public transport services by separating the infrastructure and train management functions of the former State Rail Authority (SRA) and establishing freight services under a separate corporation.

From that date, the SRA became responsible for the operation of all passenger services of the Cityrail and Countrylink business units and retained those assets essential to its business, including rollingstock and stations.

All rail freight services were established under a separate Freight Rail Corporation; the Railway Services Authority was established to supply goods and services to the rail industry including infrastructure (eg signals and track); while the Rail Access Corporation (RAC) became responsible for the ownership of the New South Wales rail perway. Accordingly, 1996–97 is the first set of performance indicators for the ‘new’ SRA.

CityRail provides passenger services throughout the Sydney metropolitan area and to regional areas of New South Wales. As SRA’s long-distance passenger service, Countrylink is an integral part of a network covering 334 destinations in New South Wales, Queensland, Victoria and Australian Capital Territory.

The SRA has given considerable attention to its role in assisting the New South Wales Government develop clear objectives for passenger rail which are consistent with economic and community service obligations.

The restructure of the rail industry into four separate entities from 1 July 1996 had a profound effect on SRA’s finances which makes comparisons with the previous years’ results difficult. In summary, the major events arising from the restructure include a general divesting of assets totalling \$6.4 billion to the other entities, a consequential de-recognition of land controlled by RAC of \$856.5 million and an agreement by Treasury to assume and subsequently fund certain personnel liabilities to the value of \$917.9million.

In the light of these capital adjustments SRA’s key revenue performance indicators for the year showed an overall increase in non-government passenger-related revenue of 14 per cent.

Major operating expenditure items are not comparable due to the difficulty of segregating costs relating to all four new entities for the previous years. In addition, a significant new expenditure item is a fee now payable by SRA to the RAC for access to the railway infrastructure. This access charge effectively replaces most infrastructure maintenance expenditure incurred in previous years.

Financial Ratios (1,2)

STATE RAIL AUTHORITY OF NSW(continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Return on assets (3)	%	-1.7	-2.5	-5.2	-5.6	-5.0
Return on operating assets	%	-1.9	-2.8	-5.5	-5.7	-5.0
Operating sales margin	%	-5.1	-8.6	-29.5	-42.0	-34.6
Return on equity (4)	%	-3.5	-4.8	-7.5	-7.5	-6.7
Dividend to equity ratio	%	0.0	0.0	0.0	0.0	0.0
Dividend payout ratio	%	0.0	0.0	0.0	0.0	0.0
Debt to equity	%	6.2	12.7	5.7	6.7	5.6
Total liabilities to equity	%	63.3	63.5	23.0	25.2	35.6
Current ratio	%	92.7	76.0	64.8	48.5	48.8
Interest cover	%	-435.6	-632.0	-1 466.5	-1 326.7	-1 896.9
Cost recovery ratio	%	82.3	83.1	70.0	65.3	70.8
Operational performance	%	-6.9	-5.9	-7.2	-6.7	-5.5

Non-financial Ratios (1)***RAIL (Non-urban and urban)******Economic Factors***

Total factor productivity	Index	144.6	165.7	161.3	176.4	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.

Efficiency

Employee productivity:						
- urban rail pass journeys per employee	No/Emp	20 774	21 928	24 224	25 619	29 302
- non-urban passenger kilometres per employee	'000Pkm/ Emp	762	815	808	733	764
- net freight tonne-kilometres per employee	'000NFTkm/ Emp	1 295	1 572	1 642	1 885	n.r.
Net freight tonne-kilometres per wagon	'000NFTkm/ Wag	2 097	2 246	1 436	1 892	n.r.
Net freight tonne-kilometres per locomotive	'000NFTkm/ Loco	27 994	31 523	29 033	31 166	n.r.
Total days lost:						
- industrial disputes	%	0	0	0	0	0
- sick leave	%	4.6	4.7	4.4	4.2	2.6
- industrial accidents	%	0.7	0.8	0.7	0.8	0.4
- total	%	5.4	5.5	5.0	5.1	3.0

RAIL (Non-urban and urban) (continued)

STATE RAIL AUTHORITY OF NSW(continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
<i>Effectiveness</i>						
Real price index (overall)	Index	104.5	103.4	100.0	97.1	100.7
Real urban fare revenue index	Index	109.7	110.6	109.5	110.7	114.8
Real non-urban fare revenue index	Index	109.6	113.5	113.5	112.6	116.3
Real freight revenue index	Index	101.1	98.3	92.6	86.6	n.r.
Train kilometres per level crossing accident	'000 km/ Acc	1 683	1 176	3 866	3 389	10 672
Number of level crossing accidents	No	31	47	15	17	4
Train kilometres	'000 km	52 183	55 289	57 992	57 609	42 688
<i>Service Quality</i>						
Service cancellations (urban only)	%	0.5	0.7	0.7	0.7	0.6
Train trips cancelled	No	578	706	732	748	703
Total trips scheduled	No	105 374	106 072	105 961	107 557	112 698
On time running:						
- urban (within 3 minutes)	%	92.0	92.2	90.8	88.7	86.4
- non-urban (various)	%	87.9	84.8	86.3	89.0	87.0
- freight (within 30 minutes)	%	81.1	85.0	90.0	89.0	n.r.
<i>Size</i>						
Total assets (2)	\$M	5 213	6 031	12 283	12 466	4 622
Total revenue (2)	\$M	1 740	1 751	1 684	1 675	1 236
Cash box and other non-government revenue	\$M	1 113	1 163	1 123	1 189	680
Total route-kilometres operated	No	7 281	7 410	7 605	7 974	1 020
Urban rail passenger journeys	'000	229 800	234 800	249 600	256 394	264 654
Non-urban passenger kilometres	Mill. Pkm	848	834	903	963	1 005
Number of employees (average):						
- urban	No	11 062	10 708	10 304	10 008	9 032
- non-urban passenger	No	1 113	1 023	1 117	1 314	1 316
- freight	No	11 461	10 306	9 308	8 643	n.r.
- total	No	23 636	22 037	20 729	19 964	14 556
Net freight tonne-kilometres	Mill.NFTkm	14 837	16 203	9 000	10 067	n.r.
Net freight tonne-kilometres per route-kilometres	'000NFTkm/ Rkm	2 238	2 397	2 198	2 225	n.r.
Route-kilometres (freight)	Rkm	6 630	6 759	6 954	7 323	n.r.
Number of wagons	No	7 074	7 213	6 269	5 320	0
Number of locomotives	No	530	514	310	335	1

RAIL (Non-urban and urban) (continued)

Cost and Revenue Measures (2)

STATE RAIL AUTHORITY OF NSW(continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Revenue per passenger:						
- urban (per journey)	Cents	175	174	164	166	160
- non-urban (per passenger km)	Cents	12	13	12	13	13
Urban passenger revenue	\$'000	401 906	408 493	408 279	424 221	423 423
Non-urban passenger revenue	\$'000	102 951	103 914	108 676	125 888	129 753
Revenue per net freight tonne-kilometre	Cents/ NFTkm	4.6	4.4	5.7	5.5	n.r.
Freight revenue	\$'000	684 645	711 686	510 371	548 973	n.r.

URBAN OPERATIONS***Efficiency***

Passenger revenue per total vehicle capacity kilometre (2)	Cents/ TVCKm	1.13	1.09	0.98	0.93	0.89
Expenditure per total vehicle capacity kilometre (2)	Cents/ TVCKm	0.02	0.02	0.02	0.02	0.02
Employees per vehicle	Emp/Veh	9	8	8	8	7
Vehicles in excess of maximum daily demand	%	20	21	19	20	17
Kilometres per vehicle	km/Veh	112 792	117 258	123 846	126 618	133 945
Vehicle kilometres per employee	km/Emp	15 570	16 951	18 305	19 344	22 290
Vehicle capacity kilometres per employee	'000TVCKm/ Emp	3 215	3 495	4 025	4 565	5 260
Total days lost:						
- industrial disputes	%	0.1	0.0	0.0	0.0	0.0
- sick leave	%	4.6	4.6	3.8	3.7	2.5
- industrial accidents	%	0.6	0.9	0.8	0.7	0.4
- total	%	5.3	5.5	4.6	4.4	2.9

Effectiveness

Real price index	Index	110	111	110	111	115
Boardings per vehicle kilometre	Bd/km	1.6	1.6	1.6	1.6	1.6
Boardings per employee	Bd/Emp	24 929	26 313	29 068	30 743	35 162
Boardings per head of population:						
- metro	Bd/Hd	69.5	n.p.	68.1	68.5	69.8
- catchment	Bd/Hd	86.7	n.p.	100.8	101.5	104.0

URBAN OPERATIONS (continued)***Service Quality***

STATE RAIL AUTHORITY OF NSW(continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
Service cancellations	%	0.5	0.7	0.7	0.7	0.6
Service delays	%	7.4	7.1	8.3	10.2	12.4
Size						
Total employment	No	11 062	10 708	10 304	10 008	9 032
Total vehicle kilometres	'000 km	172 234	181 516	188 618	193 599	205 133
Total passenger boardings	'000	275 760	281 760	299 520	307 672	317 585
Number of scheduled services	'000	105	106	106	108	113
Revenue vehicle fleet	No	1 527	1 548	1 523	1 529	1 503
Cost and Revenue Measures						
Average fare per boarding (2)	\$/Bd	1.46	1.45	1.36	1.38	1.33
Passenger revenue per vehicle kilometres (2)	\$/km	2.33	2.25	2.16	2.19	2.06
Passenger revenue per employee (2)	\$/Emp	36 332	38 148	39 623	42 388	46 880
Expenditure per vehicle kilometre (2)	\$/km	4.6	4.5	4.8	5.2	5.3
Expenditure per boarding (2)	\$/Bd	2.9	2.9	3.0	3.3	3.4
Government operating subsidy	%	37.5	35.3	30.0	23.7	41.2

NOTES TO INDICATORS FOR STATE RAIL AUTHORITY OF NSW

Key: n.p. - not provided; n.r. - not relevant.

- 1) Data prior to 1996–97 refers to the operations of the State Rail Authority before it was restructured into four separate entities. Comparisons between 1996–97 and previous years are not always valid.
- 2) All dollar amounts are in actual dollars, ie no adjustment has been made for inflation during the comparison period.
- 3) Return on assets ratio includes Government contributions (excluding capital grants).
- 4) Return on equity — operating result includes Government contributions and excludes capital grants.

FREIGHT RAIL CORPORATION OF NSW

New South Wales

Comments on own performance

FreightCorp, Australia's largest standard gauge rail operator became a Corporation on 1 July 1996. It had a successful first year hauling a record 72.6 million tonnes and resuming a sound profit and dividend. FreightCorp is well positioned to take advantage of arrangements for national track access and is focusing on operational efficiency, service standards and lower prices.

Having become a state owned corporation on 1 July 1996, Freight Rail Corporation changed its business name to FreightCorp in October 1996 to signal the arrival of a strong and competent business which would stand out from its competition.

In 1996–97 FreightCorp operated only on the New South Wales network. It:

- hauled a wide range of bulk commodities including coal, grain and minerals;
- carried a range of products including cement, petroleum and export containers on general freight train services; and
- provided maintenance and operational services and the hiring of locomotives to rail operators.

In order to grow its business, FreightCorp is moving towards providing total logistical solutions which build on its capability as a rail operator. This expanded service will include storage and short haul road operations and may not be restricted by state boundaries.

In its first year of operation FreightCorp recorded a net profit after abnormals of \$82.8 million and returned a dividend of \$42 million to its shareholder, the New South Wales Government.

These results were achieved through a series of initiatives including:

- finalisation of the Corporation's first Enterprise Agreement;
- participation in a joint venture agreement to haul the first privately owned coal wagons in the Hunter Valley;
- negotiation of performance-based contracts with major customers;
- commissioning of a state-of-the-art train marshalling yard at Enfield;
- opening of a new locomotive servicing facility at Port Waratah in Newcastle, introduction of a new integrated train management Customer Service Centre; and
- implementation of a new integrated management information system and a real time operating system.

FREIGHT RAIL CORPORATION OF NSW (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1,2)						
Return on assets	%	n.p.	n.p.	n.p.	n.p.	10.6
Return on operating assets	%	n.p.	n.p.	n.p.	n.p.	11.3
Operating sales margin	%	n.p.	n.p.	n.p.	n.p.	13.1
Return on equity	%	n.p.	n.p.	n.p.	n.p.	27.9
Dividend to equity ratio	%	n.p.	n.p.	n.p.	n.p.	14.2
Dividend payout ratio	%	n.p.	n.p.	n.p.	n.p.	51.0
Debt to equity	%	n.p.	n.p.	n.p.	n.p.	191.4
Total liabilities to equity	%	n.p.	n.p.	n.p.	n.p.	261.6
Current ratio	%	n.p.	n.p.	n.p.	n.p.	127.3
Interest cover	%	n.p.	n.p.	n.p.	n.p.	237.0
Cost recovery ratio (3)	%	n.p.	n.p.	n.p.	n.p.	106.5
Operational performance (3)	%	n.p.	n.p.	n.p.	n.p.	4.8

Non-financial Ratios (1)***RAIL (Non-urban and urban)******Economic Factors***

Total factor productivity	Index	n.r.	n.r.	n.r.	n.r.	1.18
Economic rate of return	%	n.r.	n.r.	n.r.	n.r.	n.p.

Efficiency

Employee productivity:						
- urban rail pass journeys per employee	No/Emp	n.r.	n.r.	n.r.	n.r.	n.r.
- non-urban passenger kilometres per employee	'000Pkm/ Emp	n.r.	n.r.	n.r.	n.r.	n.r.
- net freight tonne-kilometres per employee	'000NFTkm/ Emp	n.r.	n.r.	n.r.	n.r.	3 302
Net freight tonne-kilometres per wagon	'000NFTkm/ Wag	n.r.	n.r.	n.r.	n.r.	2 269
Net freight tonne-kilometres per locomotive	'000NFTkm/ Loco	n.r.	n.r.	n.r.	n.r.	37 844
Total days lost:						
- industrial disputes	%	n.r.	n.r.	n.r.	n.r.	n.p.
- sick leave	%	n.r.	n.r.	n.r.	n.r.	n.p.
- industrial accidents	%	n.r.	n.r.	n.r.	n.r.	n.p.
- total	%	n.r.	n.r.	n.r.	n.r.	n.p.

RAIL (Non-urban and urban) (continued)

FREIGHT RAIL CORPORATION OF NSW (continued)

	Units	1992-93	1993-94	1994-95	1995-96	1996-97
Effectiveness						
Real price index (overall)	Index	n.r.	n.r.	n.r.	n.r.	n.r.
Real urban fare revenue index	Index	n.r.	n.r.	n.r.	n.r.	n.r.
Real non-urban fare revenue index	Index	n.r.	n.r.	n.r.	n.r.	n.r.
Real freight revenue index	Index	n.r.	n.r.	n.r.	n.r.	n.p.
Train kilometres per level crossing accident	'000 km/ Acc	n.r.	n.r.	n.r.	n.r.	n.r.
Number of level crossing accidents	No	n.r.	n.r.	n.r.	n.r.	n.r.
Train kilometres	'000 km	n.r.	n.r.	n.r.	n.r.	n.r.
Service Quality						
Service cancellations (urban only)	%	n.r.	n.r.	n.r.	n.r.	n.r.
Train trips cancelled	No	n.r.	n.r.	n.r.	n.r.	n.r.
Total trips scheduled	No	n.r.	n.r.	n.r.	n.r.	n.p.
On time running:						
- urban (within 3 minutes)	%	n.r.	n.r.	n.r.	n.r.	n.r.
- non-urban (various)	%	n.r.	n.r.	n.r.	n.r.	n.r.
- freight (within 30 minutes)	%	n.r.	n.r.	n.r.	n.r.	n.p.
Size						
Total assets	\$M	n.r.	n.r.	n.r.	n.r.	1 074.7
Total revenue (2)	\$M	n.r.	n.r.	n.r.	n.r.	814.1
Cash box and other non-government revenue	\$M	n.r.	n.r.	n.r.	n.r.	767.8
Total route-kilometres operated	No	n.r.	n.r.	n.r.	n.r.	n.p.
Urban rail passenger journeys	'000	n.r.	n.r.	n.r.	n.r.	n.r.
Non-urban passenger kilometres	Mill. Pkm	n.r.	n.r.	n.r.	n.r.	n.r.
Number of employees (average):						
- urban	No	n.r.	n.r.	n.r.	n.r.	n.r.
- non-urban passenger	No	n.r.	n.r.	n.r.	n.r.	n.r.
- freight	No	n.r.	n.r.	n.r.	n.r.	3 525
- total	No	n.r.	n.r.	n.r.	n.r.	3 525
Net freight tonne-kilometres	Mill.NFTkm	n.r.	n.r.	n.r.	n.r.	12 138
Net freight tonne-kilometres per route-kilometres	'000NFTkm/ Rkm	n.r.	n.r.	n.r.	n.r.	1 601
Route-kilometres (freight)	Rkm	n.r.	n.r.	n.r.	n.r.	7 523
Number of wagons	No	n.r.	n.r.	n.r.	n.r.	5 500
Number of locomotives	No	n.r.	n.r.	n.r.	n.r.	380

RAIL (Non-urban and urban) (continued)

FREIGHT RAIL CORPORATION OF NSW (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
<i>Cost and Revenue Measures (1)</i>						
Revenue per passenger:						
- urban (per journey)	Cents	n.r.	n.r.	n.r.	n.r.	n.r.
- non-urban (per passenger km)	Cents	n.r.	n.r.	n.r.	n.r.	n.r.
Urban passenger revenue	\$'000	n.r.	n.r.	n.r.	n.r.	n.r.
Non-urban passenger revenue	\$'000	n.r.	n.r.	n.r.	n.r.	n.r.
Revenue per net freight tonne-kilometre	Cents/ NFTkm	n.r.	n.r.	n.r.	n.r.	5.3
Freight revenue	\$'000	n.r.	n.r.	n.r.	n.r.	647 042

NOTES TO INDICATORS FOR FREIGHT RAIL CORPORATION OF NSW

Key: n.p. - not provided; n.r. - not relevant.

- 1) FreightCorp commenced operations on 1 July 1996 thus data is only available for the year 1996-97.
- 2) Total revenue excludes abnormal revenue.
- 3) There may be some discrepancy between financial ratios and figures published in Freight Corporation's Annual Report and those contained in this publication because of differences in formulas used.

PUBLIC TRANSPORT CORPORATION

Victoria

Comments on own performance

The Public Transport Corporation (PTC) was established on 1 July 1989 by merging the Metropolitan Transit Authority (The Met) and the State Transport Authority (V/Line).

The PTC is contracted by the Victorian Government's Department of Infrastructure to operate trains, trams and buses in the Melbourne Metropolitan area and both passenger and freight services in rural Victoria. The Corporation has an annual turnover in excess of \$550 million and carries more than 240 million passengers and 6 million tonnes of freight a year, making it a key player in the national transport industry.

The PTC is essentially five individual business — Met Trains, Met Tram, Met Bus, V/Line Passenger and V/Line Freight. Each core business manages its own finances, human resources, planning, safety, product development services delivery and marketing.

Two commercial services divisions — Infrastructure and Rail Vehicle Maintenance provide engineering support services for the businesses. A small corporate headquarters group co-ordinates the Corporation's strategic direction and formulates policy standards for all business units, commercial service divisions and staff.

The 1996–97 year yielded achievements across the metropolitan and country networks, building on the gains in 1995–96.

Patronage continued to grow across all modes. Metropolitan services, recorded a two per cent increase carrying 234.1 million passengers — 4.6 million more than the previous year, and V/Line passenger carried 7.3 million passengers.

V/Line Freight carried 19 per cent more tonnage than the previous year.

Service quality continued to be a priority for the Public Transport Corporation. Overall the Corporation's performance against its service quality targets was very good, with most major targets exceeded, including the punctuality targets, despite a particularly difficult second half of the year. A record breaking summer, affecting vehicle performance, was followed by an unsettled industrial period.

Productivity continued to grow and staff numbers were reduced from 9504 to 9063.

The strong focus on quality and safety continued with 21.5 per cent fewer staff injuries in 1996–97, following on from a 17 per cent reduction in 1995–96. International quality standards are being introduced to enhance performance across the division.

Improvements in productivity, patronage growth, and increasing revenue allowed the Corporation to reduce its call on Government funding by \$19.2 million or 12.5 per cent during the year on a comparative basis.

PUBLIC TRANSPORT CORPORATION(continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
<i>ALL SERVICES (excluding contracted buses)</i>						
Financial Ratios (1,2)						
Return on assets	%	-0.2	8.8	-1.5	-3.7	-0.4
Return on operating assets	%	-0.2	8.8	-1.5	-3.7	-0.4
Operating sales margin	%	-0.5	34.9	-6.5	-21.7	-1.9
Return on equity	%	-0.6	16.1	-3.1	-5.3	-1.1
Dividend to equity ratio	%	0.0	0.0	0.0	0.0	0.0
Dividend payout ratio	%	0.0	0.0	0.0	0.0	0.0
Debt to equity (3)	%	0.2	0.1	0.0	0.0	0.0
Total liabilities to equity	%	108.5	65.7	70.9	7.0	7.8
Current ratio	%	21.5	15.2	24.1	49.6	43.4
Interest cover	%	-386.9	26 194	-460.9	-1 001	-59.1
Cost recovery ratio	%	38.3	40.6	47.9	58.2	62.1
Operational performance	%	-25.6	-17.6	-12.7	-8.5	-7.9
Non-financial Ratios						
<i>Size</i>						
Total assets	\$M	4 561	4 565	4 520	4 414	4 390
Total revenue	\$M	1 353	1 147	1 062	762	931
<i>RAIL (Non-urban and urban)</i>						
<i>Economic Factors</i>						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
<i>Efficiency</i>						
Employee Productivity:						
-urban rail pass journeys per employee	No/Emp	18 098	21 435	25 294	29 953	32 702
- non-urban passenger kilometres per employee (5)	'000Pkm/ Emp	227	271	295	281	n.p.
- net freight tonne-kilometres per employee (15)	'000NFTkm/ Emp	998	1 599	852	1 081	1 344

PUBLIC TRANSPORT CORPORATION(continued)

	Units	1992-93	1993-94	1994-95	1995-96	1996-97
RAIL (Non-urban and urban) (continued)						
Efficiency (continued)						
Net freight tonne-kilometres per wagon (15,17)	'000NFTkm/ Wag	1 037	1 226	830	949	1 128
Net freight tonne-kilometres per locomotive (15)	'000NFTkm/ Loco	28 075	36 788	20 112	24 024	26 976
Total days lost:						
- industrial disputes (18,28)	%	0.57	0.09	0.30	0.03	0.27
- sick leave	%	5.75	5.37	4.28	4.05	3.64
- industrial accidents	%	2.34	1.62	1.51	1.25	0.66
- other scheduled	%	0.22	0.15	0.15	0.00	0.08
- total	%	8.88	7.23	6.24	5.33	4.65
Effectiveness						
Real price index (overall) (7,19,20)	Index	99.00	96.30	n.r.	n.r.	n.r.
Real urban fare revenue index (7)	Index	116.50	121.10	115.30	110.50	110.0
Real non-urban fare revenue index (19)	Index	105.60	108.90	108.40	n.r.	n.r.
Real freight revenue index (20)	Index	83.20	74.70	n.r.	n.r.	n.r.
Train kilometres per level crossing accident (21)	'000 km/ Acc	329	388	404	375	332
Number of level crossing accidents	No	76	67	55	63	75
Train kilometres (21)	'000 km	25 000	25 987	22 200	23 630	24 910
Service Quality						
Service cancellations (urban only)	%	0.6	0.3	0.5	0.5	0.9
Train trips cancelled (22)	No	2 919	1 587	2 338	2 623	4 633
Total trips scheduled (22)	No	499 869	482 201	478 106	502 387	521 095
On time running:						
- urban (within 5 mins.) (22)	%	91.3	92.3	92.3	93.3	94.8
- non-urban commuter peak (within 5 mins.) (23)	%	87.8	89.1	92.2	93.7	93.5
- non-urban regional (within 10 mins.) (23)	%	92.0	92.4	95.7	96.1	94.5
- non-urban - interstate (23)	%	80.0	78.0	n.r.	n.r.	n.r.
- freight - interstate (23)	%	69.0	70.0	n.r.	n.r.	n.r.
- freight - intrastate (within 30 mins.) (24)	%	89.0	78.0	86.0	91.9	91.0

PUBLIC TRANSPORT CORPORATION(continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
<i>RAIL (Non-urban and urban) (continued)</i>						
<i>Size</i>						
Cash-box and other non-government revenue	\$M	395	386	351	339	374
Total route kilometres operated	No	4 795	4 795	4 605	4 582	4 582
Urban rail passenger journeys (25)	'000	106 000	101 000	105 400	109 240	112 630
Non-urban passenger-kilometres (5)	'000 Pkm	727 000	607 000	501 000	n.p.	n.p.
Number of employees (average)						
- urban	Emp	5 857	4 712	4 167	3 647	3 444
- non-urban passenger	Emp	3 208	2 242	1 696	1 461	1 363
- freight	Emp	3 685	2 635	2 102	1 822	1 687
- total	Emp	12 750	9 589	7 965	6 930	6 494
Net freight tonne-kilometres (15)	Mill.NFTkm	3 678	4 212	1 790	1 970	2 267
Net freight tonne-kilometres per route kms	'000NFTkm/ Rkm	800	921	397	444	511
Route kilometres (freight) (16,29)	No	4 595	4 574	4 509	4 433	4 433
Number of wagons (15,17)	No	3 545	3 435	2 110	2 076	2 008
Number of locomotives (15)	No	131	115	89	82	84
<i>Cost and Revenue Measures</i>						
Revenue per passenger:						
- urban (per passenger journey) (25)	Cents	126	133	130	130	131
- non-urban (per pass. km) (5)	Cents	8.4	8.7	9.1	n.p.	n.p.
Urban passenger revenue	\$'000	133 100	134 400	137 200	141 700	147 700
Non-urban passenger revenue	\$'000	60 934	52 585	45 634	47 844	50 311
Revenue per net freight tonne-kilometre (15,20)	Cents/ NFTkm	4.1	3.8	4.9	5.2	5.2
Freight revenue (26)	\$'000	151 311	158 747	88 272	102 889	117 785

PUBLIC TRANSPORT CORPORATION(continued)

	Units	1992-93	1993-94	1994-95	1995-96	1996-97
URBAN (excluding contracted bus services)						
Economic Factors						
Total factor productivity (31)	Index	1.03	1.13	1.13	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
Efficiency						
Passenger revenue per total vehicle capacity kilometre	Cents/TVCKm	1.51	1.54	1.57	1.53	1.55
Expenditure per total vehicle capacity kilometre	Cents/TVCKm	4.92	4.85	4.85	3.59	3.56
Employees per vehicle	Emp/Veh	7.0	6.2	5.9	5.3	5.0
Vehicles in excess of maximum daily demand (4)	%	27.4	29.5	26.3	24.6	23.9
Kilometres per vehicle (14)	km/Veh	50 750	52 153	56 149	60 106	62 750
Vehicle kilometres per employee	km/Emp	9 306	10 891	12 081	14 223	15 573
Vehicle capacity kilometres per employee	'000TVCKm/Emp	1 358	1 663	1 897	2 247	2 483
Total days lost:						
- industrial disputes	%	0.62	0.11	0.33	0.08	0.42
- sick leave	%	5.51	5.26	4.22	3.99	3.86
- industrial accidents (6,28)	%	2.24	1.59	1.25	1.21	0.92
- other scheduled	%	0.21	0.15	0.11	0.00	0.08
- total	%	8.58	7.12	5.90	5.28	5.28
Effectiveness						
Real price index (7)	Index	114.4	117.2	114.3	114.2	115.1
Boardings per vehicle kilometre (8)	Bd/km	2.4	2.4	2.5	2.5	2.4
Boardings per employee (8)	Bd/Emp	21 950	26 464	30 355	35 100	37 900
Boardings per head of population:						
- metro (8,9)	Bd/Hd	75.1	71.0	70.7	73.1	74.6
- catchment (8,10)	Bd/Hd	80.4	75.9	75.6	78.1	79.7
Service Quality						
Service cancellations (11)	%	n.r.	n.r.	n.r.	n.r.	n.r.
Service delays (11)	%	n.r.	n.r.	n.r.	n.r.	n.r.

PUBLIC TRANSPORT CORPORATION(continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
URBAN (continued)						
Size						
Cash box and other non-government revenue (30)	\$M	263	222	236	235	238
Total employment	Emp	10 433	8 259	7 246	6 529	6 177
Total vehicle kilometres (12,14)	'000 km	97 085	89 949	87 537	92 864	96 197
Total passenger boardings (14)	'000	229 000	218 600	220 000	229 500	234 000
Number of scheduled services (11)	'000	n.p.	n.p.	n.p.	n.p.	n.p.
Revenue vehicle fleet (13,14)	No	1 957	1 838	1 718	1 538	1 532
Cost and Revenue Measures						
Average fare per boarding	\$/Bd	0.93	0.97	0.98	0.98	1.00
Passenger revenue per vehicle kilometre	\$/km	2.20	2.36	2.46	2.41	2.47
Passenger revenue per employee	\$/Emp	20 473	25 681	29 713	34 247	38 609
Expenditure per vehicle kilometre	\$/km	7.24	7.40	7.63	5.70	5.68
Expenditure per boarding	\$/Bd	3.07	3.05	3.03	2.30	2.34
Government operating subsidy	%	62.7	52.2	51.1	32.8	n.p.
URBAN - Trams						
Economic Factors						
Total factor productivity (31)	Index	0.51	0.52	0.57	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
Efficiency						
Passenger revenue per total vehicle capacity kilometre	Cents/ TVCKm	2.85	3.16	3.16	3.30	3.66
Expenditure per total vehicle capacity kilometre	Cents/ TVCKm	9.07	10.29	9.85	7.70	8.03
Employees per vehicle	Emp/Veh	7.97	7.33	6.98	6.52	6.21
Vehicles in excess of maximum daily demand (4)	%	46.1	46.1	36.5	29.8	23.6
Kilometres per vehicle	km/Veh	32 994	33 573	38 924	41 399	41 425
Vehicle kilometres per employee	km/Emp	6 048	6 694	7 606	8 242	8 658
Vehicle capacity kilometres per employee	'000TVCKm/ Emp	672	713	810	877	921

PUBLIC TRANSPORT CORPORATION(continued)

	Units	1992-93	1993-94	1994-95	1995-96	1996-97
URBAN - Trams (continued)						
Efficiency (continued)						
Total days lost:						
- industrial disputes	%	0.69	0.15	0.37	0.16	0.45
- sick leave	%	4.83	4.98	3.77	3.67	3.70
- industrial accidents (6,28)	%	1.97	1.51	1.18	1.20	1.18
- other scheduled	%	0.08	0.14	0.09	0.00	0.05
- total	%	7.56	6.78	5.41	5.03	5.38
Effectiveness						
Real price index (7)	Index	109.0	108.8	110.0	106.3	109.7
Boardings per vehicle kilometre	Bd/km	4.72	5.19	5.00	5.21	5.26
Boardings per employee	Bd/Emp	28 543	32 830	38 048	42 959	45 594
Boardings per head of population:						
- metro (9)	Bd/Hd	33.1	33.8	34.9	36.4	36.8
- catchment (10)	Bd/Hd	35.4	36.1	37.3	38.8	39.2
Service Quality						
Service cancellations	%	n.r.	2.9	0.2	0.3	0.2
Service delays	%	n.p.	n.p.	n.p.	13.3	13.8
Size						
Total employment	Emp	3 535	2 994	2 853	2 657	2 531
Total vehicle kilometres	'000 km	21 380	20 043	21 700	21 900	21 900
Total passenger boardings	'000	100 900	104 000	108 900	114 100	115 400
Number of scheduled services	'000	n.p.	n.p.	n.p.	n.p.	n.p.
Revenue vehicle fleet	No	648	597	558	529	529
Cost and Revenue Measures						
Average fare per boarding	\$/Bd	0.64	0.65	0.67	0.67	0.70
Passenger revenue per vehicle kilometre	\$/km	3.00	3.36	3.36	3.52	3.68
Passenger revenue per employee	\$/Emp	18 161	22 512	25 587	28 980	31 845
Expenditure per vehicle kilometre	\$/km	9.56	10.96	10.48	8.19	8.54
Expenditure per boarding	\$/Bd	2.03	2.11	2.10	1.57	1.62
Government operating subsidy	%	67.60	56.80	54.80	36.1	n.p.

PUBLIC TRANSPORT CORPORATION(continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
URBAN - Trains						
<i>Economic Factors</i>						
Total factor productivity (31)	Index	1.05	1.15	1.21	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
<i>Efficiency</i>						
Passenger revenue per total vehicle capacity kilometre	Cents/TVCKm	1.21	1.22	1.24	1.18	1.17
Expenditure per total vehicle capacity kilometre	Cents/TVCKm	3.92	3.67	3.75	2.73	2.68
Employees per vehicle	Emp/Veh	7.70	6.36	5.58	4.90	4.64
Vehicles in excess of maximum daily demand	%	21.10	23.30	21.60	22.30	22.3
Kilometres per vehicle	km/Veh	64 110	64 726	65 823	70 879	75 163
Vehicle kilometres per employee	km/Emp	10 081	12 555	14 351	17 686	19 773
Vehicle capacity kilometres per employee	Mill.TVCKm/Emp	1872	2330	2662	3 281	3 668
Total days lost:						
- industrial disputes	%	0.58	0.09	0.30	0.03	0.36
- sick leave	%	6.00	5.49	4.56	4.20	3.96
- industrial accidents (6,28)	%	2.45	1.66	1.33	1.24	0.66
- other scheduled	%	0.09	0.16	0.13	0.00	0.12
- total	%	9.12	7.40	6.32	5.47	5.10
<i>Effectiveness</i>						
Real price index (7)	Index	116.5	121.1	115.3	110.5	110.0
Boardings per vehicle kilometre	Bd/km	1.70	1.71	1.76	1.69	1.65
Boardings per employee	Bd/Emp	18 098	21 425	25 284	29 953	32 702
Boardings per head of population:						
- metro (9)	Bd/Hd	34.8	32.8	33.9	34.8	35.9
- catchment (10)	Bd/Hd	37.2	35.1	36.2	37.2	38.4
<i>Service Quality</i>						
Service cancellations	%	0.6	0.3	0.5	0.5	0.9
Service delays	%	8.7	7.7	7.7	6.7	5.2
<i>Size</i>						
Total employment	Emp	5 857	4 712	4 167	3 647	3 444
Total vehicle kilometres	'000 km	59 045	59 160	59 800	64 500	68 100
Total passenger boardings	'000	106 000	101 000	105 400	109 200	112 630
URBAN - Trains (continued)						

PUBLIC TRANSPORT CORPORATION(continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Size (continued)						
Number of scheduled services	'000	500	482	478	502	521
Revenue vehicle fleet	No	921	914	909	910	906
Cost and Revenue Measures						
Average fare per boarding	\$/Bd	1.26	1.33	1.30	1.30	1.31
Passenger revenue per vehicle kilometre	\$/km	2.25	2.27	2.29	2.19	2.17
Passenger revenue per employee	\$/Emp	22 725	28 523	32 925	38 799	42 891
Expenditure per vehicle kilometre	\$/km	7.29	6.81	6.96	5.07	4.97
Expenditure per boarding	\$/Bd	4.06	3.99	3.95	2.99	3.00
Government operating subsidy	%	62.9	49.0	49.0	30.7	n.p.
URBAN - Buses (excludes contract operations)						
Economic Factors						
Total factor productivity (30,31)	Index	1.17	1.35	1.51	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
Efficiency						
Passenger revenue per total vehicle capacity kilometre	Cents/ TVCKm	1.71	1.67	1.45	1.36	1.43
Expenditure per total vehicle capacity kilometre	Cents/ TVCKm	7.14	6.97	6.75	5.56	5.53
Employees per vehicle	Emp/Veh	3.50	3.04	2.88	2.71	2.34
Vehicles in excess of maximum daily demand	%	15.60	16.60	16.60	19.28	18.60
Kilometres per vehicle (30)	km/Veh	48 430	50 636	65 978	65 293	63 092
Vehicle kilometres per employee (30)	km/Emp	16 004	19 432	26 712	28 729	30 604
Vehicle capacity kilometres per employee (30)	Mill.TVCKm/ Emp	915	1 116	1 553	1 676	1 857
Total days lost:						
- industrial disputes	%	0.64	0.01	0.29	n.p.	0.67
- sick leave	%	5.02	4.58	3.48	3.85	4.47
- industrial accidents (6,28)	%	2.05	1.39	0.62	0.78	0.82
- other scheduled	%	0.19	0.13	0.00	0.00	0.11
- total	%	7.90	6.10	4.39	4.63	6.07

URBAN - Buses (continued)

PUBLIC TRANSPORT CORPORATION(continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
<i>Effectiveness</i>						
Real price index	Index	119.80	120.80	n.r.	n.r.	n.r.
Boardings per vehicle km (30)	Bd/km	1.33	1.26	1.00	0.94	0.98
Boardings per employee (30)	Bd/Emp	21 230	24 552	26 721	27 120	29 955
Boardings per head of population:						
- metro (9,30)	Bd/Hd	7.2	4.4	n.r.	n.r.	n.r.
- catchment (10,30)	Bd/Hd	7.8	4.7	n.r.	n.r.	n.r.
<i>Service Quality</i>						
Service cancellations	%	3.1	0.2	0.2	0.3	0.2
Service delays	%	n.p.	n.p.	4.4	3.8	4.1
<i>Size</i>						
Total employment (30)	Emp	1 041	553	226	234	202
Total vehicle kilometres (30)	'000 km	16 660	10 746	6 037	6 464	6 183
Total passenger boardings (30)	'000	22 100	13 577	5 738	6 102	6 051
Number of scheduled services	'000	n.p.	n.p.	n.p.	n.p.	n.p.
Revenue vehicle fleet (30)	No	344	212	92	99	98
<i>Cost & Revenue Measures</i>						
Average fare per boarding (30)	\$/Bd	0.74	0.76	0.84	0.84	0.88
Passenger revenue per vehicle kilometre (30)	\$/km	0.98	0.96	0.84	0.79	0.87
Passenger revenue per employee (30)	\$/Emp	15 658	18 626	22 566	22 667	26 569
Expenditure per vehicle kilometre	\$/km	4.08	4.00	3.93	3.23	3.95
Expenditure per boarding (30)	\$/Bd	3.08	3.17	3.92	3.43	3.43
Government operating subsidy	%	72.0	58.0	54.4	37.3	n.p.

PUBLIC TRANSPORT CORPORATION(continued)

NOTES TO INDICATORS FOR PUBLIC TRANSPORT CORPORATION (continued)

Key: n.p. - not provided; n.r. - not relevant.

- 1) In 1992–93, due to revaluation of property, total equity and total assets (asset revaluation reserve) have increased by \$1317.8 million.
- 2) In 1993–94, PTC had an abnormal surplus of \$603.8 million comprising superannuation of \$571.6 million and a reduction in employee leave entitlements of \$32.2 million as a result of staff downsizing. In 1994–95, the figure includes the total funding for capital works (\$204.1 million) previously shown in Annual Report as contributed capital. Offsetting this, in 1994–95, the result shown has been reduced by the transfer of subsidies of \$182.4 million for contracted private bus services and other associated administrative functions to Department of Transport. On 1 July 1995 the provision for unfunded superannuation was transferred to the Victorian Department of Treasury and Finance. Operating expenditure was therefore reduced as the subsidy received for superannuation costs was eliminated in 1995–96. In compliance with the Victorian *Financial Management Act*, in 1996–97 all grants received for capital purposes were treated as revenue.
- 3) Debt progressively transferred to Victorian Treasury Corporation.
- 4) Excludes trams of historical significance which are permanently stored.
- 5) Figures available from 1994–95 are based on passenger boardings and are more accurate than those previously available for earlier years. From 1994–95, interstate services have been transferred to other rail operators. Coach services are included in 1994–95.
- 6) Prior to 1994–95, the figure shown is for Workcover based on days lost data for all PTC employees (not just urban transport.).
- 7) Index is affected by change in mix of fare types (especially concession versus full fare) as well as being affected by changes in fares and ticket types.
- 8) In December 1993, the majority of buses operated by the PTC were transferred to National Bus Company. Boardings figures shown are only for PTC operated services.
- 9) Population estimates for total Melbourne Statistical Division based on first counts for statistical local areas: census, 1991.
- 10) Includes local Government areas in which PTC services are provided (trains, trams or buses).
- 11) Data is provided only on a disaggregated basis for trains, trams and buses. (Averaging across modes is not appropriate.)

PUBLIC TRANSPORT CORPORATION(continued)

NOTES TO INDICATORS FOR PUBLIC TRANSPORT CORPORATION (continued)

- 12) The figures shown are thousand vehicle kilometres where vehicles include rail carriages, trams and PTC operated buses.
- 13) The figures shown are for the total of rail carriages, trams and PTC operated buses.
- 14) From 1993–94 these figures have been affected by the transfer of the majority of PTC operated buses to National Bus Company (from December 1993).
- 15) Responsibility for the movement of interstate traffic and relevant staff were progressively transferred to National Rail Corporation (NRC) during 1993–94. The above figures for net tonne kilometres include interstate traffic only until 1993–94. As a result, it is not possible to make valid comparisons from 1994–95 and earlier years when a significantly different mix of freight business was involved.
- 16) Figures shown are for all railway lines on which there is some freight carried other than parcels moved by passenger train. All route km of track shown is PTC owned.
- 17) Figures for wagons include parcels vans, works and services vehicles but exclude stored vehicles.
- 18) In 1992–93 and in 1993–94, the figure shown for work cover is based on days lost data for all PTC employees not just rail employees.
- 19) On-train trading and catering revenue has been excluded from non-urban passenger revenue. Due to the major change in the range of services provided, real non-urban fare index for 1994–95 is based on weighted average fare increase instead of revenue per passenger kilometre.
- 20) This series has been heavily influenced by changing ‘product mix’.
- 21) Train kilometres figure in 1992–93 is an unpublished estimate derived solely for this submission.
- 22) The figures shown are for urban services only.
- 23) Within 10 minutes.
- 24) Average of results for each of three train groups : scheduled block; freightgate; grain.
- 25) Based on passenger boardings.
- 26) Responsibility for movement of interstate traffic has been progressively transferred to NRC. Interstate traffic has been excluded from years commencing 1994–95.

PUBLIC TRANSPORT CORPORATION(continued)

NOTES TO INDICATORS FOR PUBLIC TRANSPORT CORPORATION (continued)

- 27) In PTC cost recovery results, revenue includes a Government subsidy for partial reimbursement of concessions on fares but no community service obligation payments are included.
- 28) Workcover including industrial accidents.
- 29) PTC is only one user of the rail network. Private rail operators and NRC are now also users of the network.
- 30) In December 1993, the majority of PTC-operated urban bus services were transferred to National Bus Company. As a result, indicators for 1992–93 to 1994–95 relate to significantly differing ranges of services.
- 31) The method of calculating Total Factor Productivity indices for this publication differs from previous years. For individual modes, the data for bus services in 1990–91 has been used as a base. For GTE aggregate TFP indices (ie. across modes) data for 1990–91 has been used as a base. In previous years, weighted average data was used as a base for all TFP indices.

QUEENSLAND RAIL

Queensland

Comments on own performance

Queensland Rail (QR) operates Australia's largest rail network with more than 9400 kilometres of track.

In 1991, legislation established a Board of Directors to oversee QR's corporatisation. The organisation was corporatised on 1 July 1995 and remains a vertically integrated railway.

During 1996–97, QR became the first Australian public transport operator to carry more than a hundred million tonnes of freight in a year. The freight task of almost 105 million tonnes compared with 96 million tonnes the previous year. The haulage of coal of 91 million tonnes was a single commodity record for an Australian railway system.

The haulage record was underpinned by a 21 per cent growth in labour productivity for the year. This is the largest increase in labour performance since 1990 showing that the 'hard yards' of reform are producing results.

Huge investment in capital works and new technology is transforming infrastructure. QR is at the half-way mark in a ten year \$6 billion capital works program. More than \$600 million was expended on capital works in 1996–97.

Asset productivity for the year lifted 9.3 per cent, a trend which has been maintained since 1990. Although tonnages have grown by one third since 1990, the wagon fleet has fallen by the same rate or about 5000 wagons.

On-time running of trains, a key performance indicator for the organisation, has improved significantly during the 12 months. Citytrain consistently recorded 95 per cent on-time running. As well, on-time running for freight operations reached almost 90 per cent in the second half of the financial year, following the completion of the \$590 million Main Line Upgrade between Brisbane and Cairns.

Revenue was \$2.0 billion, an increase of 11.7 per cent on the \$1.80 billion in 1996–97.

The profit before income tax equivalent of \$403 million in 1996–97 compared with \$330 million the previous year.

Although 1996–97 was a year of substantial progress, the 'cut-throat' nature of competition in the transport and logistics industry remained a very real challenge, especially the heavier load limits for the road transport industry with its imposing B-Double and B-Triple trucks.

Financial Ratios (1,2)

QUEENSLAND RAIL (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Return on assets	%	2.3	2.2	2.6	8.1	10.0
Return on operating assets	%	2.3	2.2	2.6	8.1	10.0
Operating sales margin	%	7.9	8.6	11.4	29.6	30.8
Return on equity	%	-2.2	-0.5	-0.2	6.4	11.5
Dividend to equity ratio	%	0.0	0.0	0.0	5.1	10.5
Dividend payout ratio	%	0.0	0.0	0.0	80.0	91.3
Debt to equity	%	77.1	57.7	56.0	105.0	108.5
Total liabilities to equity	%	102.1	74.4	78.8	158.9	177.6
Current ratio	%	64.4	54.2	52.8	81.2	77.7
Interest cover	%	68.4	88.4	95.5	248.0	271.9
Cost recovery ratio	%	108.6	109.4	111.1	142.1	144.5
Operational performance	%	2.3	2.2	2.1	8.1	10.0

Non-financial Ratios***RAIL******Economic Factors***

Total factor productivity	Index	n.p.	n.p.	n.p.	n.p	n.p
Economic rate of return	%	n.p.	n.p.	n.p.	n.p	n.p

Efficiency

Employee productivity:						
- urban rail pass. journeys per employee	No/Emp	16 189	16 324	15 408	15 284	16 163
- non-urban passenger kilometres per employee	'000Pkm/ Emp	222	231	247	269	312
- net freight tonne-kilometres per employee (4)	'000NFTkm/ Emp	1 910	2 117	2 421	2 519	3 057
Net freight tonne-kilometres per wagon	'000NFTkm/ Wag	1 797	2 004	2 191	2 219	2 427
Net freight tonne-kilometres per locomotive	'000NFTkm/ Loco	47 453	50 222	54 121	53 215	56 271
Total days lost: (7)						
- industrial disputes	%	0.18	0.01	0.09	0.02	0.02
- sick leave	%	4.20	4.45	4.17	4.23	4.41
- industrial accidents	%	0.83	0.86	0.71	0.65	0.55
- total	%	5.21	5.32	4.97	4.90	4.98

RAIL (continued)

QUEENSLAND RAIL (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
<i>Effectiveness</i>						
Real price index (overall)	Index	88.0	84.0	80.0	79.7	76.0
Real urban fare revenue index	Index	101.6	104.4	113.0	104.0	111.3
Real non-urban fare revenue index	Index	67.9	70.9	66.7	74.5	62.1
Real freight revenue index	Index	87.0	84.0	79.0	78.9	74.6
Train kilometres per level crossing accident	'000 km/ Acc	747	797	846	881	967
Number of level crossing accidents	No	38	36	35	36	36
Train kilometres	'000 km	28 404	28 674	29 604	31 716	34 809
<i>Service Quality</i>						
Service cancellations (urban only)	%	0.2	0.3	0.4	0.9	0.4
Train trips cancelled	No	427	560	716	2061	954
Total trips scheduled	No	194000	193000	199000	229000	238600
On time running:						
- urban: all trains (within 3 minutes) (5)	%	87.1	85.6	71.6	58.8	86.4
- urban: inner city area (within 3 minutes) (5)	%	97.6	97.6	94.2	90.0	97.4
- non-urban: excl. tourist trains (within 15 minutes)	%	67.3	63.3	56.0	69.0	72.0
- freight: blue ribbon trains (within 30 minutes)	%	n.p.	60.8	45.1	77.3	79.5
<i>Size</i>						
Total assets	\$M	4 388	6 024	7 202	5 846	6 487
Total revenue	\$M	1 297	1 348	1 498	1 785	1 995
Cash box and other non-government revenue	\$M	1 279	1 112	1 252	1 163	1 306
Total route-kms operated (6)	No	9 355	9 171	9 014	8 924	8 891
Urban rail passenger journeys	'000	39 404	38 393	37 026	39 187	41 459
Non-urban passenger kilometres	'000 Pkm	308 453	307 258	302 830	301 262	308 869
Number of employees (average):						
- urban	No	2 434	2 352	2 403	2 564	2 565
- non-urban passenger	No	1 387	1 330	1 227	1 136	989
- freight	No	12 767	11 817	10 942	10 467	9 407
- total (3)	No	16 792	15 579	14 646	14 490	13 546
Net freight tonne-kilometres	Mill.NFTkm	24 391	25 011	26 492	26 368	28 754
Net freight tonne-kilometres per route kilometre	'000NFTkm/ Rkm	2 664	2 788	3 026	3 070	

RAIL (continued)

QUEENSLAND RAIL (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Size (continued)						
Route kilometres (freight)	No	9 156	8 972	8 754	8 589	8 543
Number of wagons	No	13 571	12 478	12 094	11 882	11 846
Number of locomotives	No	514	498	490	496	511
Cost and Revenue Measures						
Revenue per passenger:						
- urban (per journey)	Cents	124	136	144	140	152
- non-urban (per pass. km.)	Cents	11	13	13	13	14
Urban passenger revenue	\$'000	48 701	52 398	53 215	54 830	63 050
Non-urban passenger revenue	\$'000	33 914	38 615	38 589	39 125	42 881
Revenue per net freight tonne-kilometre	Cents/ NFTkm	4.8	4.8	4.7	4.9	4.6
Freight revenue	\$M	1 175	1 196	1 242	1 298	1 318
URBAN						
Efficiency						
Passenger revenue per total vehicle capacity kilometre	Cents/ TVCKm	0.8	0.9	0.9	0.8	0.8
Expenditure per total vehicle capacity kilometre	Cents/ TVCKm	2.77	3.02	3.13	3.08	3.21
Employees per vehicle	Emp/Veh	7.47	7.21	7.37	7.30	6.70
Vehicles in excess of maximum daily demand	%	19.6	10.1	11.7	4.2	3.9
Kilometres per vehicle	km/Veh	93526	98479	101967	118535	130735
Vehicle kilometres per employee	km/Emp	14 986	15 031	15 446	16 967	19 623
Vehicle capacity kilometres per employee	'000TVCKm/ Emp	2 408	2 435	2 519	2 816	3 246
Total days lost: (7)						
- industrial disputes	%	n.p.	n.p.	n.p.	n.p.	n.p.
- sick leave	%	n.r.	4.92	4.17	9.92	9.82
- industrial accidents	%	0.92	0.90	1.00	1.42	1.49
- total	%	n.p.	n.p.	n.p.	n.p.	n.p.
Effectiveness						
Real price index	Index	101.60	104.40	112.60	104.00	111.30
Boardings per vehicle kilometre	Bd/km	1.16	1.16	1.07	0.96	0.90
Boardings per employee	Bd/Emp	17322	17466	16844	16309	17295

URBAN (continued)**Effectiveness (continued)**

QUEENSLAND RAIL (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
Boardings per head of population:						
- metro	Bd/Hd	n.p.	n.p.	n.p.	n.p.	n.p.
- catchment	Bd/Hd	n.p.	n.p.	n.p.	n.p.	n.p.
<i>Service Quality (8,9)</i>						
Service cancellations	%	0.2	0.3	0.4	0.9	0.4
Service delays	%	12.9	14.4	28.4	27.6	13.1
<i>Size</i>						
Total employment	No	2 434	2 352	2 403	2 571	2 565
Total vehicle kilometres	'000 km	36 475	35 354	37 116	43 621	50 333
Total passenger boardings	'000	42 162	41 080	39 618	41 930	44 361
Number of scheduled services	'000	194	193	199	229	239
Revenue vehicle fleet	No	390	359	364	368	385
<i>Cost and Revenue Measures</i>						
Average fare per boarding	\$/Bd	1.16	1.28	1.34	1.31	1.42
Passenger revenue per vehicle km	\$/km	1.34	1.48	1.43	1.26	1.25
Passenger revenue per employee	\$/Emp	20 009	22 278	22 145	21 327	24 581
Expenditure per vehicle kilometre	\$/km	4.46	4.89	5.10	5.08	5.30
Expenditure per boarding	\$/Bd	3.86	4.21	4.78	5.30	6.02
Government operating subsidy	%	n.p.	n.p.	n.p.	n.p.	n.p.

NOTES TO INDICATORS FOR QUEENSLAND RAIL

Key: n.p. - not provided; n.r. - not relevant.

- 1) Due to the adoption of accrual accounting in July 1992, no comparable financial data is available for the years prior to 1992–93.
- 2) Queensland Rail (QR) was corporatised on 1 July 95. This has resulted in major changes to community service obligations, substantial changes in asset valuation and the introduction of a tax equivalent regime and dividends for QR. Accordingly, the 1995–96 financial results for QR are not comparable with its predecessor Queensland Railways.

QUEENSLAND RAIL (continued)

NOTES TO INDICATORS FOR QUEENSLAND RAIL (continued)

- 3) Total number of employees is the sum of employees allocated to urban, non-urban and freight. It excludes employees charged to capital works, and those allocated to standard gauge railway and minor business activities such workshops external work and consulting services.
- 4) All NFTKm were carried by QR.
- 5) On-time running has dramatically improved within three minutes over a 24 hour period. Since the introduction of the new timetable in January, on-time running has reached in excess of 95 per cent, with some peak hours achieving 100 per cent.
- 6) Route km over which QR trains operate.
- 7) Data on industrial disputes is only available on a whole of QR basis.
- 8) Service cancellations over a 24 hour period have decreased. Prior to January when the new timetable was introduced, service cancellation were 0.6 per cent. Since January, service cancellations have decreased to 0.2 per cent.
- 9) Service delays over a 24 hour period have decreased. Prior to January when the new timetable was introduced, service cancellation were 21.9 per cent. Since January, service cancellations have decreased to four per cent.

WESTRAIL**Western Australia****Comments on own performance**

Westrail has now consolidated its position as the most successfully performing government owned railway in Australia. Reflecting its leadership in the railway industry, Westrail became the first rail authority in Australia to contract out track maintenance and development work. Partnering arrangements were established to carry out work with an estimated value of \$250 million over five years. This year also saw the commencement of work on 30 new locomotives for Westrail's fleet at a total investment of \$90 million. The improved track network and the introduction of the new locomotives combine as a crucial component in our efforts to continue to improve freight services. To meet increased demand for urban rail services, Westrail has ordered five new two carriage trains. Westrail's country passenger services involve the operation of both trains and road coaches while the Perth metropolitan rail service is owned by Westrail and operated under contract to the Department of Transport. Westrail competes in a fully deregulated transport market.

Financial performance

Westrail finished the 1996–97 financial year with a significantly improved operating profit of \$42.5 million, and its second consecutive year of profit. This result, which was \$1.7 million better than budget, represents an improvement of \$29.4 million on last year. 1996–97 was the first year of implementation of the financial reform package which formed part of the modernisation program. As part of the reform package, Westrail receives explicit cash compensation for its community service obligations, which are principally country railway and road coach passenger services. In addition, unfunded superannuation liabilities have been assumed by the State and the net proceeds of Westrail's land rationalisation project are being retained by Westrail to reduce long-term debt. Other key features of the reform package are that Westrail is now required to make dividend payments to the State and is also subject to the tax equivalent regime.

Non-financial performance

The drive for increased efficiency and innovation was a continuing theme in this the second full year of the modernisation program. Major strategies focused on the introduction of flexible working arrangements for employees, investments in new technology and placing work with the private sector in order to continue to reduce costs and increase both productivity and return on assets. During 1996–97, freight charges were reduced by \$15 million, once again reflecting Westrail's commitment to sharing productivity gains with its customers. Urban Passenger Services Division received a 'high commendation' in the Australian Customer Service Awards for 1996, at both State and national levels. Overall passenger satisfaction was measured at 92 per cent, with on-time running measured at 98 per cent.

WESTRAIL (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1-4)						
Return on assets	%	5.4	48.6	4.5	12.5	10.7
Return on operating assets	%	5.7	52.8	4.5	12.7	10.9
Operating sales margin	%	14.5	59.5	10.8	29.8	28.0
Return on equity (5)	%	1.1	-50.4	5.7	-6.3	15.1
Dividend to equity ratio (5)	%	0.0	0.0	0.0	0.0	1.1
Dividend payout ratio	%	0.0	0.0	0.0	0.0	7.6
Debt to equity	%	-74.1	-125.8	-125.1	-137.5	682.5
Total liabilities to equity	%	-201.1	-258.0	-254.9	-266.5	766.5
Current ratio	%	147.4	42.5	34.3	40.1	44.2
Interest cover	%	80.7	661.3	55.0	145.4	135.3
Cost recovery ratio	%	118.1	121.1	123.4	156.7	145.3
Operational performance	%	6.1	7.0	7.7	15.4	12.0

Non-financial Ratios**RAIL****Economic Factors**

Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	-0.4	29.8	0.9	8.1	5.1

Efficiency

Employee productivity:						
- urban rail passenger journeys per employee	No/Emp	15 065	23 859	28 257	29 164	46 829
- non-urban passenger kilometres per employee	'000Pkm/ Emp	319	190	346	500	870
Net freight tonne-kilometres per wagon	'000NFTkm/ Wag	1 199	1 418	1 784	2 164	2 614
Net freight tonne-kilometres per locomotive	'000NFTkm/ Loco	37 653	45 392	53 750	65 423	83 288
Total days lost:						
- industrial disputes	%	0.24	0.02	0.03	0.16	0.14
- sick leave	%	3.06	3.53	2.91	3.67	3.71
- industrial accidents	%	1.09	1.16	0.20	1.46	1.51
- total	%	4.39	4.71	3.14	5.29	5.36

RAIL (continued)

WESTRAIL (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
<i>Effectiveness</i>						
Real price index (overall)	Index	96.1	94.4	79.8	72.8	61.8
Real urban fare revenue index (6)	Index	108.8	101.4	91.5	84.8	88.3
Real non-urban fare revenue index	Index	71.7	73.3	70.4	78.4	49.2
Real freight revenue index	Index	97.3	94.4	79.8	66.1	59.8
Train kilometres per level crossing accident	'000 km/ Acc	585	n.p.	n.p.	n.p.	n.p.
Number of level crossing accidents	No	12	n.p.	n.p.	n.p.	n.p.
Train kilometres	'000 km	7 018	7 561	8 114	8 507	8 875
<i>Service Quality</i>						
Service cancellations (urban only)	%	0.42	0.37	0.34	0.21	0.11
Train trips cancelled	No	n.p.	n.p.	n.p.	n.p.	n.p.
Total trips scheduled	No	n.p.	n.p.	n.p.	n.p.	n.p.
On time running:						
- urban (within 3 minutes)	%	95	93	94	95	96
- non-urban (various)	%	85	75	n.p.	n.p.	78
- freight (within 30 minutes)	%	83	70	n.p.	n.p.	52
<i>Size</i>						
Total assets	\$M	1 150	1 049	1 052	1 060	1 137
Total revenue	\$M	368	896	428	439	418
Cash box and other non-government revenue	\$M	368	404	415	399	413
Total route-kilometres operated	No	5 139	5 153	5 137	5 137	4 984
Urban rail passenger journeys	'000	10 500	16 200	16 700	15 865	20 230
Non-urban passenger-kilometres	'000 Pkm	160 096	148 558	152 563	159 731	153 116
Number of employees (average)						
- urban	No	697	679	591	544	432
- non-urban passenger	No	375	403	441	319	176
- freight	No	3 846	2 870	2 204	1 896	1 429
- total	No	4 832	3 952	3 236	2 759	2 037
Net freight tonne-kilometres	Mill.NFTkm	4 970	5 447	6 235	6 804	7 496
Net freight tonne-kilometres per route kilometre	'000NFTkm/ Rkm	979	1 073	1 236	1 349	1 512
Route kilometres (freight)	No	5 077	5 077	5 044	5 044	4 958
Number of wagons	No	4 146	3 840	3 421	3 144	2 868
Number of locomotives	No	132	120	116	104	90

RAIL (continued)

WESTRAIL (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
<i>Cost and Revenue Measures</i>						
Revenue per passenger:						
- urban (per journey)	Cents	135.00	131.00	113.00	121.65	103.90
- non-urban (per pass. kilometre)	Cents	7.0	6.1	8.0	8.2	8.3
Urban passenger revenue	\$'000	14 200	21 200	18 900	19 300	21 020
Non-urban passenger revenue	\$'000	11 174	12 470	12 221	13 014	12 690
Revenue per net freight tonne-kilometres	Cents/ NFTkm	5.0	5.0	4.4	3.8	n.p.
Freight revenue	\$'000	248 314	269 494	277 361	254 704	256 496
<i>URBAN</i>						
<i>Economic Factors</i>						
Total factor productivity	Index	0.81	1.08	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
<i>Efficiency</i>						
Passenger revenue per total vehicle capacity kilometre	Cents/ TVCKm	1.1	1.1	0.9	1.0	1.1
Expenditure per total vehicle capacity kilometre	Cents/ TVCKm	6.6	5.2	5.2	5.8	5.5
Employees per vehicle	Emp/Veh	8.9	7.5	5.7	4.4	4.2
Vehicles in excess of maximum daily demand	%	6.5	7.5	5.0	5.0	4.9
Kilometres per vehicle	km/Veh	120 568	149 617	102 801	149 732	145 965
Vehicle kilometres per employee	km/Emp	14 494	21 589	29 785	33 717	36 491
Vehicle capacity kilometres per employee	'000TVCKm/ Emp	2 261	3 368	4 646	5 031	5 692
<i>Effectiveness</i>						
Boardings per vehicle kilometre	Bd/km	1.8	1.8	1.8	2.1	2.3
Boardings per employee	Bd/Emp	25 911	38 426	51 978	73 024	84 037
Boarding per head of population:						
- metro	Bd/Hd	n.p.	n.p.	n.p.	n.p.	n.p.
- catchment	Bd/Hd	n.p.	n.p.	n.p.	n.p.	n.p.
<i>Service Quality</i>						
Service cancellations	%	0.4	0.4	0.3	0.2	0.1
Service delays	%	4.3	6.8	5.6	4.8	2.9

URBAN (continued)

WESTRAIL (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
Size						
Total employment	No	549	596	452	381	344
Total vehicle kilometres	'000 km	7 957	12 867	13 463	12 846	12 553
Total passenger boardings	'000	14 225	22 902	23 494	27 822	28 909
Number of scheduled services	'000	163	234	233	235	231
Revenue vehicle fleet	No	66	86	86	86	86
Cost and Revenue Measures						
Average fare per boarding	\$/Bd	0.97	0.92	0.80	0.70	0.73
Passenger revenue per vehicle km.	\$/km	1.74	1.64	1.41	1.50	1.67
Passenger revenue per employee	\$/Emp	25 246	35 472	41 860	50 656	61 105
Expenditure per vehicle kilometre	\$/km	10.37	8.09	8.14	8.68	8.55
Expenditure per boarding	\$/Bd	5.80	4.54	5.79	4.00	3.71

NOTES TO INDICATORS FOR WESTRAIL

Key: n.p. - not provided; n.r. - not relevant.

- 1) From 1 July, 1996 Westrail became subject to the State Government's taxation equivalent regime. Under the regime Westrail will pay to the State Government the equivalent of the income tax and sales tax that it would have to pay to the Commonwealth Government if it were a private company.
- 2) A capital reconstruction arrangement concurrent with the assumption of Westrail's unfunded superannuation liability by Treasury together with a prior year adjustment reflecting the introduction of tax equivalent regime was effected on 1 July 1996 as detailed below:

Equity injection - Assumption of superannuation liability	\$725 525 000
Less Capital reconstruction offset of Accumulated Losses	\$(612 506 000)
Opening balance of owner's contribution	\$113 018 000
- 3) At the direction of Government, Westrail provides a number of services for which it does not fully recover the costs of providing those services. As part of the financial restructuring package agreed with State Treasury, Westrail received direct funding from Treasury for the net cost — measured on a long-run avoidable cost basis — of community service obligations performed during 1996–97.

WESTRAIL (continued)

NOTES TO INDICATORS FOR WESTRAIL (continued)

4) Community service obligations:

<i>Category of CSO</i>	<i>Method of valuation</i>	<i>Source of funding</i>	<i>Year</i>	<i>Cost (\$'000)</i>
Country Passenger	Long-run avoidable	State Treasury	1996–97	
Australind				6 410
Prospector/Avon Link				9 403
Road Services				2 890
Total				18 703
Other	Long-run avoidable	State Treasury	1996–97	
Indian Pacific				660
Midland Workshops				457
Maintenance/Security				
Hotham				50
Valley/Other				
Total				1 167
Total overall CSO				19 870

5) In 1996–97, actual equity is used rather than average equity so as to more correctly reflect the true position for that year.

6) 1995–96 is used as a base year for this index.

AUSTRALIAN NATIONAL RAILWAYS COMMISSION

Commonwealth

Comments on own performance

Formed in 1975, Australian National (AN) has undergone a major restructuring of its operations as a result of the Federal Government's microeconomic reform program. AN's interstate freight activities and associated assets have been transferred to National Rail Corporation (NRC) and AN has been a provider of railway services to support NRC in undertaking this task.

AN has not received full financial consideration for ownership costs including interest and lease costs that it incurs for the assets transferred to or utilised by NRC.

It was announced by the Minister for Transport and Regional Development on 6 March 1997 that expressions of interest would be sought for the sale by competitive tender of the whole or part of AN's operations excluding the track forming part of the interstate rail network.

It was subsequently announced on 28 August 1997 that three consortia had been the successful purchasers of AN's operations. The Genesee and Wyoming Consortium will be purchasing AN's South Australian interstate freight and maintenance business, the Great Southern Railway Consortium will be purchasing AN's interstate passenger business and the Australian Transport Network will be purchasing AN's Tasmanian freight business.

AN continued to win external business for its maintenance and construction services during the year although the financial performance in the area remains poor.

The long-distance passenger services — the Ghan, the Indian Pacific and the Overland — operated at a reduced loss before supplements of \$12 million (\$25 million in 1996).

There is a high probability that AN's assets representing the mainline interstate track owned by AN will be transferred within 12 months to a new national rail infrastructure organisation.

Operating loss before abnormal items was \$57.1 million compared with \$68.6 million in 1996. Abnormal profits of \$558.3 million (abnormal losses of \$141.8 million in 1996) included supplements and associated costs related to the restructuring and sale of AN, the write off of debt assumed by the Commonwealth and write down of asset values.

AUSTRALIAN NATIONAL RAILWAYS COMMISSION (continued)

	Units	1992-93	1993-94	1994-95	1995-96	1996-97
Financial Ratios (1)						
Return on assets	%	0.4	3.1	0.3	-13.8	63.1
Return on operating assets	%	-1.2	1.5	-0.6	-16.1	80.2
Operating sales margin	%	-2.7	3.8	-1.6	-44.0	39.8
Return on equity	%	-56.6	-12.4	-27.5	-231.8	210.0
Dividend to equity ratio	%	0.0	0.0	0.0	0.0	0.0
Dividend payout ratio	%	0.0	0.0	0.0	0.0	0.0
Debt to equity	%	924.1	278.9	401.1	-6 098.5	2.5
Total liabilities to equity	%	1 132.0	341.4	478.3	-7 747.4	83.1
Current ratio	%	49.0	47.5	56.2	82.2	99.2
Interest cover	%	7.2	61.9	4.7	-190.6	841.6
Cost recovery ratio	%	87.2	95.1	92.4	77.0	92.3
Operational performance	%	-5.1	-1.8	-2.7	-8.6	-3.5
Non-financial Ratios						
Economic Factors						
Total factor productivity (2)	Index	166	189	55	55	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
Efficiency						
Employee Productivity:						
-urban rail passenger journeys per employee	No/Emp	n.r.	n.r.	n.r.	n.r.	n.r.
- non-urban passenger kilometres per employee	'000Pkm/ Emp	260	395	417	615	1 229
- net freight tonne-kilometres per employee	'000NFTkm/ Emp	2 185	2 787	511	550	1 043
Net freight tonne-kilometres per wagon	'000NFTkm/ Wag	1 670	1 917	323	301	530
Net freight tonne-kilometres per locomotive	'000NFTkm/ Loco	49 019	54 678	8 850	8 088	13 191
Total days lost:						
- industrial disputes	%	8.8	1.4	3.5	1.8	0.0
- sick leave	%	n.p.	n.p.	n.p.	n.p.	n.p.
- industrial accidents	%	n.p.	n.p.	n.p.	n.p.	n.p.
- total	%	n.p.	n.p.	n.p.	n.p.	n.p.

AUSTRALIAN NATIONAL RAILWAYS COMMISSION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
<i>Effectiveness</i>						
Real price index (overall) (2)	Index	76.0	70.9	n.p.	n.p.	n.p.
Real urban fare revenue index	Index	n.r.	n.r.	n.r.	n.r.	n.r.
Real non-urban fare revenue index	Index	107.5	110.4	112.2	116.80	156.0
Real freight revenue index (2)	Index	73.10	65.90	n.r.	n.r.	n.r.
Train kilometres per level crossing accident	'000 km/ Acc	1 123	3 284	931	891	308
Number of level crossing accidents	No	8	3	10	11	13
Train kilometres (3)	'000 km	8 983	9 853	9 309	9 806	4 000
<i>Service Quality</i>						
Service cancellations (urban only)	%	n.r.	n.r.	n.r.	n.r.	n.r.
Train trips cancelled	No	n.r.	n.r.	n.r.	n.r.	n.r.
Total trips scheduled	No	n.r.	n.r.	n.r.	n.r.	n.r.
On time running:						
- urban (within 3 minutes)	%	n.r.	n.r.	n.r.	n.r.	n.r.
- non-urban (various)	%	63.0	76.6	75.7	76.4	84.0
- freight (within 30 minutes)	%	63.2	65.1	61.3	63.7	82.0
<i>Size</i>						
Total assets	\$M	1 044	1 095	1 148	908	896
Total revenue	\$M	403	393	372	352	1 423
Cash box and other non-government revenue	\$M	331	355	323	312	298
Total route kilometres operated	No	6 235	6 235	6 152	6 118	5 961
Urban rail passenger journeys	'000	n.r.	n.r.	n.r.	n.r.	n.r.
Non-urban passenger kilometres	Mill.Pkm	166	183	248	240	344
Number of employees (average):						
- urban	Emp	n.r.	n.r.	n.r.	n.r.	n.r.
- non-urban passenger	Emp	722	629	577	319	280
- freight	Emp	3 882	3 286	2 934	2 275	1 455
- total	Emp	4 604	3 915	3 511	2 594	1 735
Net freight tonne-kilometres	Mill.NFTkm	8 480	9 159	1 500	1 379	1 517
Net freight tonne-kilometres per route kilometre	'000NFTkm/ Rkm	1 326	1 469	242	225	254
Route-kilometres (freight)	No	6 397	6 235	6 193	6 135	5 961
Number of wagons	No	5 077	4 778	4 651	4 579	2 864
Number of locomotives	No	173	168	170	171	115

AUSTRALIAN NATIONAL RAILWAYS COMMISSION (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
<i>Cost and Revenue Measures</i>						
Revenue per passenger:						
- urban (per journey)	Cents	n.r.	n.r.	n.r.	n.r.	n.r.
- non-urban (per pass-km)	Cents	13.4	14.0	14.7	15.7	31.1
Urban passenger revenue	\$'000	n.r.	n.r.	n.r.	n.r.	n.r.
Non-urban passenger revenue	\$'000	25 041	34 732	35 268	48 355	53 677
Revenue per net freight tonne-kilometres	Cents/ NFTkm	3.2	3.0	5.0	7.3	5.4
Freight revenue	\$'000	274 663	272 656	74 893	73 578	81 268

NOTES TO INDICATORS FOR AUSTRALIAN NATIONAL RAILWAYS COMMISSION

Key: n.p. - not provided; n.r. - not relevant.

- 1) Several balance sheet accounts in 1992–93 have been revised to allow for comparisons with 1993–94 figures.
- 2) A break in the time series occurred in 1994–95 caused by the transfer of AN's interstate freight traffic to National Rail.
- 3) 1996–97 excludes train kilometres by independent operators using AN locomotives approximately 6 million kilometres.

NATIONAL RAIL CORPORATION**Commonwealth****Comments on own performance**

National Rail Corporation Limited is a company incorporated in 1991 for the purpose of providing interstate rail freight transport services. It was formed pursuant to a Shareholders' Agreement by the Governments of the Commonwealth and States of New South Wales, Victoria, Queensland and Western Australia. Current shareholders are the Commonwealth, New South Wales and Victorian Governments with shareholder contributions totalling \$406.5 million at the end of 1996–97 (\$362.4 million as at 30 June 1996).

The 1996–97 financial year saw the company return an operating loss after tax of \$4.8 million. The main contributors were reductions in freight revenue (down \$31.2 million on last year) as a result of restrained economic activities and continued on-rail competition on the East–West corridor, as well as reductions in investment income owing to progressive application of funds to capital programs and lower interest rates. Other non-freight revenue which affected the operating result include restructuring claims upon shareholders in line with the Shareholders' Agreement of \$34.9 million and a defeasance gain of \$14.6 million (before associated costs of \$5.5 million) from the first drawdown under the domestic leases over the company's new locomotives.

In spite of the reduced freight task resulting from intense competition and the sluggish economy, the overall cost per unit of freight remained steady as a result of substantial cost reductions in most parts of the company's operations. Only the cost of track access has failed to reduce since National Rail's commencement of operations more than four years ago.

1996–97 was the first full year in which National Rail operated completely outside the transitional arrangements under the Shareholders' Agreement. Accordingly, all services provided to the company by rail authorities were conducted under commercial arrangements.

Achievement of a consistently high level of service quality is now the principal focus of the company, with particular emphasis placed on truck turnaround time in terminals, on-time running, misconsignments and container damage, wagon availability, terminal equipment availability and locomotive availability. The continued investment in new rollingstock and plant and equipment and commitment of staff will help the company achieve its targets.

Financial Ratios

NATIONAL RAIL CORPORATION(continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Return on assets	%	-13.9	0.2	5.8	4.1	1.3
Return on operating assets	%	-53.8	-15.8	1.0	-5.9	-2.2
Operating sales margin	%	-23.3	-1.9	0.2	-2.4	-2.1
Return on equity	%	-17.3	0.3	5.6	0.3	-3.6
Dividend to equity ratio	%	0.0	0.0	0.0	0.0	0.0
Dividend payout ratio	%	0.0	0.0	0.0	0.0	0.0
Debt to equity	%	0.0	0.0	0.0	82.5	74.1
Total liabilities to equity	%	23.7	14.0	18.7	133.2	114.4
Current ratio	%	496.4	758.1	612.6	377.3	211.5
Interest cover	%	-91 773	4 727	297 367	108.5	44.8
Cost recovery ratio	%	81.1	98.1	100.2	97.6	96.1
Operational performance	%	-53.8	-15.8	1.0	-5.9	-4.2

Non-financial Ratios***Economic Factors***

Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.

Efficiency

Employee productivity:						
-urban rail passenger journeys per employee	No/Emp	n.r.	n.r.	n.r.	n.r.	n.r.
- non-urban passenger kilometres per employee	'000Pkm/ Emp	n.r.	n.r.	n.r.	n.r.	n.r.
- net freight tonne-kilometres per employee	'000NFTkm/ Emp	n.p.	19 545	15 271	13 684	12 232
Net freight tonne-kilometres per wagon	'000NFTkm/ Wag	n.p.	2 454	3 192	3 018	3 556
Net freight tonne-kilometres per locomotive	'000NFTkm/ Loco	n.p.	n.p.	n.p.	n.p.	n.p.
Total days lost:						
- industrial disputes	%	n.p.	0.00	0.00	0.00	0.00
- sick leave	%	n.p.	n.p.	n.p.	1.60	1.60
- industrial accidents	%	n.p.	n.p.	n.p.	n.p.	n.p.
- total	%	n.p.	n.p.	n.p.	n.p.	n.p.

Effectiveness

Real price index (overall)	Index	n.p.	100.0	87.9	n.p.	n.p.

NATIONAL RAIL CORPORATION(continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Real urban fare revenue index	Index	n.r.	n.r.	n.r.	n.r.	n.r.
Real non-urban fare revenue index	Index	n.r.	n.r.	n.r.	n.r.	n.r.
Real freight revenue index	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Train kilometres per level crossing accident	'000 km/ Acc	n.p.	n.p.	n.p.	n.p.	n.p.
Number of level crossing accidents	No	n.p.	n.p.	n.p.	n.p.	n.p.
Train kilometres	'000 km	n.p.	n.p.	n.p.	n.p.	n.p.
Service Quality						
Service cancellations (urban only)	%	n.r.	n.r.	n.r.	n.r.	n.r.
Train trips cancelled	No	n.p.	n.p.	n.p.	n.p.	n.p.
Total trips scheduled	No	n.p.	n.p.	n.p.	n.p.	n.p.
On-time running:						
- urban (within 3 minutes)	%	n.r.	n.r.	n.r.	n.r.	n.r.
- non-urban (various)	%	n.p.	n.p.	n.p.	n.p.	n.p.
- freight (within 30 minutes)	%	n.p.	61	68	73	76
Size						
Total assets	\$M	193	258	361	846	862
Total revenue	\$M	61	453	497	539	516
Cash box and other non-government revenue	\$M	61	453	497	513	481
Total route kilometres operated	No	n.p.	8 100	8 100	8 100	8 100
Urban rail passenger journeys	'000	n.r.	n.r.	n.r.	n.r.	n.r.
Non-urban passenger kilometres	'000 Pkm	n.r.	n.r.	n.r.	n.r.	n.r.
Number of employees:						
- urban	Emp	n.r.	n.r.	n.r.	n.r.	n.r.
- non-urban passenger	Emp	n.r.	n.r.	n.r.	n.r.	n.r.
- freight	Emp	378	712	1 087	1 235	1 308
- total	Emp	378	712	1 087	1 235	1 308
Net freight tonne-kilometres	Mill.NFTkm	n.p.	13 916	16 600	16 900	16 000
Net freight tonne-kilometres per route-kilometre	'000NFTkm/ Rkm	n.p.	1 718	2 049	2 086	1 975
Route kilometres (freight)	No	n.p.	8 100	8 100	8 100	8 100
Number of wagons	No	n.p.	5 670	5 200	5 600	4 500
Number of locomotives	No	n.p.	n.p.	n.p.	n.p.	n.p.

Cost and Revenue Measures

Revenue per passenger:

NATIONAL RAIL CORPORATION(continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
- urban	Cents	n.r.	n.r.	n.r.	n.r.	n.r.
- non-urban	Cents	n.r.	n.r.	n.r.	n.r.	n.r.
Urban passenger revenue	\$'000	n.r.	n.r.	n.r.	n.r.	n.r.
Non-urban passenger revenue	\$'000	n.r.	n.r.	n.r.	n.r.	n.r.
Revenue per net freight tonne-kilometre	Cents/ NFTkm	n.p.	3.0	3.0	3.0	3.0
Freight revenue	\$'000	n.p.	443 408	479 677	475 747	444 498

NOTES TO INDICATORS FOR NATIONAL RAIL CORPORATION

Key: n.p. - not provided; n.r. - not relevant.

6 PORT AUTHORITIES

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South Australian Ports Corporation (SA)	383
Fremantle Port Authority (WA)	387
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Port of Launceston Corporation (Tas)	403
Darwin Port Authority (NT)	407

NEWCASTLE PORT CORPORATION New South Wales

Comments on own performance

Background

The *Marine Administration Act 1989*, established four subsidiary authorities to the Maritime Services Board of NSW (MSB) one of which was the Hunter Port Authority. On 30 June 1995, the *Ports Corporatisation and Waterways Management Act 1995*, dissolved the MSB and on 1 July 1995 established six new entities including the Newcastle Port Corporation. The Newcastle Port Corporation is a statutory state owned corporation in accordance with the *State Owned Corporation Act 1989*.

Current operations

The Corporation's core business strands are as follows:

- provide marine safety, navigation and traffic management services;
- ownership and successful operation of wharf facilities;
- property management; and
- leading viable port related business development which benefits the broader community.

The Corporation provides a variety of services to the shipping industry, stevedoring industry and commercial boating interests.

Financial performance

The financial year ended 30 June 1997 was only the second year of operation for the Newcastle Port Corporation hence comparison of financial information to prior years and trend analysis is limited. It can be noted however that operating profit before tax increased from the prior year by nine per cent and return on assets increased eight per cent.

Non-financial performance

The Port of Newcastle set another record trade throughput in 1996–97 — 66.9 million tonnes, an increase of 11 per cent on the previous year. Exports totalled 60.6 million tonnes, an increase of 14 per cent. In keeping with Newcastle's position as the world's largest capacity coal port, coal exports continued to achieve new records increasing by 11 per cent to 56 million tonnes. A record grain throughput of 2.3 million tonnes reflected a bumper harvest year for wheat and other grains. The Port's diversification strategy is clearly having an effect with a 63 per cent growth in non-coal export tonnages this year following a 40 per cent growth in 1995–96.

NEWCASTLE PORT CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
PORT AUTHORITY INDICATORS						
Financial Ratios (1,2,3,4)						
Return on assets (5)	%	n.r.	n.r.	n.r.	11.3	12.2
Return on operating assets (5)	%	n.r.	n.r.	n.r.	13.3	13.9
Operating sales margin	%	n.r.	n.r.	n.r.	38.8	36.9
Return on equity	%	n.r.	n.r.	n.r.	13.4	12.1
Dividend to equity ratio (6)	%	n.r.	n.r.	n.r.	9.0	14.3
Dividend payout ratio (6)	%	n.r.	n.r.	n.r.	67.3	118.1
Debt to equity	%	n.r.	n.r.	n.r.	83.0	45.9
Total liabilities to equity	%	n.r.	n.r.	n.r.	113.3	77.9
Current ratio (7)	%	n.r.	n.r.	n.r.	91.8	80.2
Interest cover	%	n.r.	n.r.	n.r.	825.5	526.2
Cost recovery ratio	%	n.r.	n.r.	n.r.	163.5	150.3
Operational performance	%	n.r.	n.r.	n.r.	13.3	12.0
Non-Financial Ratios						
Economic Factors						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
Efficiency						
Port authority charges per unit of cargo	\$/MT	0.74	0.74	0.62	0.56	0.50
Port authority costs per unit of cargo	\$/MT	0.50	0.49	0.37	0.33	0.33
Total days lost:						
- industrial disputes	%	0.00	0.00	0.05	0.10	1.18
- sick leave	%	2.30	2.90	2.15	2.66	2.08
- industrial accidents	%	0.40	0.10	0.12	0.24	0.93
- total	%	2.70	3.00	2.32	3.04	4.20
Effectiveness						
RPI of port authority charges	Index	62.0	62.0	49.0	47.0	46.0
Size						
Total assets (4)	\$M	n.r.	n.r.	n.r.	129	116
Total revenue	\$M	n.r.	n.r.	n.r.	34	38
Total employment	No	198	156	123	119	121

NEWCASTLE PORT CORPORATION (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
PORT INDICATORS						
Non-Financial Ratios (continued)						
Effectiveness						
Berth occupancy:						
- container terminal	%	n.r.	n.r.	n.r.	n.r.	n.r.
- other than at a container terminal	%	83.0	87.0	79.0	85.0	87.0
- whole port	%	n.r.	n.r.	n.r.	n.r.	n.r.
Service Quality						
Average time at berth (median)	Hours	35	36	39	32	42
Turnaround time:						
- container ships at container terminals:						
- - median	Hours	n.r.	n.r.	n.r.	n.r.	n.r.
- - 95 percentile	Hours	n.r.	n.r.	n.r.	n.r.	n.r.
- other:						
- - median	Hours	109	118	133	136	140
- - 95 percentile	Hours	295	269	275	n.r.	n.r.
Cargo processed/ship working time	MT/Hr	2 299	2 269	2 477	5 326	5 668
Cargo processed/gross ship time	MT/Hr	583	586	561	676	770
Stevedoring idle time	%	n.p.	n.p.	n.p.	n.p.	n.p.
Average delay time per ship due to industrial disputes	Hours	n.p.	n.p.	n.p.	n.p.	n.p.
Size						
Cargo handled:						
- non-containerised general cargo	'000 MT	800	730	844	1 061	971
- bulk cargo	'000 MT	49 897	52 362	55 899	59 099	66 020
- all cargo	'000 MT	50 751	53 189	56 821	60 255	67 078
Number of containers handled	TEUs	3 943	8 334	9 035	9 629	9 376

NEWCASTLE PORT CORPORATION (continued)

NOTES TO INDICATORS FOR NEWCASTLE PORT CORPORATION

Key: n.p. - not provided; n.r. - not relevant.

- 1) Audited financial data has been used wherever possible.
- 2) Comparison of information between pre and post 1 July 1995 may not be meaningful given the different natures of the prior Hunter Port Authority and the present Newcastle Port Corporation.
- 3) The Corporation falls under the tax equivalent regime introduced to selected government bodies on 1 July 1994.
- 4) Property, plant and equipment was valued at 'deprival value' as at 1 July 1995. The addition of two sites comprising the ship repair precinct were also valued at 'deprival value'. Any other additions during the year were valued at cost. No revaluations have occurred.
- 5) In 1996–97 abnormal income of \$1.9 million relates to the contribution of land by the Minister for Public Works and Services.
- 6) In 1996–97 the dividend declared is based on cash reserves at year end and not activity.
- 7) In 1996–97 the current ratio includes \$5.75 million of debt which is rolling. (1995–96 \$8.75 million).

PORT KEMBLA PORT CORPORATION

New South Wales

Comments on own performance

On 1 July 1995, the Port Kembla Port Corporation was formed as a result of the proclamation of the *Ports Corporatisation and Waterways Management Act 1995*. The Act dissolved the Maritime Services Board and created a separate Port Corporation for Port Kembla which now operates as a successful business, promoting and facilitating trade and ensuring port safety functions are carried out properly.

In 1996–1997 the Corporation completed a number of key strategic plans which set the direction and actions for the port into the next century. The Business Growth and Marketing Strategy promotes the port's competitive advantages as well as including a flexible approach to pricing, and a determination to work closely with customers to meet their needs. The Strategy also paves the way for new strategic alliances and partnering arrangements with several key port players.

The Port Development Strategy which is clearly aligned to the Business Growth and Marketing Strategy, forms the guiding principles for the infrastructure to underpin future port growth. The 1996–1997 year saw the second highest trade throughput level at 26.5 million revenue tonnes (mrt), only one per cent lower than the record set in 1993–1994 of 26.8 mrt. The Port Kembla Grain Terminal set a new record for grain exports with 2.8 mrt for the year, almost doubling the previous record. It also set an Australian record for ship loading rates, establishing the Port Kembla facility as one of the most efficient in the world.

The higher than expected tonnages, coupled with a strong cost control program by dedicated staff, allowed the Corporation to produce an increase in net profit and enhanced distribution to shareholders.

Other key achievements for 1996–1997 included: a record number of trade and new business inquiries; major pricing reductions provided to port users, especially in the shipping and grain areas; all Enterprise Bargaining Agreement performance indicators were achieved; a number of major new business projects were initiated including the tendering for the cargo handling operations at the Multi Purpose Berth; the CAPS (Computer Aid for Pilots) navigation aid was accepted and sea trials have commenced to improve port limits; and the financial performance indicator targets were achieved or bettered for the year.

Port Kembla Port Corporation is now well poised to capture new market and trade opportunities in 1997–98 and beyond. The port's future is looking promising and its direction is clearly underpinned by a number of key strategies as well as quality assurance certification in the core business of port shipping operations.

PORT KEMBLA PORT CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
PORT AUTHORITY INDICATORS						
Financial Ratios (1,2)						
Return on assets (3)	%	n.r.	n.r.	n.r.	15.3	12.9
Return on operating assets (3)	%	n.r.	n.r.	n.r.	16.5	14.0
Operating sales margin	%	n.r.	n.r.	n.r.	67.7	63.6
Return on equity	%	n.r.	n.r.	n.r.	13.3	12.6
Dividend to equity ratio	%	n.r.	n.r.	n.r.	8.3	8.4
Dividend payout ratio	%	n.r.	n.r.	n.r.	62.5	66.8
Debt to equity	%	n.r.	n.r.	n.r.	78.6	60.7
Total liabilities to equity	%	n.r.	n.r.	n.r.	104.0	86.4
Current ratio	%	n.r.	n.r.	n.r.	63.0	68.3
Interest cover	%	n.r.	n.r.	n.r.	303.1	477.4
Cost recovery ratio (4)	%	n.r.	n.r.	n.r.	309.5	275.0
Operational performance (5)	%	n.r.	n.r.	n.r.	16.5	14.0
Non-Financial Ratios						
Economic Factors						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
Efficiency						
Port authority charges per unit of cargo (3)	\$/MT	0.71	0.71	0.67	0.73	0.61
Port authority costs per unit of cargo (3)	\$/MT	0.43	0.43	0.52	0.65	0.41
Total days lost:						
- industrial disputes	%	0.00	0.00	0.00	0.02	0.02
- sick leave	%	2.30	3.40	2.43	2.65	1.23
- industrial accidents	%	0.30	0.20	0.31	0.25	0.01
- total	%	2.70	3.70	2.74	2.92	1.26
Effectiveness						
RPI of port authority charges (4)	Index	72.0	71.0	56.0	62.0	53.0
Size						
Total assets	\$M	n.r.	n.r.	n.r.	196	186
Total revenue	\$M	n.r.	n.r.	n.r.	44	38
Total employment	No	89	69	54	53	54

PORT KEMBLA PORT CORPORATION (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
PORT INDICATORS						
Non-Financial Ratios (continued)						
Effectiveness						
Berth occupancy:						
- container terminal	%	n.r.	n.r.	n.r.	n.r.	n.r.
- other than at a container terminal (4)	%	81.0	75.0	65.0	66.0	69.0
- whole port	%	n.r.	n.r.	n.r.	n.r.	n.r.
Service Quality						
Average time at berth (median)	Hours	27	27	28	26	28
Turnaround time:						
- container ships at container terminals:						
- - median	Hours	n.r.	n.r.	n.r.	n.r.	n.r.
- - 95 percentile	Hours	n.r.	n.r.	n.r.	n.r.	n.r.
- other:						
- - median (5)	Hours	98	97	62	62	65
- - 95 percentile (5)	Hours	246	247	185	295	209
Cargo processed/ship working time (5) (6)	MT/Hr	2 061	2 028	2 163	1 748	2 085
Cargo processed/gross ship time (5)	MT/Hr	585	619	941	594	664
Stevedoring idle time	%	n.p.	n.p.	n.p.	n.p.	n.p.
Average delay time per ship due to industrial disputes	Hours	n.p.	n.p.	n.p.	n.p.	n.p.
Size						
Cargo handled:						
- non-containerised general cargo	'000 MT	1 875	1 994	2 125	2 163	2 311
- bulk cargo	'000 MT	24 376	24 995	22 198	23 557	24 200
- all cargo	'000 MT	26 251	26 989	24 323	25 720	26 511
Number of containers handled	TEUs	0	1	0	0	698

PORT KEMBLA PORT CORPORATION (continued)

NOTES TO INDICATORS FOR PORT KEMBLA PORT CORPORATION

Key: n.p. - not provided; n.r. - not relevant.

- 1) The financial results and indicators have been calculated as per the definitions provided. Corresponding indicators stated in the PKPC'S 1997 Annual Report may show different values, as slightly different definitions (eg exclusion of abnormal items) may have been used in their calculation. Information for all financial performance indicators has been taken from audited financial statements.

- 2) A valuation of fixed assets was performed to establish values for incorporation. Asset revaluations:

<i>Category of asset</i>	<i>Method of valuation</i>	<i>Date of revaluation</i>
Land and Buildings	Market	1 July 1995
Roads	Deprival	1 July 1995
Wharves Jetties & Breakwaters	Deprival	1 July 1995
Coal Terminal	Deprival	1 July 1995
Plant	Deprival	1 July 1995

- 3) Port Corporation charges and costs exclude coal loading operations at the Port Kembla Coal Terminal. Unit of cargo is the mass tonne. Port Corporation charges have been equated to port management income. Port Corporation costs include port management, administration, expenditure, depreciation, and financial charges.
- 4) For Port Kembla Port Corporation, the index is corrected for CPI and based on the movement in the average port management income per mass tonne of cargo, excluding all coal loading related income.
- 5) This indicator is based on coal vessels at coal berths only for Port Kembla.
- 6) Ship working times are not recorded. Ship time at berth has been used in the calculation.

SYDNEY PORTS CORPORATION**New South Wales****Comments on own performance**

The Sydney Ports Corporation, which is a statutory state owned corporation established on 1 July 1995, is the central infrastructure provider and manager for the commercial ports of Sydney Harbour and Botany Bay. The Corporation is the body chiefly responsible for ensuring the availability of satisfactory port facilities and services for the region's trade. With this responsibility goes a requirement to control port operations in keeping with standards of safety and environment protection acceptable to the region's community as well as internationally.

For the performance of its commercial functions, the Corporation currently has a 230 hectare portfolio of waterfront property at Sydney Harbour and Botany Bay. In the main, the Corporation acts as landlord, leasing its properties to private sector operators who provide the direct services involved in handling and storing sea cargo. A Port Safety Operating Licence issued to the Corporation provides the authority under which controls are exercised over navigation within the Sydney ports. The licence also establishes the conditions to which the Corporation is subject in its role as a protector of the marine environment within port. During 1996–97 the Corporation finalised the Sydney Ports Master Plan for the use and development of Sydney Harbour and Botany Bay to the year 2020.

The Corporation achieved an operating profit of \$38.4 million, substantially above target. This strong profit result was achieved largely through reduced internal costs reflecting lower salary, wage and superannuation outlays following a voluntary redundancy campaign. Other administrative savings and lower depreciation expenses also contributed to the result.

Revenue was higher than budget, improving by 4.8 per cent on the 1995–1996 result, because of strong shipping activity. Ship visits for the year were up five per cent on the previous twelve months. The profit result was supported by a strong balance sheet, with total shareholders' equity increasing to \$146.4 million and return on equity (before tax) to 26.2 per cent, compared with the target level of 16.9 per cent.

The Corporation's healthy financial performance came in a year in which port charges were reduced by five per cent. This reduction, which became effective on 1 July 1996, was followed in June 1997 by an announcement that the Corporation would reduce port charges by a further five per cent from 1 July 1997. This second price reduction will result in a further saving of some \$3.4 million a year for shippers and ship owners.

Total trade through Botany Bay and Sydney Harbour increased by 2.2 per cent on the 1995–1996 figures to 21.33 million mass tonnes, with container throughput rising by 4.6 per cent to 730 446 TEUs, a record for Sydney ports.

SYDNEY PORTS CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
PORT AUTHORITY INDICATORS						
Financial Ratios (1)						
Return on assets	%	n.r.	n.r.	n.r.	15.8	15.5
Return on operating assets	%	n.r.	n.r.	n.r.	16.4	16.7
Operating sales margin	%	n.r.	n.r.	n.r.	57.9	57.6
Return on equity	%	n.r.	n.r.	n.r.	19.5	16.7
Dividend to equity ratio	%	n.r.	n.r.	n.r.	11.0	10.3
Dividend payout ratio	%	n.r.	n.r.	n.r.	56.5	61.3
Debt to equity	%	n.r.	n.r.	n.r.	109.3	102.9
Total liabilities to equity	%	n.r.	n.r.	n.r.	143.3	130.1
Current ratio	%	n.r.	n.r.	n.r.	26.2	101.5
Interest cover (2)	%	n.r.	n.r.	n.r.	719.3	382.3
Cost recovery ratio	%	n.r.	n.r.	n.r.	237.3	235.6
Operational performance	%	n.r.	n.r.	n.r.	16.4	16.7
Non-Financial Ratios						
Economic Factors						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
Efficiency						
Port authority charges per unit of cargo (3)	\$/MT	5.28	4.71	4.58	4.12	4.11
Port authority costs per unit of cargo (4)	\$/MT	2.88	2.51	2.25	1.98	2.34
Total days lost:						
- industrial disputes	%	0.00	0.00	0.00	0.00	0.00
- sick leave	%	3.90	4.40	2.32	2.81	2.14
- industrial accidents	%	1.00	1.00	0.39	0.73	0.30
- total	%	4.90	5.40	2.71	3.54	2.43
Effectiveness						
RPI of port authority charges	Index	97.0	86.0	80.0	69.0	68.0
Size						
Total assets (1)	\$M	n.r.	n.r.	295	334	337
Total revenue	\$M	n.r.	n.r.	n.r.	84	88
Total employment	No	513	329	209	230	218

SYDNEY PORTS CORPORATION (continued)

	Units	1992-93	1993-94	1994-95	1995-96	1996-97
PORT INDICATORS						
Non-Financial Ratios (continued)						
Effectiveness						
Berth occupancy:						
- container terminal (5)	%	n.p.	39.0	53.0	49.0	47.8
- other than at a container terminal	%	n.p.	n.p.	n.p.	n.p.	n.p.
- whole port	%	n.p.	n.p.	n.p.	n.p.	n.p.
Service Quality						
Average time at berth (median) (6)	Hours	n.p.	43	44	41	37
Turnaround time:						
- container ships at container terminals:						
- - median (7)	Hours	n.p.	39	45	42	40
- - 95 percentile	Hours	n.p.	n.p.	n.p.	n.p.	n.p.
- other:						
- - median	Hours	n.p.	n.p.	n.p.	n.p.	n.p.
- - 95 percentile	Hours	n.r.	n.r.	n.r.	n.r.	n.p.
Cargo processed/ship working time	MT/Hr	n.p.	n.p.	n.p.	222	n.p.
Cargo processed/gross ship time	MT/Hr	n.p.	n.p.	n.p.	n.p.	n.p.
Stevedoring idle time	%	n.p.	n.p.	n.p.	n.p.	n.p.
Average delay time per ship due to industrial disputes	Hours	n.p.	n.p.	n.p.	n.p.	n.p.
Size						
Cargo handled:						
- non-containerised general cargo (8)	'000 MT	1 238	1 066	1 095	902	805
- bulk cargo	'000 MT	12 309	11 993	13 106	12 654	12 822
- all cargo	'000 MT	19 209	19 068	20 899	20 877	21 332
Number of containers handled	TEUs	561 401	593 290	670 674	698 648	730 446

SYDNEY PORTS CORPORATION (continued)

NOTES TO INDICATORS FOR SYDNEY PORTS CORPORATION

Key: n.p. - not provided; n.r. - not relevant.

- 1) Total assets include \$275 million of property, plant and equipment that was valued at the time of acquisition at the commencement of the Corporation on 1 July 1995. As this valuation provided an initial value, no revaluation reserve was created.
- 2) The capital structure was revised in June 1996 which has resulted in an increased interest expenditure in the current financial year.
- 3) Calculated as income for all NSW Government Port Management activities in the ports of Sydney divided by total cargo throughput for Sydney (SPC plus private wharves). In 1995–96, income from SPC charges on cargo and ships (excluding rental and site occupation) per mass tonne of cargo through the ports of Sydney was \$2.97. In future years the figure will be calculated on this basis.
- 4) Based on tonnage through SPC plus private wharves.
- 5) Berth occupancy figures for 1993–94 onward are based on revised data from SPC's Harbour Management System (Berth Efficiency Report). The system does contain relevant data for years prior to 1993–94. This includes all vessels at container terminals.
- 6) Calculated on all vessels at all berths, including private berths.
- 7) Turnaround time figures from 1993–94 onward are based on revised data from SPC's Harbour Management System (Berth Efficiency Report). The system does contain relevant data for years prior to 1993–94. This includes all vessels at container terminals.
- 8) Tonnages shown are for 'whole of port' ie. SPC wharves plus private wharves.

MELBOURNE PORT CORPORATION**Victoria****Comments on own performance**

The Melbourne Port Corporation commenced operations on 1 March 1996 pursuant to the *Port Services Act 1995* as part of the Victorian Government's port reform program and the disaggregation of the Port of Melbourne Authority. The role of the Corporation is to manage land within the Melbourne port area, co-ordinate future developments and ensure the availability of adequate land and infrastructure to port service providers.

The Corporation's vision is for the port to be recognised by the international shipping and trading community as the premier port of Australasia.

Performance

The Minister for Finance has determined that for the purpose of preparing audited financial statements, the Corporation's first reporting period would be for the sixteen months ending on 30 June 1997. The financial information disclosed in this report is based on the Corporation's audited financial statements covering the period 1 March 1996 to 30 June 1997 which has been divided into the appropriate financial years for convenience. The details provided for 1995-96 are for a four month period only and should not be generally used for comparisons.

During the sixteen months ended 30 June 1997, the Corporation achieved an operating profit after income tax and extraordinary items of \$27.09 million. This result was achieved after delivering a reduction of 20 per cent in wharfage charges effective 1 July 1996 saving the shipping industry an estimated \$10.64 million during 1996-97.

Pursuant to the *Port Services Act 1995*, the Victorian Government has declared a Pricing Order for the port of Melbourne which will provide a real reduction of ten per cent per annum in the Corporation's charges for regulated services over the next three years.

MELBOURNE PORT CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
PORT AUTHORITY INDICATORS						
Financial Ratios (1,2,3)						
Return on assets	%	n.r.	n.r.	n.r.	4.2	8.1
Return on operating assets	%	n.r.	n.r.	n.r.	4.3	8.2
Operating sales margin	%	n.r.	n.r.	n.r.	63.2	45.8
Return on equity	%	n.r.	n.r.	n.r.	3.1	4.7
Dividend to equity ratio	%	n.r.	n.r.	n.r.	1.1	1.3
Dividend payout ratio	%	n.r.	n.r.	n.r.	34.7	27.8
Debt to equity	%	n.r.	n.r.	n.r.	43.0	33.6
Total liabilities to equity	%	n.r.	n.r.	n.r.	50.5	41.8
Current ratio	%	n.r.	n.r.	n.r.	45.1	90.4
Interest cover	%	n.r.	n.r.	n.r.	472.9	385.1
Cost recovery ratio	%	n.r.	n.r.	n.r.	275.8	212.5
Operational performance	%	n.r.	n.r.	n.r.	4.4	9.5
Non-Financial Ratios						
Economic Factors						
Total factor productivity	Index	n.r.	n.r.	n.r.	n.p.	n.p.
Economic rate of return	%	n.r.	n.r.	n.r.	n.p.	n.p.
Efficiency						
Port authority charges per unit of cargo (4)	\$/MT	n.r.	n.r.	n.r.	4.35	3.72
Port authority costs per unit of cargo	\$/MT	n.r.	n.r.	n.r.	2.45	2.88
Total days lost:						
- industrial disputes	%	n.r.	n.r.	n.r.	0.00	0.00
- sick leave	%	n.r.	n.r.	n.r.	4.25	2.67
- industrial accidents	%	n.r.	n.r.	n.r.	0.00	0.00
- total	%	n.r.	n.r.	n.r.	4.25	2.67
Effectiveness						
RPI of port authority charges	Index	n.r.	n.r.	n.r.	100.0	88.3
Size						
Total assets (3)	\$M	n.r.	n.r.	n.r.	452	482
Total revenue	\$M	n.r.	n.r.	n.r.	30	81
Total employment	No	n.r.	n.r.	n.r.	73	77

MELBOURNE PORT CORPORATION (continued)

	Units	1992–93	1993–94	1994–95	1995–96	1996–97
PORT INDICATORS						
Non-Financial Ratios (continued)						
Effectiveness (5)						
Berth occupancy:						
- container terminal	%	n.r.	n.r.	n.r.	n.r.	n.r.
- other than at a container terminal	%	n.r.	n.r.	n.r.	n.r.	n.r.
- whole port	%	n.r.	n.r.	n.r.	n.r.	n.r.
Service Quality (5)						
Average time at berth (median)	Hours	n.r.	n.r.	n.r.	n.r.	n.r.
Turnaround time:						
- container ships at container terminals:						
- - median	Hours	n.r.	n.r.	n.r.	n.r.	n.r.
- - 95 percentile	Hours	n.r.	n.r.	n.r.	n.r.	n.r.
- other:						
- - median	Hours	n.r.	n.r.	n.r.	n.r.	n.r.
- - 95 percentile	Hours	n.r.	n.r.	n.r.	n.r.	n.r.
Cargo processed/ship working time	MT/Hr	n.r.	n.r.	n.r.	n.r.	n.r.
Cargo processed/gross ship time	MT/Hr	n.r.	n.r.	n.r.	n.r.	n.r.
Stevedoring idle time	%	n.r.	n.r.	n.r.	n.r.	n.r.
Average delay time per ship due to industrial disputes	Hours	n.r.	n.r.	n.r.	n.r.	n.r.
Size						
Cargo handled:						
- non-containerised general cargo	'000 MT	n.r.	n.r.	n.r.	646	2 030
- bulk cargo	'000 MT	n.r.	n.r.	n.r.	2 283	6 703
- all cargo	'000 MT	n.r.	n.r.	n.r.	6 040	18 560
Number of containers handled	TEUs	n.r.	n.r.	n.r.	309 290	985 735

MELBOURNE PORT CORPORATION (continued)

NOTES TO INDICATORS FOR MELBOURNE PORT CORPORATION

Key: n.p. - not provided; n.r. - not relevant.

- 1) The financial performance indicators are based on information contained in the Corporation's audited financial statements. With the exception of fixed asset related details, the financial information has been prepared in accordance with the historic cost accounting convention. Fixed asset related information has been prepared using current valuations as detailed in the table below.
- 2) The Corporation commenced operations on 1 March 1996. The information in respect of 1995-96 relates to the period 1 March 1996 to 30 June 1996 only and has not been annualised.
- 3) All property, plant and equipment assets were revalued upon the commencement of the Corporation on 1 March 1996 as detailed in the table below. The Corporation's land assets were further revalued as at 30 June 1997 to reflect market values. Any property, plant and equipment assets which have been acquired or constructed after these revaluation dates are reported at cost. Asset revaluations:

<i>Category of asset</i>	<i>Method of valuation</i>	<i>Date of revaluation</i>	<i>Impact of revaluation (\$'000)</i>
Land	Market value	1 March 1996	154 068
	Market value	30 June 1997	36 399
Buildings & improvements	Replacement Value	1 March 1996	79 550
Plant & equipment	Replacement Value	1 March 1996	297

- 4) Port Authority charges include land rentals directly related to cargo operations.
- 5) These indicators relate to port activities which are performed by private enterprise. The Corporation does not have direct control over the outcome of these performance measures.

VICTORIAN CHANNELS AUTHORITY**Victoria****Comments on own performance**

The Victorian Channels Authority (VCA) was incorporated on 1 January 1996 and commenced operations on 1 March 1996. It includes parts of the former businesses of the Port of Melbourne Authority and the Port of Geelong Authority, however the VCA's role and functions are significantly different to that of a Port Authority.

The VCA is a Statutory Authority of the State of Victoria, established under the *Port Services Act 1995* to manage channels in port waters for use on a fair, reasonable and commercial basis. It is responsible for the navigation channels within those waters and owns all associated navigation aids and other equipment relevant to its operations.

In addition to safe navigation and control of shipping movements within port waters, the Authority's other major responsibilities embrace the provision and maintenance of navigational aids and channels, as well as the co-ordination of pollution control and emergency response.

The VCA is responsible for the passage of vessels from the time of entering its waters to berthing. It is not responsible for the berthing of vessels or the provision of land-based resources to vessels.

Financial performance

The Authority achieved a net profit of \$5.7 million for the year after allowing for payment of \$2.6 million in tax. It was also able to repay entirely its start-up borrowings.

VICTORIAN CHANNELS AUTHORITY(continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995 (1)</i>	<i>1996-97</i>
Financial Ratios (2,3)						
Return on assets	%	n.r.	n.r.	n.r.	22.5	61.0
Return on operating assets	%	n.r.	n.r.	n.r.	26.6	77.4
Operating sales margin	%	n.r.	n.r.	n.r.	42.5	38.3
Return on equity	%	n.r.	n.r.	n.r.	34.9	77.9
Dividend to equity ratio	%	n.r.	n.r.	n.r.	0.0	14.2
Dividend payout ratio	%	n.r.	n.r.	n.r.	0.0	18.2
Debt to equity	%	n.r.	n.r.	n.r.	100.4	0.0
Total liabilities to equity	%	n.r.	n.r.	n.r.	176.3	45.4
Current ratio	%	n.r.	n.r.	n.r.	144.3	162.7
Interest cover	%	n.r.	n.r.	n.r.	2 380.8	5 323.3
Cost recovery ratio	%	n.r.	n.r.	n.r.	174.0	177.3
Operational performance	%	n.r.	n.r.	n.r.	26.6	88.1
Non-Financial Ratios						
<i>Economic Factors</i>						
Total factor productivity	Index	n.r.	n.r.	n.r.	n.p.	n.p.
Economic rate of return	%	n.r.	n.r.	n.r.	n.p.	n.p.
<i>Efficiency</i>						
Total days lost:						
- industrial disputes	%	n.r.	n.r.	n.r.	n.p.	0.0
- sick leave	%	n.r.	n.r.	n.r.	n.p.	142.0
- industrial accidents	%	n.r.	n.r.	n.r.	n.p.	0.0
- total	%	n.r.	n.r.	n.r.	1.24	1.31
<i>Size</i>						
Total assets (2)	\$M	n.r.	n.r.	n.r.	14	14
Total revenue	\$M	n.r.	n.r.	n.r.	7	22
Total employment	No	n.r.	n.r.	n.r.	47	47
<i>Efficiency</i>						
Shipping charges per mass tonne	\$/MT	n.r.	n.r.	n.r.	0.40	0.40
<i>Size</i>						
Number of vessel movements	No	n.r.	n.r.	n.r.	1 114	3 275

VICTORIAN CHANNELS AUTHORITY(continued)

Units 1992–93 1993–94 1994–95 1995 (1) 1996–97

Non-Financial Ratios (continued)

Safety

Shipping incidents	No	n.r.	n.r.	n.r.	1.0	0.0

NOTES TO INDICATORS FOR VICTORIAN CHANNELS AUTHORITY

Key: n.p. - not provided; n.r. - not relevant.

- 1) The information contained in this survey relates to the period 1 March 1996 to 30 June 1996 only and has not been annualised.
- 2) Write down of assets (Port of Hastings, Western Port Channel and Vessel Tracking System) as recommended by Auditor General in Management Report 30 June 1996.
- 3) Asset revaluations:

<i>Category of asset</i>	<i>Method of valuation</i>	<i>Date of revaluation</i>	<i>Impact of revaluation (\$'000)</i>
Navigation aids	Deprival method	June 1997	-1 059.8
Plant & equipment	Deprival method	June 1997	-77.5

GLADSTONE PORT AUTHORITY**Queensland****Comments on own performance***Current operations*

The major activities of the Gladstone Port Authority (GPA) are:

- the provision of port infrastructure: dredged shipping channels, wharves, cargo handling and storage facilities, port lands and land access routes;
- the provision of cargo handling services: coal, grain and other bulk commodities;
- the provision and control of facilities for private pleasure craft, fishing vessels and charter/ferry boats; and
- the management of areas of reclaimed land not required for commercial port activities and available for leasing to light industry.

The GPA differs from other Queensland Port Authorities in that it conducts its own stevedoring activities for some bulk cargoes; for example, coal, grain, magnesite, calcite and woodchips. Continued growth in containerised cargo is highlighted by a 63 per cent increase over the previous highest recorded. Further development will be in a planned series of stages to meet the needs of Central Queensland Industry into the long term.

Financial performance

Earnings before interest and tax were \$21.5 million in 1996–97 representing a return on total assets of 4.7 per cent. Provision has been made for a dividend payment of \$2.6 million. The Authority is required to pay tax equivalents to the Queensland Government.

Income tax equivalent expense was \$6.9 million for 1996–97.

Non-financial performance

The volume of cargo handled increased to an all time record, well above the other periods under review.

Employee numbers have levelled out over the past years under review.

The average total turnaround time decreased on the previous year, while average berth occupancy remained constant.

GLADSTONE PORT AUTHORITY (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
PORT AUTHORITY INDICATORS						
Financial Ratios						
Return on assets	%	8.3	5.9	5.0	4.4	4.8
Return on operating assets	%	8.4	5.9	4.9	4.3	4.7
Operating sales margin	%	38.8	29.0	27.0	24.3	25.2
Return on equity	%	8.6	5.0	4.6	2.4	2.7
Dividend to equity ratio	%	0.9	1.1	1.5	0.7	0.7
Dividend payout ratio	%	10.0	21.8	31.8	29.4	24.9
Debt to equity	%	36.6	29.7	17.1	12.9	8.9
Total liabilities to equity	%	42.7	34.2	22.1	16.9	15.8
Current ratio	%	87.3	71.0	67.9	69.2	109.2
Interest cover	%	404.5	258.7	376.0	460.7	497.5
Cost recovery ratio	%	149.8	147.4	140.8	132.2	133.6
Operational performance	%	7.2	6.5	5.2	4.3	4.7
Non-Financial Ratios						
Economic Factors						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
Efficiency						
Port authority charges per unit of cargo	\$/MT	1.90	1.74	1.72	1.96	2.03
Port authority costs per unit of cargo	\$/MT	1.36	1.62	1.46	1.68	1.72
Total days lost:						
- industrial disputes	%	n.p.	0.00	0.48	1.01	2.86
- sick leave	%	1.80	2.80	2.60	2.25	1.36
- industrial accidents	%	0.40	0.50	0.10	0.12	0.04
- total	%	2.20	3.30	3.18	3.38	4.26
Effectiveness						
RPI of port authority charges	Index	101.0	101.0	97.0	96.0	94.0
Size						
Total assets	\$M	325	321	431	438	452
Total revenue	\$M	64	65	68	77	83
Total employment	No	322	332	333	334	336

GLADSTONE PORT AUTHORITY (continued)

	Units	1992–93	1993–94	1994–95	1995–96	1996–97
PORT INDICATORS						
Non-Financial Ratios (continued)						
Effectiveness						
Berth occupancy:						
- container terminal	%	n.r.	n.r.	n.r.	n.r.	n.r.
- other than at a container terminal	%	34.8	37.2	36.2	32.9	31.4
- whole port	%	34.8	37.2	36.2	32.9	31.4
Service Quality						
Average time at berth (median)	Hours	44	44	37	37	37
Turnaround time:						
- container ships at container terminals:						
- - median	Hours	n.r.	n.r.	n.r.	n.r.	n.r.
- - 95 percentile	Hours	n.p.	n.p.	n.p.	n.p.	n.p.
- other:						
- - median	Hours	64	66	58	67	59
- - 95 percentile	Hours	n.p.	n.p.	n.p.	n.p.	n.p.
Cargo processed/ship working time	MT/Hr	n.p.	n.p.	n.p.	n.p.	n.p.
Cargo processed/gross ship time	MT/Hr	755	710	896	711	805
Stevedoring idle time	%	n.p.	n.p.	n.p.	n.p.	n.p.
Average delay time per ship due to industrial disputes	Hours	0.5	0.1	1.7	0.9	1.0
Size						
Cargo handled:						
- non-containerised general cargo	'000 MT	209	195	167	199	215
- bulk cargo	'000 MT	32 913	32 531	36 804	36 545	38 105
- all cargo	'000 MT	33 122	32 555	36 829	36 744	38 320
Number of containers handled	TEUs	n.r.	n.r.	1 529	2 573	4 203

NOTES TO INDICATORS FOR GLADSTONE PORT AUTHORITY

Key: n.p. - not provided; n.r. - not relevant.

PORT OF BRISBANE CORPORATION**Queensland****Comments on own performance**

The Port of Brisbane Corporation (PBC) was formed on 1 July 1994 when its predecessor the Port of Brisbane Authority was corporatised. The Authority was established in 1976 by the Queensland Government with an independent and commercially focussed Board of Directors to manage the port's business and to implement development of the Port at Fisherman Islands. Prior to 1976, the responsibility for managing the Port of Brisbane rested with the Department of Harbours and Marine.

The PBC has announced a new strategic direction and organisational structure which will focus on providing logistics solutions and building business alliances which actively promote trade, improve port performance and develop closer public and private sector relationships.

Fisherman Islands, the only purpose-built capital city port in Australia, and the upriver facilities currently offer 27 berths and 6300 metres of quay line. Total infrastructure investment in the Port of Brisbane over the past 20 years to 1996–97 exceeds \$400 million, creating a deep water port with modern container terminals and bulk cargo facilities for oil, coal, clinker, grain, sand and woodchips. An integrated approach to the movement of cargo through the port is pursued through the Port Intermodal Estate, incorporating three container parks, the Brisbane Multimodal Terminal, and will be enhanced by the establishment of a distribution and container co-ordination centre at Fisherman Islands during the next financial year.

The Corporation is committed to carrying out its activities in a manner sensitive to the natural environment and has identified environmental protection as a key strategic objective. Substantial landscaping, an environmental viewing platform and a park for use by the public have been established along Lucinda Drive, the main access road to the Port Intermodal Estate.

Consistent with one of the Corporation's major objectives — trade maximisation, port charges were not increased over the five years under review (nor for the ten before). In fact berthage charges on cargo carrying vessels were abolished with effect from 1 July 1994. Port charges in real terms have therefore fallen considerably. The increase in net assets resulting from the revaluation required by corporatisation has resulted in a reduction in the return on assets and equity ratios. The financial position of the Corporation remains very strong. PBC's involvement in the purchase of the Brisbane Airport late in 1996–97 and the associated borrowings resulted in a debt to equity ratio of 48.4 per cent. Total revenue increased by about 30 per cent during the last five years.

PORT OF BRISBANE CORPORATION (continued)

Total trade increased by 7.5 per cent in 1996–97 to 20.2 million tonnes. Container trade increased by 9.3 per cent in 1996–97 to 272 632 TEUs, representing growth of 28 per cent over the past five years.

PORT OF BRISBANE CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
PORT AUTHORITY INDICATORS						
Financial Ratios (1,2,3)						
Return on assets	%	17.6	17.7	7.9	5.8	5.5
Return on operating assets	%	18.5	18.9	7.9	5.7	6.7
Operating sales margin	%	61.4	59.4	48.0	35.8	39.7
Return on equity	%	19.8	19.6	8.4	4.1	4.9
Dividend to equity ratio	%	4.5	3.3	2.8	1.6	1.8
Dividend payout ratio	%	22.7	16.6	33.0	38.8	37.5
Debt to equity	%	0.0	0.0	0.0	0.1	48.4
Total liabilities to equity	%	11.2	10.0	6.6	7.6	55.5
Current ratio	%	115.6	198.9	107.6	126.6	101.6
Interest cover (4)	%	5 480	n.r.	n.r.	113 065	3 294
Cost recovery ratio	%	259.4	246.2	192.4	183.8	186.2
Operational performance	%	18.5	18.9	7.9	7.2	7.8
Non-Financial Ratios						
Economic Factors						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
Efficiency						
Port authority charges per unit of cargo	\$/MT	2.06	2.03	1.94	1.93	1.95
Port authority costs per unit of cargo (5)	\$/MT	1.32	1.35	1.60	1.69	1.81
Total days lost:						
- industrial disputes	%	0.00	0.00	0.00	0.00	0.00
- sick leave	%	n.p.	n.p.	2.45	2.90	3.72
- industrial accidents	%	n.p.	n.p.	1.57	0.97	0.87
- total	%	2.60	1.80	4.12	3.87	4.59
Effectiveness						
RPI of port authority charges (6)	Index	92.20	90.40	82.80	79.70	76.03
Size						
Total assets	\$M	190	214	377	404	621
Total revenue	\$M	53	60	59	60	68
Total employment	No	233	226	227	228	220
PORT INDICATORS						

PORT OF BRISBANE CORPORATION (continued)

	Units	1992-93	1993-94	1994-95	1995-96	1996-97
Non-Financial Ratios (continued)						
Effectiveness						
Berth occupancy:						
- container terminal (7) (8)	%	35.0	40.0	48.3	46.5	41.7
- other than at a container terminal (7)	%	15.0	20.0	23.4	36.2	26.0
- whole port (7)	%	18.0	23.0	27.3	40.5	33.5
Service Quality						
Average time at berth (median) (7)	Hours	29	21	24	23	24
Turnaround time:						
- container ships at container terminals:						
- - median (7)	Hours	19	28	30	29	32
- - 95 percentile (7)	Hours	39	50	61	54	59
- other:						
- - median (7)	Hours	n.p.	23	32	32	36
- - 95 percentile (7)	Hours	n.p.	48	53	71	66
Cargo processed/ship working time (9)	MT/Hr	252	168	168	189	142
Cargo processed/gross ship time (9)	MT/Hr	184	109	135	102	104
Stevedoring idle time	%	n.p.	n.p.	n.p.	n.p.	n.p.
Average delay time per ship due to industrial disputes	Hours	n.p.	n.p.	n.p.	n.p.	n.p.
Size						
Cargo handled:						
- non-containerised general cargo	'000 MT	612	574	574	670	844
- bulk cargo	'000 MT	12 849	14 721	15 671	15 658	16 563
- all cargo	'000 MT	15 598	17 585	18 581	18 789	20 189
Number of containers handled	TEUs	213	228	232	249	272
		518	055	873	439	632

PORT OF BRISBANE CORPORATION(continued)

NOTES TO INDICATORS FOR PORT OF BRISBANE CORPORATION

Key: n.p. - not provided; n.r. - not relevant.

- 1) The PBC acquired all assets and liabilities of its predecessor body the PBA on 1 July 1994. All assets were listed at cost to the Corporation following an independent revaluation which increased the opening asset values by 67.7 per cent including vested land not previously included in the balance sheet.
- 2) PBC is exempt from income tax under section 23(d) of the *Income Tax Assessment Act*. However, pursuant to s.155 of the *Government Owned Corporations Act*, and paragraph 3(a) of Part C of the Treasurer's Tax Equivalent Manual, it is subject to the provisions of the Queensland Tax Equivalents Regime from 1 July 1995.
- 3) Audited financial data, extracted from the annual financial statements included in annual reports, has been used in all financial ratios provided.
- 4) The PBC was debt free during 1993–94 and 1994–95 and hence this ratio was not applicable for those years.
- 5) The increase in 1994–95 was mainly due to increased depreciation expenditure owing to the revaluation of assets. This alone represented \$0.31 per tonne.
- 6) The base year for the calculation of the Real Price Index is 1989–90.
- 7) This data relates to Fisherman Islands container wharves only. 'Other' is defined as other vessel types at container terminals.
- 8) Berth occupancy is calculated as a percentage of the sum of time at berth divided by the available hours times the number of berths.
- 9) Data to 1992–93 is ATAC June quarter only. Data not tabulated in annual format. Data from 1993–94 to 1996–97 relates to Fisherman Islands container wharves only.

SOUTH AUSTRALIAN PORTS CORPORATION

South Australia

Comments on own performance

In South Australia, Ports Corporation manages the Port of Adelaide and nine regional ports. The Corporation's primary function is to manage the ports and related facilities vested in the Corporation on a sound commercial basis as a business enterprise. The South Australian Ports Corporation was established on 24 October 1994 and is a Statutory Corporation to which all the provisions of the *South Australian Public Corporations Act 1993* apply. The Corporation is subject to control and direction of the Minister. As a direct result of this restructure, Ports Corporation no longer controls the State's indentured ports, and hence all financial and non-financial data related to these ports has been omitted.

Current operations

The majority of the Corporation's throughput and income is from bulk commodities, although containers and general cargo volumes are growing. In 1996–97, total cargo throughput was 13.07 million tonnes, largely as a result of high grain exports and improved container trade. Total container movements in 1996–97 were 87 591 TEUs which was a 26.8 per cent increase from 1995–96. 1625 vessels called at the commercial ports controlled by Ports Corporation.

Financial performance

In 1996–97 financial performance improved due to a significant increase in income with further decreases in operating expenses. However, the restructure of the Corporation's debt portfolio resulted in significant abnormal expenses which impacted on several financial ratios for 1996–97.

Non-financial performance

Significant improvements largely reflect improved workplace practices, occupational health and safety initiatives and increased throughput at the container terminal.

SOUTH AUSTRALIAN PORTS CORPORATION (cont.)

	Units	1992-93	1993-94	1994-95	1995-96	1996-97
PORT AUTHORITY INDICATORS						
Financial Ratios (1,2,3,11)						
Return on assets	%	10.4	9.0	3.9	-20.1	14.8
Return on operating assets	%	10.3	9.0	3.3	-23.2	13.6
Operating sales margin	%	46.0	39.1	14.3	-77.9	31.4
Return on equity	%	8.9	10.0	-1.0	-55.7	12.2
Dividend to equity ratio	%	4.6	5.0	6.7	4.3	7.9
Dividend payout ratio (4)	%	52.1	50.0	-702.7	-7.8	64.6
Debt to equity	%	198.8	79.8	71.8	133.0	87.6
Total liabilities to equity	%	213.7	87.3	80.3	156.9	111.5
Current ratio	%	348.2	572.2	260.5	314.1	112.8
Interest cover	%	137.6	191.1	88.3	-411.9	232.6
Cost recovery ratio	%	189.7	170.0	180.9	155.2	177.2
Operational performance	%	10.6	9.5	10.3	10.6	18.9
Non-Financial Ratios						
Economic Factors						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
Efficiency						
Port authority charges per unit of cargo (5,6)	\$/MT	2.81	2.77	2.24	1.96	1.86
Port authority costs per unit of cargo (5,6)	\$/MT	2.41	2.23	1.24	2.00	1.66
Total days lost: (7)						
- industrial disputes	%	0.00	0.00	0.00	0.00	0.00
- sick leave	%	3.30	2.50	2.50	1.04	0.80
- industrial accidents	%	0.10	1.40	1.40	0.30	0.10
- total	%	3.40	4.00	3.90	1.34	0.90
Effectiveness						
RPI of port authority charges (8)	Index	95.20	92.20	89.40	86.20	85.42
Size						
Total assets	\$M	215	221	192	126	109
Total revenue	\$M	47	48	46	45	49
Total employment	No	384	348	263	224	204

SOUTH AUSTRALIAN PORTS CORPORATION(cont.)

	Units	1992-93	1993-94	1994-95	1995-96	1996-97
PORT INDICATORS						
Non-Financial Ratios (continued)						
Effectiveness						
Berth occupancy:						
- container terminal	%	20.0	20.8	25.8	24.9	28.0
- other than at a container terminal	%	5.9	6.5	6.8	9.5	12.0
- whole port	%	6.7	6.8	7.7	10.4	13.0
Service Quality						
Average time at berth (median)	Hours	34	32	32	32	32
Turnaround time:						
- container ships at container terminals:						
- - median	Hours	30	26	24	22	19
- - 95 percentile	Hours	39	47	52	58	43
- other:						
- - median	Hours	n.p.	n.p.	18	19	19
- - 95 percentile	Hours	n.p.	n.p.	106	105	110
Cargo processed/ship working time (9)	MT/Hr	386	469	469	n.r.	n.r.
Cargo processed/gross ship time (9)	MT/Hr	247	307	426	n.r.	n.r.
Stevedoring idle time	%	n.p.	n.p.	n.p.	n.p.	n.p.
Average delay time per ship due to industrial disputes	Hours	n.p.	n.p.	n.p.	n.p.	n.p.
Size						
Cargo handled:						
- non-containerised general cargo	'000 MT	871	847	795	621	333
- bulk cargo	'000 MT	15 342	19 508	18 222	9 847	11 711
- all cargo	'000 MT	16 813	20 355	19 754	11 245	13 068
Number of containers handled	TEUs	54 007	64 031	66 605	69 075	87 591

SOUTH AUSTRALIAN PORTS CORPORATION(cont.)

NOTES TO INDICATORS FOR SOUTH AUSTRALIAN PORTS CORPORATION

- 1) Consistent with the Steering Committee's standard definitions, South Australian Ports Corporation's reported financial ratios are calculated on an *after abnormalities* basis.
- 2) All figures are on a consolidated commercial basis covering Port Adelaide and nine regional ports.
- 3) The calculation of all financial figures and cargo tonnages include indentured ports. However, they have been omitted from calculation of Port Indicators as Ports Corp has no control over the operations of these ports. For 1996–97, all data related to the indentured ports, including financial and cargo related, is excluded from all calculations as these ports were not vested with Ports Corp SA.
- 4) Dividend is calculated on total commercial profits, and for 1994–95 includes a special dividend for indenture ports income.
- 5) Port authority charges per unit of cargo and Port authority costs per unit of cargo excludes Port Stanvac until 1994–95. The 1994–95 ratios include Port Stanvac charges, costs and tonnages. Post 1995–96 excludes indentured ports in determining this ratio.
- 6) The calculation of average time at berth was revised for each of the previous years. While this has significantly changed individual figures, the trend has remained constant.
- 7) The total days lost performance indicator is related to normal working hours, excluding travelling to and from work, recess periods, shiftwork and overtime.
- 8) Methodology used in calculating real price index of port charges included weighting the average of ship based charges (conservancy, tonnage, and pilotage) for all types of ship/cargo.
- 9) The performance indicators cargo processed/working time and cargo processed/gross time are calculated for container ships only for 1990–91 to 1993–94. For 1994–95 all ports were included by incorporating a best-estimate of ship turnaround times at non-container terminals. Ship working time has been substituted with actual time at berth for all but the container terminal. Post 1995–96, no figures are provided as Ports Corp SA is not involved in stevedoring.

FREMANTLE PORT AUTHORITY**Western Australia****Comments on own performance**

The Fremantle Port Authority (FPA), a state owned enterprise, is the strategic manager of Fremantle Port, Western Australia's largest general cargo port. Fremantle handles 75 per cent by value of the State's imports and 27 per cent by value of the State's exports. In 1996–97, Fremantle Port handled around 73 per cent of the nation's live sheep exports and around 26 per cent of national alumina exports.

Over the last six years there has been a 34 per cent growth in total port trade, and container trade has grown 74 per cent over the same period. This makes Fremantle one of Australia's fastest growing general cargo ports. Progress with a new streamlined structure as part of our commercialisation led to a downsizing of our workforce by 5.3 per cent during 1996–97, which brings the total reduction in staff numbers since mid 1990 to more than 75 per cent.

Financial performance

1996–97 saw the FPA record a profit before income tax equivalent of \$10.6 million. Debt has been reduced by \$24.5 million over the past three financial years and the debt to assets ratio has been reduced from 87.6 per cent in 1992–93 to 45.9 per cent in 1996–97.

Non-financial performance

Cost reductions associated with improved efficiency and assisted by trade growth, enabled a five per cent reduction in wharfage, berth hire, pilotage and some other charges to be applied from 1 July 1997, which will encourage further trade growth. Reduction of FPA costs and a substantial increase in cargo throughput has occurred over the five year period 1992–93 to 1996–97. As a result of this, FPA costs per unit of cargo have decreased by 28.6 per cent in real terms since 1992–93. Total port trade reached 21.9 million tonnes, an increase of 9.3 per cent over the previous year. Record container throughput figures were achieved in 1996–97, with 209 564 TEUs being handled — a 5.7 per cent increase on the 1995–96 result.

FREMANTLE PORT AUTHORITY (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
PORT AUTHORITY INDICATORS						
Financial Ratios (1,2)						
Return on assets	%	7.4	14.3	15.7	14.6	14.9
Return on operating assets	%	7.5	15.2	17.0	15.8	16.2
Operating sales margin	%	15.9	27.8	27.0	27.1	29.0
Return on equity	%	4.2	-16.2	-32.7	-102.6	22.7
Dividend to equity ratio	%	-2.9	0.0	0.0	0.0	0.0
Dividend payout ratio	%	-68.4	0.0	0.0	0.0	0.0
Debt to equity	%	-198.7	-248.3	-319.5	1490.2	109.2
Total liabilities to equity	%	-330.5	-424.6	-571.9	2751.2	166.7
Current ratio	%	75.0	92.8	78.1	99.6	112.4
Interest cover	%	80.7	172.5	216.2	235.0	305.8
Cost recovery ratio	%	130.3	156.7	146.0	141.0	140.9
Operational performance	%	11.0	19.1	19.6	16.0	16.2
Non-Financial Ratios						
Economic Factors						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
Efficiency						
Port authority charges per unit of cargo	\$/MT	1.78	1.80	1.86	1.79	1.83
Port authority costs per unit of cargo	\$/MT	2.45	2.09	2.01	2.14	1.94
Total days lost: (3)						
- industrial disputes	%	n.p.	n.p.	n.p.	n.p.	n.p.
- sick leave	%	n.p.	n.p.	n.p.	n.p.	n.p.
- industrial accidents	%	n.p.	n.p.	n.p.	n.p.	n.p.
- total	%	n.p.	n.p.	n.p.	n.p.	n.p.
Effectiveness						
RPI of port authority charges	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Size						
Total assets	\$M	86.8	89.8	93.9	104.2	107.9
Total revenue	\$M	37.7	43.9	50.7	50.6	52.7
Total employment	No	410	300	226	211	196

FREMANTLE PORT AUTHORITY (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
PORT INDICATORS						
Non-Financial Ratios (continued)						
Effectiveness						
Berth occupancy: (4)						
- container terminal	%	24.0	28.0	29.0	28.0	30.0
- other than at a container terminal	%	34.0	41.0	39.0	37.0	39.0
- whole port	%	31.0	37.0	36.0	35.0	36.0
Service Quality						
Time at berth:						
- container hours	Hours	23	24	26	24	21
- bulk hours	Hours	39	39	39	40	42
Turnaround time:						
- container ships at container terminals:						
- - median	Hours	26	27	30	28	25
- - 95 percentile	Hours	85	81	86	76	58
- other: (5)						
- - median	Hours	57	59	62	62	64
- - 95 percentile	Hours	203	185	240	211	270
Cargo processed/ship working time (6)	MT/Hr	n.r.	n.r.	n.r.	n.r.	n.r.
Cargo processed/gross ship time (7)	MT/Hr	n.p.	n.p.	n.p.	n.p.	n.p.
- container	MT/Hr	118	117	118	124	149
- general	MT/Hr	34	37	32	27	34
- all cargo	MT/Hr	347	355	302	358	317
Stevedoring idle time (8)	%	n.r.	n.r.	n.r.	n.r.	n.r.
Average delay time per ship due to industrial disputes (9)	Hours	n.p.	n.p.	n.p.	n.p.	n.p.
Size						
Cargo handled:						
- non-containerised general cargo	'000 MT	475	561	565	674	656
- bulk cargo	'000 MT	16 135	17 460	17 533	17 125	18 756
- all cargo	'000 MT	18 289	20 008	20 359	20 062	21 936
Number of containers handled	TEUs	146 118	169 174	189 272	198 269	209 564

FREMANTLE PORT AUTHORITY (continued)

Units 1992–93 1993–94 1994–95 1995–96 1996–97

NOTES TO INDICATORS FOR FREMANTLE PORT AUTHORITY

Key: n.p. - not provided; n.r. - not relevant.

- 1) All fixed assets other than navigational aids and berths and jetties are recorded at historical cost. The navigational aids were revalued at the start of the 1993–94 financial year with the valuations being based on market value for existing use as determined by independent valuers and also at management's valuation. Also during 1995–96 an independent valuation was undertaken on berths and jetties. The valuation was based on the market value for existing use.
- 2) From 1 July 1996 the FPA was subject to the tax equivalent regime. Income tax equivalent for 1996–97 is \$5.616 million.
- 3) Total days lost information not available due to change in recording system.
- 4) Berth occupancy based on total days of berth usage divided by total days available for use.
- 5) Turnaround time collected for container and bulk vessels only as from 1 July 1989.
- 6) The FPA is not involved in stevedoring, thus total working time on ships is not recorded.
- 7) Recording of this indicator commenced as from 1 July 1990. This indicator is collected for container, general and bulk vessels.
- 8) The FPA ceased employment of 'A' register waterside workers on 21 January 1991 (exit from stevedoring).
- 9) Average delay time information not available to the FPA.

BURNIE PORT CORPORATION**Tasmania****Comments on own performance**

The Burnie Port Corporation Pty Ltd (ACN 078 720 279), formerly the Burnie Port Authority, was corporatised under the *Port Companies Act 1997*, with effect from 30 July 1997. The Burnie Port Corporation Pty Ltd (BPC) is now a wholly state owned company.

The BPC is responsible for the planning, development and operation of the seaport of Burnie on the North–West coast of Tasmania. It also operates the Burnie airport which is located at Wynyard, 20 kilometres west of Burnie. The airport is excluded from this commentary.

Current operations

The BPC's primary functions are to provide for the safe and efficient movement of ships into and out of the port, to ensure the efficient and reliable handling of cargo, and the availability of adequate infrastructure, labour and facilities.

Financial performance

Total revenue in 1996–97 was \$12.21 million, an increase of \$76 000 over the previous year's figure. The increase was attributable to an increase in wharfage and cold stores revenue partially offset by a decrease in stevedoring revenue.

Total expenditure in 1996–97 was \$12.98 million, a decrease of \$663 000 over the previous year's figure. The decrease was largely attributable to a decrease in stevedoring expenditure of \$556 000 and in abnormal expenditure of \$150 000.

BURNIE PORT CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
PORT AUTHORITY INDICATORS						
Financial Ratios (1-6)						
Return on assets	%	8.5	15.3	5.1	1.0	1.0
Return on operating assets	%	9.0	17.4	4.9	0.6	0.6
Operating sales margin	%	23.4	35.0	13.5	2.1	2.0
Return on equity	%	5.8	25.5	2.4	-7.7	-7.8
Dividend to equity ratio	%	0.0	0.0	0.0	0.0	0.0
Dividend payout ratio	%	0.0	0.0	0.0	0.0	0.0
Debt to equity	%	122.2	104.7	102.2	100.9	101.7
Total liabilities to equity	%	133.0	123.7	121.4	115.0	110.3
Current ratio	%	467.5	250.8	267.7	113.7	175.6
Interest cover	%	142.6	376.0	126.4	23.0	21.2
Cost recovery ratio	%	151.4	128.2	111.9	111.0	109.3
Operational performance	%	13.0	8.6	3.8	3.1	2.5
Non-Financial Ratios (7)						
Economic Factors						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
Efficiency						
Port authority charges per unit of cargo	\$/MT	2.65	2.81	2.97	2.94	n.p.
Port authority costs per unit of cargo	\$/MT	1.17	0.98	1.02	1.33	n.p.
Total days lost:						
- industrial disputes	%	n.p.	n.p.	n.p.	n.p.	n.p.
- sick leave	%	n.p.	n.p.	n.p.	n.p.	n.p.
- industrial accidents	%	n.p.	n.p.	n.p.	n.p.	n.p.
- total	%	n.p.	n.p.	n.p.	n.p.	n.p.
Effectiveness						
RPI of port authority charges	Index	92.2	89.5	86.8	83.6	n.p.
Size						
Total assets	\$M	34	43	43	43	n.p.
Total revenue (6)	\$M	11	16	14	12	n.p.
Total employment	No	59	70	69	58	n.p.

BURNIE PORT CORPORATION (continued)

PORT INDICATORS

Non-Financial Ratios (continued)

Effectiveness

Berth occupancy:

- container terminal	%	40.3	35.4	36.7	33.9	n.p.
- other than at a container terminal	%	23.2	21.1	18.5	17.6	n.p.
- whole port	%	27.5	24.7	23.1	17.9	n.p.

Service Quality

Average time at berth (median)	Hours	21	19	19	16	n.p.
Turnaround time:						
- container ships at container terminals:						
- - median	Hours	n.p.	n.p.	n.p.	n.p.	n.p.
- - 95 percentile	Hours	n.p.	n.p.	n.p.	n.p.	n.p.
- other:						
- - median	Hours	n.p.	n.p.	n.p.	n.p.	n.p.
- - 95 percentile	Hours	n.p.	n.p.	n.p.	n.p.	n.p.
Cargo processed/ship working time	MT/Hr	n.p.	n.p.	n.p.	n.p.	n.p.
Cargo processed/gross ship time	MT/Hr	258	311	319	346	n.p.
Stevedoring idle time	%	n.p.	n.p.	n.p.	n.p.	n.p.
Average delay time per ship due to industrial disputes	Hours	n.p.	n.p.	n.p.	n.p.	n.p.

Size

Cargo handled:

- non-containerised general cargo	'000 MT	87	176	197	295	n.p.
- bulk cargo	'000 MT	1 438	1 382	1 299	1 213	n.p.
- all cargo	'000 MT	2 592	2 755	2 698	2 717	n.p.
Number of containers handled	TEUs	85 035	97 084	104 382	119 669	n.p.

NOTES TO INDICATORS FOR BURNIE PORT CORPORATION

Key: n.p. - not provided; n.r. - not relevant.

- 1) The financial data in this return relates to the Burnie Port Authority's sea port operations only. The airport operations have been excluded from the data.

BURNIE PORT CORPORATION (continued)

Units 1992–93 1993–94 1994–95 1995–96 1996–97

NOTES TO INDICATORS FOR BURNIE PORT CORPORATION (continued)

- 2) Audited financial data has been used to complete the return. However, the audit report was qualified. The full financial effect of the qualification cannot be readily determined and therefore no amendments to the data have been effected.
- 3) The Burnie Port Authority, now Burnie Port Corporation, is liable to pay income tax equivalents and wholesale sales tax equivalents. The Corporation became liable to pay income tax equivalents from 1 July 1993 and wholesale sales tax equivalents from 30 July 1997.
- 4) The Corporation has not sought to have any of its activities recognised as community service obligations.
- 5) Property, plant and equipment are carried at historical cost, less accumulated depreciation. Inventories are valued at the lower of cost and net realisable value.
- 6) Abnormal revenue excludes a contribution by shipping company to capital improvements of \$169 268 in 1996–97 and \$1 757 309 in 1995–96.
- 7) Non-financial performance indicators were not provided because the survey was compiled using only the audited financial statements.

HOBART PORTS CORPORATION**Tasmania****Comments on own performance**

The Hobart Ports Corporation Pty Ltd (HPC), formerly the Marine Board of Hobart (MBH), was established by the *Port Companies Act 1997* on 29 July 1997. The following figures relate to the operations of the MBH.

Current operations

The MBH's primary function were to control and manage navigation of vessels and provide cargo handling facilities in the jurisdiction of the Board. Diversification into mainly port related property has occurred in the last decade to obtain returns from surplus wharves and cargo transit sheds which are only partly utilised for shipping.

The MBH also played a significant role in tourism development in Tasmania. In this regard, the Board was charged with attracting cruise ships, Antarctic research vessels and naval vessels to the Port of Hobart. In 1996–97, there were nine visits by cruise ships and in 1997–98 there are anticipated to be 18 cruise ship visits.

The MBH did not conduct stevedoring operations, although port staff are hired to stevedoring companies as supplementary labour.

Financial performance

The Board incurred an operating surplus after abnormal items and before tax of \$1.3 million in 1996–97, compared to the surplus after abnormal items and before tax of \$327 766 in the previous financial year.

The improvement in financial position reflects a decrease in the Board's redundancy expenditure from \$467 852 in 1995–96 to \$48 508 in 1996–97.

Non-financial performance

The MBH did not conduct stevedoring operations and therefore is unable to provide data on the efficiency and effectiveness of stevedoring in the Port of Hobart.

HOBART PORTS CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
PORT AUTHORITY INDICATORS						
Financial Ratios (1)						
Return on assets	%	3.3	4.1	4.7	3.5	3.6
Return on operating assets	%	2.1	3.8	4.4	2.2	2.6
Operating sales margin	%	7.7	11.9	13.7	7.5	8.8
Return on equity	%	3.1	1.3	3.6	3.9	2.0
Dividend to equity ratio	%	0.0	0.0	0.0	0.0	0.0
Dividend payout ratio	%	0.0	0.0	0.0	0.0	0.0
Debt to equity	%	4.1	3.4	9.9	8.8	8.0
Total liabilities to equity	%	10.2	12.1	19.4	17.5	18.1
Current ratio	%	683.3	614.6	450.1	594.4	508.2
Interest cover	%	675.7	1 079.8	1 630.1	1 650.5	567.3
Cost recovery ratio	%	115.4	124.1	115.8	124.7	106.7
Operational performance	%	3.7	6.2	4.4	5.7	1.8
Non-Financial Ratios						
Economic Factors						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
Efficiency						
Port authority charges per unit of cargo (2)	\$/MT	1.60	1.62	1.73	1.43	1.82
Port authority costs per unit of cargo	\$/MT	3.02	3.15	3.09	2.73	2.20
Total days lost:						
- industrial disputes	%	n.p.	n.p.	2.13	0.54	0.00
- sick leave	%	3.20	2.40	2.10	2.27	2.00
- industrial accidents	%	0.20	0.30	0.21	0.32	0.21
- total	%	3.40	2.70	0.91	2.38	2.21
Effectiveness						
RPI of port authority charges	Index	89.3	83.8	77.7	63.4	62.3
Size						
Total assets	\$M	44	45	49	49	51
Total revenue	\$M	10	11	12	12	12
Total employment	No	95	94	94	68	61

HOBART PORTS CORPORATION (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
PORT INDICATORS						
Non-Financial Ratios (continued)						
<i>Effectiveness</i>						
Berth occupancy:						
- container terminal	%	n.p.	n.p.	n.p.	n.p.	n.p.
- other than at a container terminal	%	n.p.	n.p.	n.p.	n.p.	n.p.
- whole port	%	n.p.	20.0	21.7	21.1	22.0
<i>Service Quality</i>						
Average time at berth (median)	Hours	69	57	56	61	47
Turnaround time: (3)						
- container ships at container terminals:						
- - median	Hours	67	55	57	43	41
- - 95 percentile	Hours	97	122	125	n.p.	n.p.
- other:						
- - median	Hours	n.p.	n.p.	n.p.	n.p.	n.p.
- - 95 percentile	Hours	n.p.	n.p.	n.p.	n.p.	n.p.
Cargo processed/ship working time	MT/Hr	n.p.	n.p.	n.p.	n.p.	n.p.
Cargo processed/gross ship time (4)	MT/Hr	69	20	92	126	130
Stevedoring idle time	%	n.p.	n.p.	n.p.	n.p.	n.p.
Average delay time per ship due to industrial disputes	Hours	n.p.	n.p.	n.p.	n.p.	n.p.
<i>Size</i>						
Cargo handled:						
- non-containerised general cargo	'000 MT	100	118	80	71	47
- bulk cargo	'000 MT	2 030	2 085	2 095	2 071	2 073
- all cargo	'000 MT	2 614	2 634	2 680	2 539	2 430
Number of containers handled	TEUs	31 735	29 559	30 967	29 714	24 993

HOBART PORTS CORPORATION (continued)

Units 1992–93 1993–94 1994–95 1995–96 1996–97

NOTES TO INDICATORS FOR HOBART PORTS CORPORATION

Key: n.p. - not provided; n.r. - not relevant.

- 1) Port Authority costs include all operating costs and non-port activity related costs.
- 2) Charges per unit of cargo based upon revenue from wharfage, tonnage dues, conservancy dues, pilotage, services to ships, (eg: water, power, mooring lines etc).
- 3) Turnaround time only recorded for total port.
- 4) Gross ship time includes non-cargo vessels and laid-up vessels which results in the indicator being understated.

PORT OF DEVONPORT CORPORATION**Tasmania****Comments on own performance**

The Port of Devonport Corporation Pty Ltd (ACN 078 720 224), formerly the Port of Devonport Authority, was corporatised under the *Port Companies Act 1997*, with effect from 30 July 1997. The Port of Devonport Corporation Pty Ltd is now a wholly state owned company. The Company is overseen by a Board of six members. The present Board consists of the Wardens and Master Warden of the former Authority.

Current operations

Current operations include administration of the sea and airports at Devonport. The Authority controls the largest cold storage operation in Tasmania. Major trades are general cargo, petroleum products, fertiliser, wheat, paper, pulp, gypsum, clay, salt, tourist vehicles, cement, tallow, live cattle and other primary produce. Devonport is the home port for the Bass Strait passenger ferry the 'Spirit of Tasmania'. It should be noted that Devonport Airport is excluded from all indicators.

Financial performance

The Port of Devonport Authority achieved a record cargo throughput for the year with a total of 2.31 million mass tonnes passing across the Port's wharves (1995–96 1.9 million mass tonnes). This represents a 19.5 per cent increase over 1995–96. Attendant to this, there were 552 ship visits for the year compared with 493 in 1995–96.

These results reflect a solid performance in the Bass Strait general cargo trade by both TT-Line and Coastal ExpressLine (CEL) as well as an increased demand (34 per cent) in Tasmania for bulk fertiliser.

1996–97 was the first full year of the new CEL operation and as such a significant increase in the number of containers (58.6 per cent) shipped through the Port was recorded.

TT-Line's 'Spirit of Tasmania' set a record for passenger numbers and tourist vehicles carried in a single year by a Bass Strait Ferry. To capitalise on this growth TT-Line has announced that it will increase the number of return trips to Melbourne over the peak summer period.

Devonport is the only Tasmanian port handling live cattle and sheep exports. Three cattle shipments were made during the year to Egypt and Libya, and there is a strong likelihood of increased shipments in the future.

PORT AUTHORITY INDICATORS

PORT OF DEVONPORT CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1)						
Return on assets (2)	%	11.4	8.8	5.0	7.7	5.6
Return on operating assets (2)	%	12.6	9.8	4.7	8.2	5.1
Operating sales margin	%	31.0	25.5	11.8	19.5	13.1
Return on equity (3)	%	9.8	6.0	2.4	4.9	3.1
Dividend to equity ratio	%	0.0	0.0	0.0	0.0	0.0
Dividend payout ratio (3)	%	0.0	0.0	0.0	0.0	0.0
Debt to equity (2)	%	45.1	36.7	29.3	34.6	30.2
Total liabilities to equity	%	54.1	44.6	36.4	43.9	42.0
Current ratio	%	215.2	272.3	345.1	470.3	455.0
Interest cover	%	359.9	340.3	233.7	431.7	267.7
Cost recovery ratio	%	142.2	134.2	113.7	131.9	115.0
Operational performance (2)	%	10.7	9.8	4.8	10.2	5.1
Non-Financial Ratios						
<i>Economic Factors</i>						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
<i>Efficiency</i>						
Port authority charges per unit of cargo (4)	\$/MT	4.50	3.93	3.48	3.26	2.64
Port authority costs per unit of cargo (5)	\$/MT	4.11	3.60	3.82	3.20	2.81
Total days lost:						
- industrial disputes	%	n.p.	0.00	0.00	0.00	0.00
- sick leave	%	1.60	1.30	3.34	3.95	2.48
- industrial accidents	%	3.30	4.30	1.36	0.53	0.22
- total	%	n.p.	5.60	4.70	4.48	2.70
<i>Effectiveness</i>						
RPI of port authority charges	Index	87.10	83.50	80.90	77.81	76.41
<i>Size</i>						
Total assets	\$M	27.2	27.1	26.1	28.9	29.4
Total revenue	\$M	9.0	8.6	8.6	9.1	8.7
Total employment	No	67	63	64	51	50

PORT INDICATORS

PORT OF DEVONPORT CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Non-Financial Ratios (continued)						
<i>Effectiveness</i>						
Berth occupancy:						
- container terminal	%	n.p.	n.p.	n.p.	n.p.	n.p.
- other than at a container terminal	%	n.p.	n.p.	n.p.	n.p.	n.p.
- whole port	%	n.p.	n.p.	n.p.	n.p.	n.p.
<i>Service Quality</i>						
Average time at berth (median)	Hours	n.p.	n.p.	n.p.	n.p.	n.p.
Turnaround time:						
- container ships at container terminals:						
- - median	Hours	n.p.	n.p.	n.p.	n.p.	n.p.
- - 95 percentile	Hours	n.p.	n.p.	n.p.	n.p.	n.p.
- other:						
- - median	Hours	n.p.	n.p.	n.p.	n.p.	n.p.
- - 95 percentile	Hours	n.p.	n.p.	n.p.	n.p.	n.p.
Cargo processed/ship working time	MT/Hr	n.p.	n.p.	n.p.	n.p.	n.p.
Cargo processed/gross ship time	MT/Hr	n.p.	n.p.	n.p.	n.p.	n.p.
Stevedoring idle time	%	n.p.	n.p.	n.p.	n.p.	n.p.
Average delay time per ship due to industrial disputes	Hours	n.p.	n.p.	n.p.	n.p.	n.p.
<i>Size</i>						
Cargo handled:						
- non-containerised general cargo	'000 MT	n.p.	n.p.	n.p.	n.p.	n.p.
- bulk cargo	'000 MT	826	1 043	1 141	1 303	1 300
- all cargo	'000 MT	1 280	1 530	1 718	1 937	2 314
Number of containers handled	TEUs	37 573	40 555	46 649	54 450	86 371

PORT OF DEVONPORT CORPORATION (continued)

Units 1992–93 1993–94 1994–95 1995–96 1996–97

NOTES TO INDICATORS FOR PORT OF DEVONPORT AUTHORITY

Key: n.p. - not provided; n.r. - not relevant.

- 1) The Authority sold the dredge 'Port Frederick' in the 1995–96 financial year. The profit realised on sale accounts for the majority of the difference in operating profit.
- 2) Historical Cost.
- 3) Taxation equivalent first paid 30 June 1993.
- 4) The fall is in the main due to the large increase in cargo units.
- 5) Port Authority costs include administration costs for Devonport Airport and the cold stores as these are not accounted for separately. The significant fall is in the main due to the large increase in cargo units experienced during 1996–97.

PORT OF LAUNCESTON CORPORATION**Tasmania****Comments on own performance**

The Port of Launceston Authority (originally Marine Board of Launceston) was set up by an Act of Parliament in 1857. There was no change to the Port's corporate structure during the period under review. However, as of 30 July 1997, the Port became a corporate entity under the *Port Corporation Act 1997* and now trades under the name Port of Launceston Corporation Pty Ltd.

Current operations

The Port provides infrastructure and services within its jurisdiction for shipping operators and cargo interests. The main functions are: provision and maintenance of wharves and shipping channels; pilotage; provision of stevedoring and cargo storage areas; including terminals, sheds, cold stores and roads, and hire of wharf cranes and other plant and equipment; 24 hour radio watch; and port emergency services. In addition, the Port performed regulatory functions in accordance with the Marine Act during the period under review. During this period, the Port had two ship repair facilities, which it leased out, and a small number of commercial rental properties.

Financial performance

An operating deficit after abnormal items and before tax of \$850 151 was returned in 1996–97, compared to the deficit after abnormal items and before tax of \$438 416 last year.

Total revenue reflects the impact of the first full year of trade without the coastal general cargo service, which accounted for over 30 per cent of the Port's revenue. In order to compensate for this setback, total expenditure was well below last year due to the implementation of a redundancy program and other cost cutting measures.

The results of the past two years are expected to improve considerably in the 1997–98 year, with a possibility that the Port will return a profit. This brighter outlook is primarily due to an overall increase in trade and the beginning of medium density fibreboard exports (in the latter half of the year) through the port from the new Starwood plant adjacent to the port.

Non-financial performance

At the end of the period under review, the new 210 metre, \$10.5 million No.5 berth was approaching completion. The project was completed in October 1997. This berth is mainly used for container cargo but also accommodates break-bulk cargo and the growing log trade, thereby increasing efficiency and providing additional flexibility for port users.

PORT OF LAUNCESTON CORPORATION(continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
PORT AUTHORITY INDICATORS						
Financial Ratios (1)						
Return on assets	%	4.1	3.3	3.6	1.9	1.2
Return on operating assets	%	4.0	3.3	3.4	1.5	0.8
Operating sales margin	%	16.8	16.3	15.7	7.5	5.2
Return on equity	%	1.9	1.5	1.5	-1.4	-3.0
Dividend to equity ratio	%	0.0	0.0	0.0	0.0	0.0
Dividend payout ratio	%	0.0	0.0	0.0	0.0	0.0
Debt to equity	%	29.4	36.1	43.2	51.3	61.2
Total liabilities to equity	%	39.8	47.7	56.8	62.4	67.7
Current ratio	%	215.7	232.3	276.5	217.9	170.3
Interest cover	%	213.2	184.8	163.3	66.8	39.9
Cost recovery ratio	%	113.2	119.5	118.6	113.2	107.0
Operational performance	%	2.5	3.3	3.4	2.3	1.0
Non-Financial Ratios						
Economic Factors						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
Efficiency						
Port authority charges per unit of cargo (2)	\$/MT	1.30	1.50	1.42	n.p.	1.58
Port authority costs per unit of cargo (3)	\$/MT	0.30	1.76	1.66	n.p.	2.24
Total days lost:						
- industrial disputes	%	n.p.	n.p.	n.p.	n.p.	0.00
- sick leave	%	n.p.	1.40	1.00	0.77	1.86
- industrial accidents	%	n.p.	1.00	1.58	0.91	3.78
- total	%	2.90	2.40	2.58	1.68	5.49
Effectiveness						
RPI of port authority charges	Index	90.4	88.9	84.3	81.1	79.9
Size						
Total assets	\$M	39.8	42.2	45.5	46.5	47.1
Total revenue	\$M	8.5	7.8	8.8	8.6	7.1
Total employment	No	61	58	60	47	46

PORT OF LAUNCESTON CORPORATION(continued)

PORT INDICATORS

Non-Financial Ratios (continued)

Effectiveness

Berth occupancy:

- container terminal	%	n.p.	18.3	11.9	n.p.	27.8
- other than at a container terminal	%	n.p.	13.1	16.8	n.p.	16.8
- whole port	%	17.6	15.1	17.7	n.p.	20.0

Service Quality

Average time at berth (median) Hours 25 27 28 28 n.p.

Turnaround time:

- container ships at container terminals:

- - median Hours n.p. n.p. 12 n.p. n.p.

- - 95 percentile Hours 30.00 31.00 n.p. n.p. n.p.

- other:

- - median Hours n.p. n.p. 49 n.p. n.p.

- - 95 percentile Hours n.p. n.p. n.p. n.p. n.p.

Cargo processed/ship working time MT/Hr n.p. n.p. n.p. n.p. n.p.

Cargo processed/gross ship time MT/Hr 371 308 310 n.p. n.p.

Stevedoring idle time % n.p. n.p. n.p. n.p. n.p.

Average delay time per ship due to industrial disputes Hours n.p. n.p. n.p. n.p. 0

Size

Cargo handled:

- non-containerised general cargo '000 MT 0 0 0 0 n.p.

- bulk cargo '000 MT 2 920 3 108 3 818 3 115 3 311

- all cargo '000 MT 3 462 3 655 4 309 3 589 3 503

Number of containers handled TEUs 48 115 47 291 44 065 41 453 15 828

NOTES TO INDICATORS FOR PORT OF LAUNCESTON AUTHORITY

Key: n.p. - not provided: n.r. - not relevant.

- 1) Historical cost.
- 2) Charges include all cargo related and ship based charges. Revenue is derived from wharfage, harbour dues, tonnage, pilotage, equipment hire and service fees.

PORT OF LAUNCESTON CORPORATION (continued)

<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>

NOTES TO INDICATORS FOR PORT OF LAUNCESTON AUTHORITY (continued)

Key: n.p. - not provided; n.r. - not relevant.

- 3) All costs (including non-port activity related costs) are included apart from abnormal items of expenditure.

DARWIN PORT AUTHORITY

Northern Territory

Comments on own performance

The Darwin Port Authority (DPA) is responsible for the control and management of land, waterways and facilities within the Port of Darwin. The Authority also facilitates marine associated activities as well as industrial and trade development in support of the Territory Government's economic objectives.

The DPA provides facilities and services for both commercial and recreational users of the Port of Darwin. In particular, the Authority provides berthage facilities, pilotage and navigation services, cargo storage areas and sheds as well as common user mechanical equipment. It also leases land to enterprises with port related businesses. Facilities for entertainment and recreational purposes for residents and tourists are also provided by the Authority.

The DPA is continuing to realise the Northern Territory Government's objective of commercial viability without Government appropriations. Even with the investment in the new port facilities at East Arm, the increase in the earnings per dollar value of assets as seen in the ratio's *return on assets*, *return on operating assets* and *operational performance* shows efficiency and sound asset management. The DPA revalued its non-current assets using the deprival method on July 1996 for the first time to the value of \$50.5 million.

The DPA's short term financial position remains very stable. The *cost recovery* ratio shows revenue one and a half times greater than expenses. *Current ratio* remains consistently strong with current assets twice as large as current liabilities. The DPA's ability to pay interest as it falls due is very adequate, as seen in the *interest cover* ratio with earnings five times greater than interest. Funding for the construction of the East Arm Port increases the ports reliance on borrowed funds, as shown in the *debt to equity* and *total liabilities to equity* ratios. Excluding this investment, the DPA is in a very sound position with these two ratios down to a very low six per cent and 11 per cent respectively.

The real price index continued to decline in 1996–97, after the rise in 1993–94, due to movements in the fuel wharfage rates. DPA unit costs decreased by five per cent for the second year running in 1996–97 to be at the lowest level on record. DPA unit charges also dropped by 12 per cent to also record its lowest level yet. The nature of cargo passing through DPA facilities continues to grow and diversify. Total cargo trade increased 14 per cent in 1996–97. This was due largely to the 36 per cent increase in the number of containers handled.

DARWIN PORT AUTHORITY (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
PORT AUTHORITY INDICATORS						
Financial Ratios (1–6,12)						
Return on assets (7)	%	5.2	4.2	5.4	4.3	5.2
Return on operating assets (7)	%	5.2	4.2	5.3	4.2	5.0
Operating sales margin	%	24.4	18.6	22.8	20.7	32.1
Return on equity	%	2.3	1.2	4.1	4.5	7.8
Dividend to equity ratio (8)	%	0.0	0.0	1.6	0.8	2.5
Dividend payout ratio (8)	%	0.0	0.0	39.5	17.4	31.6
Debt to equity (9)	%	36.0	33.0	56.0	102.2	113.6
Total liabilities to equity (10)	%	39.0	35.6	59.2	104.9	118.4
Current ratio	%	99.4	174.4	199.3	256.5	206.1
Interest cover	%	146.7	126.4	203.7	232.8	477.8
Cost recovery ratio	%	113.3	123.1	129.5	126.1	147.3
Operational performance (11)	%	2.1	4.1	5.3	4.2	5.0
Non-Financial Ratios						
Economic Factors						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
Efficiency						
Port authority charges per unit of cargo (13)	\$/MT	9.05	9.99	10.56	9.62	8.47
Port authority costs per unit of cargo	\$/MT	6.44	5.89	6.02	5.72	5.40
Total days lost:						
- industrial disputes	%	0.09	0.07	0.00	0.00	0.00
- sick leave	%	3.35	4.19	3.01	4.84	4.29
- industrial accidents	%	1.41	0.07	0.16	0.58	0.15
- total	%	4.85	4.33	3.18	5.43	4.44
Effectiveness						
RPI of port authority charges (14)	Index	97.3	109.5	106.5	102.2	100.4
Size						
Total assets (1,12)	\$M	42	42	50	67	111
Total revenue	\$M	9	9	10	11	14
Total employment	No	49	48	48	48	47

DARWIN PORT AUTHORITY (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
PORT INDICATORS						
Non-Financial Ratios (continued)						
Effectiveness						
Berth occupancy:						
- container terminal	%	n.r.	n.r.	n.r.	n.r.	n.r
- other than at a container terminal	%	n.p.	n.p.	n.p.	n.p.	n.p
- whole port	%	n.p.	n.p.	n.p.	n.p.	n.p
Service Quality						
Average time at berth (median) (15)	Hours	16	n.p.	n.p.	n.p.	n.p
Turnaround time:						
- container ships at container terminals:						
- - median	Hours	n.r.	n.r.	n.r.	n.r.	n.r
- - 95 percentile	Hours	n.r.	n.r.	n.r.	n.r.	n.r
- other: (16)						
- - median	Hours	27	n.p.	n.p.	n.p.	n.p
- - 95 percentile	Hours	152	n.p.	n.p.	n.p.	n.p
Cargo processed/ship working time	MT/Hr	n.p.	n.p.	n.p.	n.p	n.p
Cargo processed/gross ship time	MT/Hr	70	n.p.	n.p.	n.p.	n.p
Stevedoring idle time	%	27	n.p.	n.p.	n.p.	n.p
Average delay time per ship due to industrial disputes	Hours	n.p.	n.p.	n.p.	n.p.	n.p
Size						
Cargo handled:						
- non-containerised general cargo	'000 MT	90	142	146	220	259
- bulk cargo	'000 MT	565	570	650	735	817
- all cargo	'000 MT	675	737	828	1 002	1 142
Number of containers handled	TEUs	5 261	7 905	4 033	4 133	5 624

DARWIN PORT AUTHORITY (continued)

NOTES TO INDICATORS FOR DARWIN PORT AUTHORITY

Key: n.p. - not provided; n.r. - not relevant.

- 1) The bringing to account of investments in the new port facilities at East Arm has influenced many of the published financial indicators. The growth in total assets and total liabilities can be attributed to the East Arm investment. Accordingly, caution should be used in the interpretation of these indicators.
- 2) The data provided is based on audited financial data extracted from annual reports of the Darwin Port Authority (DPA). All DPA annual report financial statements comply with Australian Statements of Accounting Concepts and Australian Accounting Standards.
- 3) The DPA is a statutory corporation incorporated by legislation, and is only partially liable to taxes applicable to a fully commercial operation. The DPA is liable at standard commercial rates on payroll and fringe benefits taxes and is fully liable for stamp duties. The DPA became liable for income tax in the 1996–97 financial year under the substantive ITAA model, at the company rate of 36 per cent. This is in accordance with the requirements of the Treasurer's Directions and the Northern Territory Tax Equivalents Regime.
- 4) Asset values used in the compilation of asset ratios are based on the historical cost convention until July 1996. Assets such as property, plant and equipment were recorded at cost and depreciated using the straight line method of depreciation. DPA assets had not previously been revalued until this year when the DPA revalued its non current assets, using the deprival method increasing \$14.9 million to a value of \$50.5 million.
- 5) The funding of community service obligations was undertaken for the first time in the 1996–97 financial year covering costs associated with the Wharf Precinct, the Marine Industry and Cruise Shipping for an amount of \$1 965 000. This has increased EBIT to nearly double in size, affecting some of the published financial indicators.
- 6) The loss on sale of an asset for \$4 215 000 has not been recorded in abnormal expenses or total expenses.
- 7) Non inclusion of investments in new port facilities at East Arm would increase both return on assets and return on operating assets to over six per cent for 1995–96 and over seven per cent for 1996–97.
- 8) This year saw an increase in the dividend paid out from \$250 000 to \$1 031 000.

DARWIN PORT AUTHORITY (continued)

NOTES TO INDICATORS FOR DARWIN PORT AUTHORITY (continued)

- 9) Funding of the construction of the East Arm Port has increased the debt to equity ratio substantially. The non inclusion of this investment would see the continued downward trend of the ratio to 29.9 per cent for 1994–95, 27.3 per cent for 1995–96 and 6.6 per cent for 1996–97.
- 10) Non inclusion of the investment in new port facilities at East Arm would see the total liabilities to equity ratio continue to decline to 32.3 per cent for 1994–95, 27.3 per cent for 1995–96 and 11.2 per cent for 1996–97.
- 11) Non inclusion of investments in the new port facilities at East Arm would see operational performance increase to 5.6 per cent in 1995–96 and 7.1 per cent in 1996–97.

- 12) Asset revaluations:

<i>Category of asset</i>	<i>Method of valuation</i>	<i>Date of revaluation</i>	<i>Impact of revaluation (\$'000)</i>
Land	Deprival method	July 1996	10 337
Wharf Facilities	Deprival method	July 1996	5 733
Leased Wharf Facilities	Deprival method	July 1996	17
Marine Industry	Deprival method	July 1996	3 078
Incinerator	Deprival method	July 1996	11
Pilotage	Deprival method	July 1996	-72
Wharf Precinct & Stokes Hill	Deprival method	July 1996	-4 160

- 13) The change in charges per unit of cargo between 1992–93 and 1994–95 was mainly due to movements in the fuel wharfage rate.
- 14) Prices prior to and after 1993–94 have not been weighted in accordance with revenue earned, as in most cases percentage increases have been applied fairly consistently and hence there would be appear to be limited advantage in applying weighting. In 1993–94 a new wharfage rate for petroleum products resulted in an upward movement in the Real Price Index. Exclusion of petroleum products would result in a continuing decline in the index from 1991–92.

DARWIN PORT AUTHORITY (continued)

NOTES TO INDICATORS FOR DARWIN PORT AUTHORITY (continued)

- 15) Reported average time at berth is the median value for the period. Time at berth is heavily influenced by vessel type and handling time, especially for containerised cargo where cellular vessels have inherently quicker cargo handling times. All container carrying vessels serviced in Darwin were non-cellular and care should be exercised when drawing comparisons with ports handling cellular vessels.
- 16) This indicator is heavily influenced by a large proportion of vessels visiting the Port of Darwin that spend 'time awaiting orders' while at berth. This is especially true of livestock carriers which accounted for 29 per cent and 44 per cent of cargo vessel visits in 1991–92 and 1992–93 respectively, recording time at berth of up to 513 hours.

7 OTHER COMMONWEALTH GTEs

Airservices Australia	415
ANL Limited	421
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Federal Airports Corporation	429
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AIRSERVICES AUSTRALIA

Commonwealth

Comments on own performance

During 1996–97, Airservices Australia operated as a government business enterprise established by the *Air Services Act 1995* to provide air traffic services in Australian administered airspace. Prior to Airservices' formation on 6 July 1995, these services were provided by the Civil Aviation Authority and its predecessors.

Services provided to the public and aviation industry by Airservices during 1996–97 included: airspace management, air traffic control, traffic and flight information, navigation services, aeronautical information and rescue and firefighting services.

Overall, the aviation industry experienced greater than expected activity growth of 5.2 per cent during 1996–97. International operators experienced overall growth of 6.6 per cent over the previous year, with domestic regular public transport operators showing growth of 4.5 per cent. In contrast, activity by general aviation operators was 9.2 per cent lower than the previous year.

This increased activity led to an operating revenue 2.2 per cent higher than planned. Total revenue earned from the provision of all services was \$602.9 million, with \$573 million coming from the provision of air traffic and rescue and firefighting services.

Savings in staff costs and general and administration costs resulted in operating expenses of \$567 million (before abnormal items were taken into account), or 3.2 per cent less than planned. The financial outcome for 1996–97 after abnormals and before tax was a profit of \$17 million, a significant improvement against the planned profit of \$6.1 million.

Following a review of Airservices' capital structure in 1995–96, the adoption of a target debt to equity level resulted in Airservices making a substantial capital repayment to the Government of \$49 million in July 1996.

Major operational achievements during 1996–97 included: on-time achievement of all milestones for The Australian Advanced Air Traffic System (TAAATS) project; further consolidation of air traffic control functions to Brisbane and Melbourne in preparation for the commissioning of TAAATS; significant progress toward implementation of an enhanced organisation-wide safety management system; development of a long term operating plan for Sydney airport and the Sydney basin airspace; the contracting out of flight calibration of navigation aids; increased focus on commercial business activities with the generation of approximately \$2 million in revenue from external consulting and training activities; and the introduction of a number of Global Positioning System non-precision aerodrome approaches for use in day visual flight rules conditions.

AIRSERVICES AUSTRALIA(continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1-8)						
Return on assets	%	9.9	13.2	-3.9	7.1	4.0
Return on operating assets	%	10.3	14.2	-4.6	7.3	3.9
Operating sales margin	%	9.8	15.5	-5.9	9.9	4.8
Return on equity	%	6.9	14.5	-7.5	4.0	1.9
Dividend to equity ratio	%	4.9	7.3	0.0	2.4	1.5
Dividend payout ratio	%	71.4	50.0	0.0	59.9	76.7
Debt to equity	%	45.9	31.2	36.2	43.3	41.6
Total liabilities to equity	%	107.2	76.6	98.3	84.0	93.5
Current ratio	%	124.2	107.9	37.3	39.4	38.7
Interest cover	%	386.2	609.0	-210.8	358.6	227.8
Cost recovery ratio	%	110.7	106.3	93.4	110.7	107.3
Operational performance	%	9.2	4.7	-4.9	7.0	5.3
Non-financial Ratios						
<i>Economic factors</i>						
Total factor productivity (9)	Index	184.20	186.20	212.90	204.00	206.99
Economic rate of return	%	n.p.	n.p.	n.p.	7.90	3.70
<i>Size</i>						
Total assets (8)	\$M	653	781	835	796	732
Total revenue	\$M	670	590	582	580	619
Average employment (10)	No	5 149	4 847	4 845	4 513	4 600
<i>Effectiveness</i>						
Real Price Index (9)	Index	83.80	68.40	59.50	58.50	57.48
<i>Safety</i>						
Air traffic service incidents per 100 000 aircraft movements (15,16)	No	3.5	4.1	6.9	10.9	14.5
Lost injury time per million employee hours (11)	1/Million	41 176	49 708	20 608	15 060	15 098
Workers compensation cost in real terms per employee	\$/Emp	429	405	349	516	434

AIRSERVICES AUSTRALIA(continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
<i>Service Quality</i>						
Number of airways facilities in service	No	3 411	3 298	3 329	3 238	3 322
Number of airways facilities failures	No	4 909	5 127	4 320	4 482	3 697
Average outage time (12)	Hours	7.20	9.10	6.90	6.30	4.60
Aircraft delays greater than 5 minutes: (13,14)						
- Sydney	%	23.8	23.9	24.8	22.0	23.3
- Melbourne	%	4.7	4.0	4.6	6.3	6.7
- Brisbane	%	9.1	11.5	12.3	10.4	12.1
- Adelaide	%	8.3	5.6	4.9	5.4	5.9
- Perth	%	8.6	3.2	3.6	4.9	6.9
Average delay per movement: (13,15)						
- Sydney	Min	3.3	3.3	3.5	3.1	3.1
- Melbourne	Min	0.5	0.6	0.7	1.0	0.8
- Brisbane	Min	1.9	2.0	2.1	1.9	2.3
- Adelaide	Min	1.1	0.6	0.4	0.6	0.5
<i>Cost and Revenue Measures</i>						
Maintenance cost of national airways facilities	\$M	51.8	47.1	50.4	53.0	54.9
Annual cost per aircraft (MTOW) tonne landed (17)	\$/Tonne	17.65	15.84	16.09	14.58	14.93
Annual cost per tonne kilometre flown (17)	\$/Tkm	0.011	0.009	0.010	0.008	0.008

NOTES TO INDICATORS FOR AIRSERVICES AUSTRALIA

Key: n.p. - not provided; n.r. - not relevant.

- 1) On 6 July 1995 the CAA was formed into two new entities, Airservices Australia and the Civil Aviation Safety Authority (CASA). At this time, the aviation safety regulation role and all associated costs were transferred from the CAA to CASA, with Airservices inheriting the remaining CAA functions.

Accordingly, the basis for calculation of Airservices' indicators has changed from that used to calculate the same indicators for the CAA. This constitutes a break in series for the data, which must be borne in mind when making comparisons with prior year CAA indicators.

AIRSERVICES AUSTRALIA(continued)

NOTES TO INDICATORS FOR AIRSERVICES AUSTRALIA (continued)

- 2) All 1995–96 financial data is based upon a shortened year from 6 July 1995 to 30 June 1996, due to the formation of Airservices Australia on 6 July 1995.
- 3) All financial data has been extracted from Airservices Australia's audited financial statements prepared using the accrual basis of accounting.
- 4) The financial statements are prepared in accordance with applicable accounting standards and Guidelines for Financial Statements of Commonwealth Authorities issued by the Minister for Finance.
- 5) Airservices Australia is not subject to community service obligations as defined for this report.
- 6) Airservices Australia (and its predecessor, the CAA) has been subject to Australian income tax at the prevailing company tax rate since 1 July 1991.
- 7) Airservices Australia (and its predecessor, the CAA) has been subject to State payroll tax and Australian fringe benefits tax since inception.
- 8) The independently determined asset revaluation gave a net reduction of \$24.2 million in asset values, comprising a net decrease of \$3.5 million to balance sheet reserves, and a \$20.7 million net decrease which was charged as abnormal expenses. Asset revaluations:

<i>Asset</i>	<i>Method of valuation</i>	<i>Date of revaluation</i>	<i>Impact of revaluation (\$ million)</i>
Land and buildings	Market value	not available	not available
Assets used in operations and for which an active secondary market exists	Market value	not available	not available
Assets used in operations and for which an active secondary market is non-existent or inappropriate	Depreciated replacement cost	not available	not available
Assets with no usage value and/or which are surplus as at balance date	Net realisable value	not available	not available
			-24.2

- 9) Base year = 1989–90
- 10) The 1995–96 and 1996–97 figures are average monthly full time equivalent (FTE) figures.

AIRSERVICES AUSTRALIA(continued)

NOTES TO INDICATORS FOR AIRSERVICES AUSTRALIA (continued)

- 11) 1992–93 and 1993–94 data based upon sick days statistics. The figures from 1994–95 remove sick days and provide a more accurate representation of the indicator.
- 12) The apparent trend reversal in this indicator for 1993–1994 is due to a change in the basis for analysis and does not indicate a reduction in serviceability achieved.

Reduced outage times in 1996–97 have been achieved mainly through the decommissioning of ageing navigation aids (DMEs) and a change in the basis of analysis of some service faults.
- 13) Aircraft delay includes any delay experienced by operators from achieving nominated departure and arrival time. This measure does not differentiate between factors within or outside Airservices Australia’s control, such as weather conditions, airline cluster scheduling and airport ground infrastructure limitations.
- 14) Delays of less than five minutes are generally considered within the industry to be on-time. 1996–97 data to end March 1997 only.
- 15) One movement equals one departure, one arrival or one through flight.
- 16) There is no internationally accepted basis for measuring the safety health of ATS systems. An approach that is often used measures incidents per 100 000 aircraft movements. However, this is more an indication of the health of the reporting system than of safety. Accordingly, Airservices is reviewing this indicator for its usefulness and exploring other options in cooperation with CASA, BASI and the ADF.

Pending the identification of an improved indicator(s), Airservices is continuing to use the incidents per 100 000 movements indicator. This indicator not only records instances of actual or potential breakdowns in separation, but also records all other deviations from standards and practices, even where there is no safety implication.
- 17) 1995–96 data based upon a shortened year from 6 July 1995 to 30 June 1996, due to the formation of Airservices Australia on 6 July 1995.

ANL LIMITED**Commonwealth****Comments on own performance**

ANL's profitability has fluctuated over the reporting period. The improved result in 1992–93 was driven by management focus on poorly performing businesses and a consequent increase in revenue quality. The significant drop in 1993–94 is mainly due to substantial abnormal items, and in particular a provision for restructure following the appointment of a new Board on 22 August 1994 with a mandate to restructure the company to improve its viability. Otherwise, the profitability ratios are consistent with the low returns associated with the maritime transport industry.

The significant loss result in 1993–94 (which includes abnormals of \$106 million) also gives rise to substantial changes in other ratios, notably a higher debt to equity ratio, with a much reduced equity base, lower interest cover, and increased total liabilities to equity, with the provision for restructuring included in the liabilities figure. The 1994–95 result also includes significant abnormal items which compound these ratio movements. The operating loss in 1995–96 is lower than in the previous year, whilst a write-back to income in abnormals has resulted in an overall loss before tax for the year of \$5.9 million, an improvement of \$24.8 million.

The improved operating performance continued into 1996–97 with an overall profit of \$16.5 million reported, which was a result attributed largely to significant cost reductions in a number of areas within the company, offset to a certain extent by the steep decline in international shipping freight rates, and a substantial write-back of the restructure provision no longer considered appropriate because the directors expect the company to be sold as a going concern within 12 months.

Efficiency improvements have been experienced by ANL since 1988–89 to the present in the number of seagoing employees per vessel. These efficiency improvements have largely been the result of the introduction of new tonnage which employs state-of-the-art technology combined with manning reductions as a result of the Shipping Industry Reform Authority and Waterfront Industry Reform Authority initiatives. The large increase of seagoing employees in 1991–92 is due to the formation of ASP Ship Management, a partnership between ANL Limited and McIlwraith McEacharn. The large decrease in total employees in 1992–93 is due to the deconsolidation from the accounts of ANL's interest in stevedoring following the partial sale of ANL's share in National Terminals. ANL's remaining interest in terminals was sold in the 1993–94 financial year.

The decline in the number of shore-based staff in 1995–96 and again in 1996–97 is the result of the substantial restructuring which commenced in January 1996. The decline in revenue per vessel and per DWT from 1990–91 onwards is due to changes in the company's investment holdings in businesses relating to terminals and coastal shipping.

ANL LIMITED (continued)

	Units	1992-93	1993-94	1994-95	1995-96	1996-97
Financial Ratios						
Return on assets	%	4.0	-36.1	-8.9	0.6	11.2
Return on operating assets	%	4.0	-42.2	-10.8	-0.1	12.2
Operating sales margin	%	2.9	-30.2	-6.8	-0.1	8.8
Return on equity	%	-4.8	-137.4	-300.0	66.0	-433.9
Dividend to equity ratio	%	0.0	0.0	0.0	0.0	0.0
Dividend payout ratio	%	0.0	0.0	0.0	0.0	0.0
Debt to equity	%	46.0	344.4	-1 349.3	-647.8	2 144.9
Total liabilities to equity	%	123.4	1 108.8	-4 592.1	-2 064.2	4 823.3
Current ratio	%	79.1	44.6	51.3	51.9	48.0
Interest cover	%	236.6	-2 252.4	-517.3	20.4	286.4
Cost recovery ratio	%	100.2	96.2	96.1	98.5	102.2
Operational performance	%	0.2	-5.6	-6.4	-2.5	2.7
Non-financial Ratios						
<i>Economic factors</i>						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
<i>Efficiency</i>						
Average real price	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Seagoing employees per vessel	Emp/Vess	49	46	40	40	40
TEUs per terminal employee	TEU/TEmp	n.r.	n.r.	n.r.	n.r.	n.r.
Total bulk tonnes carried per bulk ship	Mill.Tonnes/ Vess	0.62	0.69	0.64	0.64	0.64
<i>Size</i>						
Total assets	\$M	352	317	259	236	217
Total revenue	\$M	461	405	406	354	267
Average number of employees						
- seagoing	Emp	1 465	1 298	1 208	1 190	1 052
- shorebased	Emp	556	515	480	364	297
- terminal	Emp	0	0	0	0	0
- total	Emp	2 021	1 813	1 688	1 554	1 349
Throughput (TEU)	TEU	n.r.	n.r.	n.r.	n.r.	n.r.
Average number of vessels	No	14	13	12	12	10
Average number of DWT	'000 DWT	413	406	397	397	359

Cost and Revenue Measures

ANL LIMITED (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
Revenue per average number of						
- employees	\$'000/Emp	228	223	240	228	198
- vessels	\$'000/Vess	32 921	31 142	33 795	29 484	26 721
- DWT	\$'000/DWT	1 116	997	1 022	891	744
Profit per average number of employees	\$'000/Emp	4.30	-71.11	-18.07	-3.80	12.27

NOTES TO INDICATORS FOR ANL LIMITED

Key: n.p. - not provided; n.r. - not relevant.

AUSTRALIA POST

Commonwealth

Comments on own performance

Australia Post was created in 1975, following the separation of the Postmaster General's Department into postal and telecommunications authorities. In 1989, it was corporatised as part of the Commonwealth government business enterprise reform process.

The Corporation's principal function is to supply postal services within Australia and between Australia and overseas. Subsidiary functions are those related to postal services, and incidental additional activities are also allowed.

Australia Post has three main operations: letter delivery, parcel delivery and third party agency services (eg receiving bill payments for other companies). While Australia Post has a degree of statutory monopoly on letter delivery, it faces full direct private sector competition in its other operations. A community service obligation is inherent in the letter service, broadly as follows:

- Australia Post is to provide a letter service, charging a uniform price for standard letters carried within Australia by ordinary post; and
- standards of performance (including delivery) must reasonably meet the needs of the community, and the service must be reasonably accessible to all Australians.

All areas of performance — customer service, human relations, operational efficiency and financial results — have undergone strong, steady improvement as shown in the accompanying tables. The progressive introduction of industrial participation throughout the Corporation has been a key factor in this success. Cost control and improved labour productivity have underpinned Australia Post's improved financial performance. In this regard, it is noteworthy that the standard letter rate has been held at 45 cents since January 1992, and that the Corporation has now announced an extension of this price freeze until 2002.

During the period under review, Australia Post began a restructuring of the Corporation's balance sheet. A major initiative commenced in 1993–94 has included a \$450 million return of capital to the Government as shareholder, and an increase in gearing towards commercially normal levels. As part of this process, the Corporation sought, and has maintained, a Standard and Poor's AAA credit rating. Only a small number of Australian companies have this high rating, which is a strong endorsement of Australia Post's management performance and prospects.

AUSTRALIA POST (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1,2)						
Return on assets	%	11.5	13.6	16.8	17.0	15.1
Return on operating assets	%	13.1	16.4	19.8	19.2	17.1
Operating sales margin	%	8.7	9.9	11.9	12.5	11.5
Return on equity	%	12.8	20.2	28.3	27.3	26.9
Dividend to equity ratio	%	6.3	10.2	14.2	16.4	25.3
Dividend payout ratio	%	49.5	50.2	50.3	60.0	94.3
Debt to equity	%	4.5	29.3	34.0	36.1	43.0
Total liabilities to equity	%	106.4	144.3	157.7	170.7	202.6
Current ratio	%	84.8	98.9	90.4	76.4	87.5
Interest cover	%	8 736.3	5 534.7	1 944.8	1 693.1	1 628.6
Cost recovery ratio	%	110.6	112.1	113.3	113.4	112.9
Operational performance	%	14.4	17.7	19.4	18.0	16.8
Non-financial Ratios						
<i>Economic factors</i>						
Total factor productivity	Index	143.4	149.5	157.0	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
<i>Efficiency</i>						
Total days lost:						
- industrial disputes	%	0.00	0.00	0.00	0.00	0.01
- sick leave	%	n.p.	n.p.	n.p.	n.p.	n.p.
- industrial accidents	%	0.40	0.40	0.40	0.36	0.00
- total	%	n.p.	n.p.	n.p.	n.p.	n.p.
Labour productivity	Index	109.1	115.8	123.2	128.1	135.4
Mail volume rise	%	4.6	5.7	6.0	5.7	3.9
Delivery points rise	%	1.2	2.2	2.6	3.3	3.7
Articles handled per employee	'000	91	97	103	105	110
Delivery points per employee	No/Emp	193	199	203	206	212
<i>Effectiveness</i>						
Mail volume	Million	3 416	3 611	3 828	4 047	4 206
Real standard letter price	Index	101.9	100.1	97.1	93.2	92.0

AUSTRALIA POST (continued)

	<i>Units</i>	<i>1992–93</i>	<i>1993–94</i>	<i>1994–95</i>	<i>1995–96</i>	<i>1996–97</i>
Service Quality						
Articles delivered (3)						
- within advertised time	%	92.0	93.0	94.0	93.0	93.9
- within advertised time or one day later	%	98.0	98.0	99.0	99.0	98.7
Delivery standards						
- across town	Days	1	1	1	1	1
- major centres (intrastate)	Days	1-2	1-2	1-2	1-2	1-2
- major centres (interstate)	Days	2-3	2-3	2-3	2-3	2-3
- distant areas	Days	3-4	3-4	3-4	3-4	3-4
Size						
Total assets	\$M	1 951	2 023	2 217	2 382	2 589
Total revenue	\$M	2 421	2 568	2 788	2 944	3 155
Cost of CSOs (4)	\$M	46	62	65	72	67
Average number of						
- post offices	No	1 325	1 251	1 168	1 108	1 047
- post office agencies	No	2 953	2 859	2 806	2 847	2 899
- community mail agencies	No	231	297	357	390	476
Average number of						
- postage points	No	22 680	22 006	20 875	20 384	20 539
- delivery points	'000s	7 215	7 377	7 571	7 795	8 066
Average number of employees	No	37 423	37 146	37 245	38 519	38 094

NOTES TO INDICATORS FOR AUSTRALIA POST

Key: n.p. - not provided; n.r. - not relevant.

- 1a) Revaluation of the Corporation's assets is required at least once every three years in accordance with Department of Finance regulations. By agreement with that Department, revaluations are confined to land and buildings having regard to the nature and materiality of the Corporation's other asset classes. Valuations are carried out by independent valuers and are brought to account at the date of valuation.
- 1b) Buildings under construction at 30 June are carried at cost. Properties scheduled for disposal are valued at market value on the basis of highest and best use/vacant possession adjusted for estimated selling costs. These buildings are valued at 30 June.

AUSTRALIA POST (continued)

NOTES TO INDICATORS FOR AUSTRALIA POST (continued)

Key: n.p. - not provided; n.r. - not relevant.

- 1a) Revaluation of the Corporation's assets is required at least once every three years in accordance with Department of Finance regulations. By agreement with that Department, revaluations are confined to land and buildings having regard to the nature and materiality of the Corporation's other asset classes. Valuations are carried out by independent valuers and are brought to account at the date of valuation.
- 1b) Buildings under construction at 30 June are carried at cost. Properties scheduled for disposal are valued at market value on the basis of highest and best use/vacant possession adjusted for estimated selling costs. These buildings are valued at 30 June.
- 1c) Special Purpose Properties: this class, established in 1993–94, comprises properties purpose-built to meet mail processing and network needs of the Corporation's mail services. Special purpose properties were valued every three years on the basis of market value existing use, but will now be revalued annually on a progressive basis from 1997–98 onwards. This class was last valued at 30 June 1997.
- 1d) General Properties: this class comprises other owned properties and improvements to leased properties. It includes post offices, administrative and operational support properties not included in the special purpose class. The general class includes properties formerly disclosed as Development Properties. The same basis of valuation has applied to development and general properties and as a consequence of the adoption of a progressive valuation policy for 1997–98 onwards a distinction between development and general properties is no longer considered appropriate. Owned general properties are valued every three years on the basis of highest and best use/vacant possession, and were valued at 30 June 1997. Improvements to leased properties are carried at cost less depreciation.
- 2) The Corporation became fully liable for sales tax in 1987–88, payroll tax in 1988–89, local government charges in 1989–90, and corporate income tax in 1990–91.
- 3) Delivery Performance — as from January 1993, Australia Post's letter delivery performance has been assessed through an independent monthly end-to-end audit conducted by KPMG Peat Marwick, working with the Australian Bureau of Statistics.
- 4) Community service obligations (CSOs) — costing of the Corporation's CSOs involves a methodology based on avoidable costs. The methodology assumes that a CSO involves 'a government requirement to provide products or services to a community group at a price less than the cost of supplying them'. Under the avoidability approach, the cost of the CSO is the net cost avoided in the long run if the service were not supplied. Net cost is the cost avoided less the revenue lost. Calculated according to this methodology, the cost of Australia Post's CSOs rose from \$52 million in 1991–92 to \$67 million in 1996–97.

FEDERAL AIRPORTS CORPORATION

Commonwealth

Comments on own performance

The Corporation assumed control of 17 airports on 1 January 1988 and purchased an additional six airports in April 1989. One airport (Cambridge) has been sold. Operations include the management and development of existing Federal Airports and the provision of airport facilities. However, responsibilities exclude the provision of fire, search and rescue services, non-visual navigational aids, air traffic control and flight service.

Financial performance

The Corporation's \$2 billion capital works program approved to June 1997 created additional costs which will not be offset by additional revenues until future years. The 1990–91 reporting period was changed by legislation to a 15 month period to bring it in line with the financial year 1 July to 30 June. Figures have been adjusted to account for this. Financial indicators most relevant to the Corporation's performance are return on assets, return on operating assets, sales margin, return on equity, interest cover, and earnings before interest and tax, all of which show improving performance. On the other hand, debt related indicators reflect an increasing level of capital expenditure in line with the Corporation's capital works program.

Non-financial performance

The indicators used may not adequately measure the Corporation's efficiency. For example, measures based on aircraft movements, passenger numbers and tonnes landed are outside the control of the Corporation. Performance indicators over which the Corporation has some level of control, such as aeronautical and commercial revenue per employee, passengers per employee, movements per employee all reveal improving trends.

FEDERAL AIRPORTS CORPORATION (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Financial Ratios (1)						
Return on assets	%	7.4	7.4	8.4	8.4	8.3
Return on operating assets	%	7.5	7.9	8.7	8.5	8.4
Operating sales margin	%	34.6	34.8	36.9	36.9	37.3
Return on equity	%	1.9	2.9	5.3	4.7	4.7
Dividend to equity ratio (2)	%	0.6	0.6	1.5	1.4	2.8
Dividend payout ratio (2)	%	32.6	22.2	27.9	29.4	60.0
Debt to equity	%	64.3	67.2	58.7	38.7	3.7
Total liabilities to equity	%	74.4	77.8	71.4	47.2	9.6
Current ratio	%	110.9	115.4	76.7	132.2	813.6
Interest cover	%	215.6	190.4	283.2	325.6	460.4
Cost recovery ratio	%	157.1	154.3	161.0	162.3	163.7
Operational performance	%	7.8	8.0	8.9	8.8	8.8
Non-financial Ratios						
<i>Economic factors</i>						
Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.
<i>Efficiency</i>						
Passengers per average number of employees	Pass/Emp	34 271	39 422	45 043	49 523	51 316
Movements per average number of employees	Mov/Emp	2 220	2 447	2 584	2 642	2 700
Landed tonnes per movement	T/Mov	8.50	8.50	9.58	9.86	10.14
Change in movements	%	4.70	2.30	0.03	1.89	0.74
Percentage change in landed tonnes	%	7.70	1.90	13.10	4.85	3.54
Real change in commercial revenue	Index	143.04	152.16	160.39	184.50	n.p.
Real change in aeronautical revenue	Index	144.19	148.56	162.36	165.90	n.p.
Total days lost:						
- industrial disputes	%	n.p.	0.00	0.00	0.00	0.00
- sick leave	%	n.p.	0.05	0.03	0.03	0.02
- industrial accidents	%	n.p.	0.11	0.01	0.01	0.00
- total	%	0.33	0.16	0.04	0.04	0.02

FEDERAL AIRPORTS CORPORATION(continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
<i>Effectiveness</i>						
Real Price Index						
- aeronautical services	Index	n.p.	n.p.	n.p.	n.p.	n.p.
- non aeronautical services	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Aircraft movements against total capacity:						
- Sydney	%	97.7	99.5	74.0	76.2	78.1
- Melbourne	%	67.5	67.1	73.2	75.5	76.1
- Brisbane	%	67.7	70.1	80.0	84.5	87.3
- Adelaide	%	48.7	39.4	42.4	44.4	42.0
- Perth	%	27.2	28.0	33.0	35.7	38.1
- Hobart	%	7.2	7.5	8.6	7.6	7.2
<i>Size</i>						
Total assets (1)	\$M	2 141	2 256	2 259	2 943	2 957
Total revenue	\$M	430	457	505	579	636
Average number of employees	No	1 366	1 268	1 201	1 197	1 180
Passengers						
- domestic	Million	35.7	38.5	42.0	45.9	46.3
- international	Million	11.1	11.5	11.4	12.7	14.3
- total	Million	47.0	50.0	54.1	58.6	60.6
Total aircraft movements	'000	3 033	3 103	3 104	3 162	3 186
Tonnes landed	Million	25.8	26.3	29.8	31.2	32.3
<i>Cost and Revenue Measures</i>						
Share of revenue						
- aeronautical	%	39.6	39.0	39.8	37.0	36.7
- commercial	%	58.8	59.8	60.2	63.0	60.5
Commercial revenue						
- per passenger	\$/Pass	5.39	5.47	5.63	6.16	6.35
- per employee	\$'000/Emp	185	216	253	305	326
Aeronautical revenue per average number of employees	\$'000/Emp	124	141	167	179	197

FEDERAL AIRPORTS CORPORATION (continued)

NOTES TO INDICATORS FOR FEDERAL AIRPORTS CORPORATION

Key: n.p. - not provided; n.r. - not relevant.

1) Asset revaluations:

<i>Category of asset</i>	<i>Method of valuation</i>	<i>Date of revaluation</i>	<i>Impact of revaluation (\$ million)</i>
Land	Alternative use	30 June 1996	261
Buildings	Written down replacement value	30 June 1996	281
Runways, taxiways and aprons	Written down replacement value	30 June 1996	98

2) Subsequent to the publication of the 1996–97 Annual Report, the dividend provision was revised from \$45 million to \$65.82 million.

TELSTRA**Commonwealth****Comments on own performance**

Telstra Corporation Limited, created in April 1993, replaced the previous corporate identity of the Australian and Overseas Telecommunications Corporation Limited (AOTC). The Corporation commenced trading in Australia as Telstra on 1 July 1995. Telstra continued to face substantial challenges in 1996–97 as competition intensified, requiring better service to customers at lower prices in a way that is commercially prudent and sustainable over time, including the provision of an expanding range of telecommunications products and services.

Current operations

Telstra's principal activity and that of the entities it controlled during the financial year was to provide telecommunications products and services. Telstra operates under a regulatory regime set up under the *Telecommunications Act 1991* and administered by the industry regulator, AUSTEL.

Financial performance

Telstra group results during 1996–97 recorded a growth of five per cent in revenue (excluding interest) and 1.7 per cent in expenses with an EBIT before abnormals improvement of 15.6 per cent on the previous year result. The introduction of 'accounting' changes in June 1997 and retrospective to July 1996 for the capitalisation of software and indirect overheads, the write down of broadband assets, provisions for cable TV industry rationalisation, redundancy and JORN project totalling \$1 838 million in abnormal have reduced the profit after tax, abnormal and minority interest to \$1 617 million. This represents an unfavourable 29.8 per cent on the 1995–96 result. Dividend payments to Government were \$4 146 million for the year. This includes special dividend of \$3.15 billion, the bulk of which were associated with the restructuring of the capital base as part of the preparation for privatisation.

Non-financial performance

During 1996–97, Telstra implemented a number of initiatives which live up to our promise of 'making life easier' for our customers include a one-number product and technical help desk, new billing format, and fully itemised local and long distance call records. Special pricing offers for STD and IDD calls. An additional 485 GSM base stations were added to the network. The accelerated 'Future Mode of Operation' network program had digitalised 84 per cent at year end, and the continued roll out of the broadband cable network which had passed more than 2.1 million homes by end of 1996–97.

Financial Ratios (1)

TELSTRA (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Return on assets (2)	%	12.7	14.8	12.9	16.4	10.3
Return on operating assets (2)	%	13.1	15.3	13.3	17.3	10.3
Operating sales margin	%	22.4	24.0	19.9	25.4	15.6
Return on equity	%	8.7	15.8	15.6	18.9	14.2
Dividend to equity ratio	%	6.5	6.8	8.4	11.2	36.7
Dividend payout ratio	%	74.5	43.3	53.8	59.4	257.7
Debt to equity (3)	%	70.9	54.9	52.4	42.3	80.3
Total liabilities to equity	%	112.7	96.5	105.4	92.3	160.2
Current ratio	%	77.2	93.4	87.1	87.4	70.3
Interest cover	%	316.6	438.1	574.9	746.7	495.6
Cost recovery ratio	%	133.9	137.2	131.5	131.7	136.1
Operational performance	%	14.8	17.3	16.0	16.3	17.5

Non-financial Ratios***Economic factors***

Total factor productivity	Index	n.p.	n.p.	n.p.	n.p.	n.p.
Economic rate of return	%	n.p.	n.p.	n.p.	n.p.	n.p.

Efficiency

Telephone calls per average number of employees	No/Emp	171 762	196 202	190 177	213 540	340 526
Telephone services per average number of employees	No/Emp	119	133	132	126	131
Telephone calls per \$Million of fixed assets	No/\$M	727 270	843 354	799 356	882 276	1 282 004
Total days lost:						
- industrial disputes	%	n.p.	n.p.	n.p.	n.p.	n.p.
- sick leave	%	n.p.	n.p.	n.p.	n.p.	n.p.
- industrial accidents	%	n.p.	n.p.	n.p.	n.p.	n.p.
- total	%	5.3	4.7	4.2	4.6	3.4

Effectiveness

Households with standard telephone service	%	n.p.	n.p.	n.p.	n.p.	n.p.
Real price index	Index	90.0	84.7	80.5	75.3	72.5

Service Quality

TELSTRA (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
Faults cleared						
- within 2 working days of notification	%	92	91	88	86	88
- within 3 working days of notification	%	96	96	94	92	94
Operator assisted services, percentage of calls answered:						
- directory assistance	%	90	83	88	84	92
- international operator assisted calls	%	83	89	97	95	93
- national operator assisted calls	%	89	84	89	88	93
- service difficulties and faults	%	86	93	92	90	93
Calls not answered due to network loss:						
- local calls	%	0.8	0.4	0.2	0.1	0.1
- STD calls	%	1.7	1.1	0.7	0.3	0.2
- mobile calls	%	1.7	1.1	0.9	0.6	0.2
- mobile calls prematurely disconnected	%	4.0	3.8	3.7	3.5	3.1
Average number of payphones operating:						
- external survey	%	90	94	n.r.	n.r.	n.r.
- internal estimate	%	95	96	96	96	96
Size						
Total assets	\$M	23 160	21 139	24 083	24 362	25 858
Total revenue (1)	\$M	12 656	13 363	14 081	15 239	15 983
Average number of customer services with access to:						
- itemised IDD/0055 bills	%	77	84	94	99	100
- itemised STD bills	%	77	84	94	99	100
Telephone calls:						
- local	Million	n.p.	n.p.	n.p.	n.p.	n.p.
- trunk	Million	n.p.	n.p.	n.p.	n.p.	n.p.
- international	Million	n.p.	n.p.	n.p.	n.p.	n.p.
- cellular mobile	Million	n.p.	n.p.	n.p.	n.p.	n.p.
Average number of employees	No	71 736	66 641	68 532	74 242	71 316
New service connections	'000	511	563	582	598	630
Services in operation	'000	8 539	8 851	9 078	9 352	9 415

TELSTRA (continued)

	<i>Units</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
<i>Cost and Revenue Measures</i>						
Profit as percentage of fixed assets	%	11.8	16.3	14.8	19.2	10.9
Revenue per employee	\$'000/Emp	176.4	200.5	205.5	205.3	224.1
Profit per employee	\$'000/Emp	27.8	37.9	35.1	46.4	29.1
Revenue as percentage of fixed assets:						
- nominal	%	74.7	86.2	86.4	84.8	84.4
- real	%	80.9	108.5	109.8	121.9	113.9
Return on assets (before CSOs)	%	13.3	15.8	13.9	17.5	11.3
Return on equity (before CSOs)	%	20.6	25.5	23.5	20.9	16.5

NOTES TO INDICATORS FOR TELSTRA

Key: n.p. - not provided; n.r. - not relevant.

- 1) The profit and loss data, financial ratios and cost and revenue measures for 1991-92 have been annualised where appropriate.
- 2) Telstra is required to provide the standard telephone service to everyone in Australia wherever they reside or carry on business. This universal service requirement involves considerable cost and a commercially oriented business would not provide such service. This requirement impacts adversely on Telstra's measured financial performance.
- 3) Debt to equity represents gross debt divided by total equity.

ATTACHMENTS

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D UNITS OF QUANTITY USED IN PERFORMANCE INDICATORS

ATTACHMENT A ENTERPRISE LISTINGS

Table A.1 Participating enterprises, by jurisdiction

<i>GTE</i>	<i>Industry Classification</i>
New South Wales	
Delta Electricity	Electricity
Macquarie Generation	Electricity
Pacific Power	Electricity
TransGrid	Electricity
Advance Energy	Electricity
Australian Inland Energy	Electricity
EnergyAustralia	Electricity
Great Southern Energy	Electricity
Integral Energy	Electricity
NorthPower	Electricity
Gosford City Council (Water and Sewerage Department)	Water
Hunter Water Corporation	Water
Sydney Water Corporation	Water
Wyang Shire Council (Water Department)	Water
State Transit Authority	Urban Transport
State Rail Authority of NSW	Railways/Urban Transport
Freight Rail Corporation of NSW	Railways
Newcastle Port Corporation	Port Authorities
Port Kembla Port Corporation	Port Authorities
Sydney Ports Corporation	Port Authorities
Victoria	
Gas Transmission Corporation	Gas
GASCOR	Gas
Barwon Water	Water
City West Water	Water
Melbourne Water Corporation	Water
South East Water	Water
Yarra Valley Water	Water
Public Transport Corporation	Railways/Urban Transport
Melbourne Port Corporation	Port Authorities
Victorian Channels Authority	Port Authorities

Table A.1 Participating enterprises, by jurisdiction (continued)

<i>GTE</i>	<i>Industry Classification</i>
Queensland	
AUSTA Electric	Electricity
CAPELEC	Electricity
Queensland Transmission and Supply Corporation	Electricity
ENERGEX	Electricity
Brisbane Water	Water
Department of Natural Resources, State Water Projects	Water
Gold Coast Water	Water
Brisbane Transport	Urban Transport
Queensland Rail	Railways/Urban Transport
Gladstone Port Authority	Port Authorities
Port of Brisbane Authority	Port Authorities
South Australia	
ETSA Power	Electricity
ETSA Transmission	Electricity
Optima Energy	Electricity
South Australian Water Corporation	Water
TransAdelaide	Urban Transport
South Australian Ports Corporation	Port Authorities
Western Australia	
Western Power	Electricity
AlintaGas	Gas
Water Corporation	Water
MetroBus	Urban Transport
Westrail	Railways/Urban Transport
Fremantle Port Authority	Port Authorities
Tasmania	
Hydro-Electric Corporation	Electricity
Hobart Regional Water Authority	Water
North West Regional Water Authority	Water
Rivers and Water Supply Commission, North Esk	Water
Metropolitan Transport Trust	Urban Transport
Burnie Port Corporation	Port Authorities
Hobart Port Corporation	Port Authorities
Port of Devonport Corporation	Port Authorities
Port of Launceston Corporation	Port Authorities
Australian Capital Territory	
ACTEW Corporation	Electricity/Water
ACTION	Urban Transport

Table A.1 Participating enterprises, by jurisdiction (continued)

<i>GTE</i>	<i>Industry Classification</i>
Northern Territory	
Power and Water Authority	Electricity/Water
Darwin Port Authority	Port Authorities
Commonwealth	
Snowy Mountains Hydro-Electric Authority	Electricity
Australian National Railways Commission	Railways
National Railway Corporation	Railways
Airservices Australia	Other Commonwealth
ANL Limited	Other Commonwealth
Australia Post	Other Commonwealth
Federal Airports Corporation	Other Commonwealth
Telstra Corporation	Other Commonwealth

Table A.2 Participating enterprises, by industry classification

<i>GTE</i>	<i>Jurisdiction</i>
Electricity	
Delta Electricity	New South Wales
Macquarie Generation	New South Wales
Pacific Power	New South Wales
TransGrid	New South Wales
Advance Energy	New South Wales
Australian Inland Energy	New South Wales
EnergyAustralia	New South Wales
Great Southern Energy	New South Wales
Integral Energy	New South Wales
NorthPower	New South Wales
AUSTA Electric	Queensland
CAPELEC	Queensland
Queensland Transmission and Supply Corporation	Queensland
ENERGEX	Queensland
ETSA Power	South Australia
ETSA Transmission	South Australia
Optima Energy	South Australia
Western Power	Western Australia
Hydro-Electric Corporation	Tasmania
ACTEW Corporation ^a	Australian Capital Territory
Power and Water Authority ^a	Northern Territory
Snowy Mountains Hydro-Electric Authority	Commonwealth
Gas	
Gas Transmission Corporation	Victoria
GASCOR	Victoria
AlintaGas	Western Australia
Water	
Gosford City Council (Water and Sewerage Department)	New South Wales
Hunter Water Corporation	New South Wales
Sydney Water Corporation	New South Wales
Wyong Shire Council (Water Department)	New South Wales
Barwon Water	Victoria
City West Water	Victoria
Melbourne Water Corporation	Victoria
South East Water	Victoria
Yarra Valley Water	Victoria
Brisbane Water	Queensland
Department of Natural Resources, State Water Projects	Queensland
Gold Coast Water	Queensland
South Australian Water Corporation	South Australia
Water Corporation	Western Australia

Table A.2 Participating enterprises, by industry classification (continued)

<i>GTE</i>	<i>Jurisdiction</i>
Water (continued)	
Hobart Regional Water Authority	Tasmania
North West Regional Water Authority	Tasmania
Rivers and Water Supply Commission, North Esk	Tasmania
ACTEW Corporation ^a	Australian Capital Territory
Power and Water Authority ^a	Northern Territory
Urban Transport	
State Rail Authority of NSW ^a	New South Wales
State Transit Authority	New South Wales
Public Transport Corporation ^a	Victoria
Brisbane Transport	Queensland
Queensland Rail ^a	Queensland
TransAdelaide	South Australia
MetroBus	Western Australia
Westrail ^a	Western Australia
Metropolitan Transport Trust	Tasmania
ACTION	Australian Capital Territory
Rail	
State Rail Authority of NSW ^a	New South Wales
Freight Rail Corporation of NSW	New South Wales
Public Transport Corporation ^a	Victoria
Queensland Rail ^a	Queensland
Westrail ^a	Western Australia
Australian National Railways Commission	Commonwealth
National Rail Corporation	Commonwealth
Port Authorities	
Newcastle Port Corporation	New South Wales
Port Kembla Port Corporation	New South Wales
Sydney Port Corporation	New South Wales
Melbourne Port Corporation	Victoria
Victorian Channels Authority	Victoria
Gladstone Port Authority	Queensland
Port of Brisbane Authority	Queensland
South Australian Ports Corporation	South Australia
Fremantle Port Authority	Western Australia
Burnie Port Corporation	Tasmania
Hobart Port Corporation	Tasmania
Port of Devonport Corporation	Tasmania
Port of Launceston Corporation	Tasmania
Darwin Port Authority	Northern Territory

Table A.2 Participating enterprises, by industry classification (continued)

<i>GTE</i>	<i>Jurisdiction</i>
Other Commonwealth	
Airservices Australia	Commonwealth
ANL Limited	Commonwealth
Australia Post	Commonwealth
Federal Airports Corporation	Commonwealth
Telstra Corporation	Commonwealth

a Also undertakes activities classified within another industry.

ATTACHMENT B DEFINITIONS OF FINANCIAL PERFORMANCE INDICATORS

Table B.1 Published financial performance indicators (per cent)

<i>Code</i>	<i>Ratio</i>	<i>Definition</i>
B.01	Return on assets B.16 / B.19	$\frac{\text{Earnings before interest \& tax and after abnormals (EBIT)}}{\text{Average total assets}}$
B.02	Return on operating assets B.17 / B.20	$\frac{\text{EBIT} - \text{investment income}}{\text{Average total assets} - \text{average financial assets}}$
B.03	Operating sales margin B.17 / (B.14 - B.33)	$\frac{\text{EBIT} - \text{investment income}}{\text{Total revenue} - \text{investment income}}$
B.04	Return on equity (B.15 - B.31) / B.34	$\frac{\text{Operating profit after income tax}}{\text{Average total equity}}$
B.05	Dividend to equity ratio B.18 / B.34	$\frac{\text{Dividends paid or provided for}}{\text{Average total equity}}$
B.06	Dividend payout ratio B.18 / (B.15 - B.31)	$\frac{\text{Dividends paid or provided for}}{\text{Operating profit after tax}}$
B.07	Debt to equity B.27 / B.26	$\frac{\text{Debt}}{\text{Total equity}}$
B.08	Total liabilities to equity B.22 / B.26	$\frac{\text{Total liabilities}}{\text{Total equity}}$
B.09	Current ratio B.21 / B.23	$\frac{\text{Current assets}}{\text{Current liabilities}}$
B.10	Interest cover B.16 / B.28	$\frac{\text{EBIT}}{\text{Gross interest expense}}$
B. 11	Cost recovery ratio B.24 / B.36	$\frac{\text{Revenue from operations}}{\text{Expenses from operations}}$
B.12	Operational performance (B.24 - B.36) / B.20	$\frac{\text{Revenue from operations} - \text{expenses from operations}}{\text{Average total assets} - \text{average financial assets}}$

Table B.2 Non-published financial performance indicators (\$'000)

<i>Code</i>	<i>Ratio</i>	<i>Definition</i>
B.13	Total Assets	The service potential or future economic benefits, controlled by the entity as a result of past transactions or other events (measured at the end of the reporting period).
B.14	Total Revenue	Includes revenue from sales and levies, revenue from asset sales, investment income, receipts from governments for specific agreed services (eg community service obligations), other revenue from operations, receipts from governments to cover deficits on operations and abnormal revenue. Excludes funds received for specific capital works from governments or other parties, and equity contributions from governments.
B.15	Operating profit before income tax B.14 - B.25	Total revenue less total expenses. Includes abnormal items.
B.16	Earnings before interest and tax (EBIT) B.15 + B.28	Operating profit before income tax plus gross interest expense.
B.17	EBIT from operations B.16 - B.33	Operating profit before income tax plus gross interest expense less investment income.
B.18	Dividends paid or provided for	The amount included in the profit and loss statement for dividends. Includes normal and special dividends and statutory levies on profits and revenues. Excludes returns of capital.
B.19	Average total assets	Average of the value of assets at the beginning and end of the reporting period.
B.20	Operating assets B.19 - B.38	Average total assets less average financial assets.
B.21	Current assets	Cash and other assets that would, in the ordinary course of operations, be available for conversion into cash within 12 months after the end of the reporting period.

Table B.2 Non–published financial performance indicators (\$'000)
(continued)

<i>Code</i>	<i>Ratio</i>	<i>Definition</i>
B.22	Total liabilities	The future sacrifice of service potential or future economic benefits that the entity is obliged to make to other entities as a result of past transactions or other events (measured as at the end of the reporting period). Includes provisions for employee entitlements, creditors, deferred revenue, all repayable borrowings, interest bearing non-repayable borrowings and redeemable preference shares.
B.23	Current liabilities	Liabilities that would, in the ordinary course of operations, be due and payable within 12 months after the end of the reporting period.
B.24	Revenue from operations B.14 - B.29 - B.33 - B.35	Total revenue less abnormal revenue, investment income and receipts from governments to cover deficits on operations.
B.25	Total Expenses	Includes salaries and wages, purchases, interest, bad and doubtful debts, material losses from the sale of non-current assets, charges for depreciation, amortisation or diminution in value of assets and abnormal expenses.
B.26	Total equity B13 - B.22	Total assets less total liabilities.
B.27	Debt	Includes all repayable borrowings (both interest bearing and non-interest bearing), interest bearing non-repayable borrowings, redeemable preference shares and finance leases. Excludes creditors and provisions (but not offsetting assets such as contributions to sinking funds).
B.28	Gross interest expense	Amount charged to the profit and loss account. Includes finance charges on finance leases and all debt related financial expenses.
B.29	Abnormal revenue	Revenues included in operating profit (or loss) after income tax which are considered abnormal by reason of their size and effect on the operating result. Abnormal revenue differs from extraordinary revenue in that extraordinary revenue is attributable to events or transactions of a type that are outside the ordinary operations of the entity and are not of a recurring nature.
B.30	Abnormal expenses	Same as description for B.29, except for expenses.
B.31	Income tax	Income tax expense, or income tax equivalent expense, on operating profit before tax (including abnormal items) calculated using tax effect accounting (AAS3).

Table B.2 Non-published financial performance indicators (\$'000)
(continued)

<i>Code</i>	<i>Ratio</i>	<i>Definition</i>
B.32	Financial assets	Includes cash, bank deposits, negotiable securities, promissory notes, bank accepted bills, certificates of deposits, shares and other assets of a like nature which generate income in the form of interest, dividends or equity income. Excludes trade and other debtors.
B.33	Investment income	Income received and receivable on financial assets.
B.34	Average total equity	Average of total equity at the beginning and end of the reporting period.
B.35	Receipts from Government to cover deficits on operations	Receipts from Government to cover deficits on operations, but excludes receipts from governments for specific agreed services (for example, community service obligations).
B.36	Expenses from operations B.25 - B.30 - B.28	Total expenses less abnormal expenses and gross interest expense.
B.37	Capital contributions	Revenue or deferred revenue from customers for capital works which become GTE assets.
B.38	Average financial assets	Average of financial assets at the beginning and end of the reporting period.

ATTACHMENT C NON-FINANCIAL PERFORMANCE INDICATORS

Table C.1 Non-financial performance indicators: Electricity

<i>Indicator</i>	<i>Units</i>	<i>Definition</i>
GENERAL		
Economic Factors		
Total factor productivity	Index	Refer to: Steering Committee on National Performance Monitoring of Government Trading Enterprises (July 1992) <i>Measuring Total Factor Productivity of Government Trading Enterprises</i> .
Economic rate of return	%	Refer to: Steering Committee on National Performance Monitoring of Government Trading Enterprises (July 1992) <i>An Economic Framework for Assessing the Financial Performance of Government Trading Enterprises</i> .
Efficiency		
Total days lost	%	$\frac{\text{Total days lost} * 100}{\text{Total days worked}}$
Effectiveness		
Percentage price change	%	Annual percentage change in nominal average price.
Real price index	Index	Base year 1989–90 = 100 unless otherwise stated.
Size		
System maximum demand	MW	
Average total employment	No	The average of full time equivalent staff at the beginning and end of the reporting period unless otherwise stated.
Service area	Sq km	
Safety		
Lost time injury frequency rate	No/Mil.Hrs	$\frac{\text{Incidents}}{\text{Hours worked (million)}}$

Table C.1 Non-financial performance indicators: Electricity (continued)

<i>Indicator</i>	<i>Units</i>	<i>Definition</i>
GENERATION		
Efficiency		
Load factor	%	$\frac{\text{Annual generation (MWh)} * 100}{\text{Peak generated load (MW)} * \text{Period hours (8760)}}$
Capacity factor	%	$\frac{\text{Annual generation (MWh)} * 100}{\text{Installed plant capacity (MW)} * \text{Period hours (8760)}}$
Reserve Plant Margin	%	$\frac{\{\text{Installed plant capacity (MW)} - \text{Peak demand (MW)}\} * 100}{\text{Peak demand (MW)}}$
Equivalent available factor	%	$\frac{[\{\text{Installed plant capacity (MW)} * \text{Period hours (8760)}\} - \text{MWh Losses}] * 100}{\text{Installed capacity (MW)} * \text{Period hours (8760)}}$
Labour productivity (excluding construction and mine emp)	GWh/Emp	$\frac{\text{Electricity generated (GWh)}}{\text{Average number of generation employees}}$
Thermal efficiency	%	$\frac{\text{Electrical energy generated in period}}{\text{Combustible energy consumed}}$
Service Quality		
Equivalent forced outage factor	%	$\frac{\text{MWh out of service due to forced outage} * 100}{\text{Installed plant capacity (MW)} * \text{Period hours (8760)}}$
Planned outage factor	%	$\frac{\text{MWh out of service due to planned outage} * 100}{\text{Installed plant capacity (MW)} * \text{Period hours (8760)}}$
Size		
Total physical output generated	GWh	
Generating plant capacity	MW	
Changes in generating plant capacity	MW	

Table C.1 Non-financial performance indicators: Electricity (continued)

<i>Indicator</i>	<i>Units</i>	<i>Definition</i>
GENERATION (continued)		
Cost & Revenue Measures		
Operation and maintenance costs	\$/MWh	$\frac{\text{Total operation and maintenance costs}}{\text{Electricity sent out to grid (MWh)}}$
Environmental Indicators		
CO ₂ emissions	kg/MWh	$\frac{\text{CO}_2 \text{ emitted (kg)}}{\text{Annual generation (MWh)}}$
Particulate emissions	kg/MWh	$\frac{\text{Particulants emitted (kg)}}{\text{Annual generation (MWh)}}$
NO _x emissions	kg/MWh	$\frac{\text{NO}_x \text{ emitted (kg)}}{\text{Annual generation (MWh)}}$
TRANSMISSION		
Efficiency		
Transmission system reliability	1/Mill	$\frac{\text{Total energy not supplied}}{\text{System maximum demand}}$
Transmission labour productivity	GWh/Emp	$\frac{\text{Electricity sold to distribution system (GWh)}}{\text{Number of transmission employees (FTE)}}$
Transmission equipment utilisation factor	Ratio	$\frac{\text{Annual energy bulk sales in period (MWh)}}{\text{Aggregate transformer capacity (MVA)} \times \text{Hours in period (8760)}}$
Transmission losses	%	$\frac{(\text{Electricity sent out} - \text{Electricity received by distribution network}) \times 100}{\text{Electricity sent out}}$
Size		
Transmission transformer capacity	MVA	
Transmission circuit kilometres	km	

Table C.1 Non-financial performance indicators: Electricity (continued)

<i>Indicator</i>	<i>Units</i>	<i>Definition</i>
TRANSMISSION (continued)		
Cost & Revenue Measures		
Operation and maintenance costs - per circuit km		$\frac{\text{Transmission operation and maintenance costs}}{\text{Total length of transmission line}}$
Operation and maintenance costs - per MWh sold		$\frac{\text{Transmission operation and maintenance costs}}{\text{Total energy sold}}$
DISTRIBUTION		
Efficiency		
Distribution labour productivity	Cus/emp	$\frac{\text{Average total number of customers}}{\text{Average number of employees in distribution and consumer services}}$
Distribution equipment utilisation factor	Ratio	$\frac{\text{Annual energy sales in period at 415v (MWh)}}{\text{Distribution transformer capacity (MVA)} \times \text{Hours in period}}$
Sub-transmission equipment utilisation factor	Ratio	$\frac{\text{Energy sold at zone substation transformer secondary voltage (MWh)}}{\text{Zone substation transformer capacity (MVA)} \times \text{Hours in period}}$
Distribution losses	%	$\frac{\text{Electricity purchased (MWh)} - \text{Electricity sold (MWh)}}{\text{Electricity purchased (MWh)}}$
Service Quality		
Outage response time factor	Mins	$\frac{\text{Total number of customer minutes interrupted}}{\text{Total number of customer interruptions}}$
System average outage frequency factor	No/Cus	$\frac{\text{Total number of customer interruptions}}{\text{Average total number of customers}}$
Loss of supply factor	Min/Cus	$\frac{\text{Total number of customer minutes interrupted}}{\text{Average total number of customers}}$

Table C.1 Non-financial performance indicators: Electricity (continued)

<i>Indicator</i>	<i>Units</i>	<i>Definition</i>
<i>DISTRIBUTION (continued)</i>		
<i>Size</i>		
Total number of customers	'000	
Total physical output	GWh	
Distribution transformer capacity	MVA	
Distribution circuit kilometres	km	
Customer Density:		
- Customers per distribution circuit kilometre	Cus/km	$\frac{\text{Average number of customers}}{\text{Distribution circuit kilometres}}$
- Sales (MWh) per circuit kilometre	MWh/km	$\frac{\text{Total energy sold in period (MWh)}}{\text{Distribution circuit kilometres}}$
<i>Cost & Revenue Measures</i>		
Average price of product	\$/MWh	$\frac{\text{Total revenue from customer group}}{\text{Total sales to customer group (MWh)}}$
Operation and maintenance costs:		
- per circuit km	\$/km	$\frac{\text{Distribution operation and maintenance costs}}{\text{Total circuit kilometres}}$
- per MWh sold	\$/MWh	$\frac{\text{Distribution operation and maintenance costs}}{\text{Total electricity sold (MWh)}}$

Table C.2 Non-financial performance indicators: Gas

<i>Indicator</i>	<i>Units</i>	<i>Definition</i>
GENERAL		
Economic Factors		
Total factor productivity	Index	Refer to: Steering Committee on National Performance Monitoring of Government Trading Enterprises (July 1992) <i>Measuring Total Factor Productivity of Government Trading Enterprises</i> .
Economic rate of return	%	Refer to: Steering Committee on National Performance Monitoring of Government Trading Enterprises (July 1992) <i>An Economic Framework for Assessing the Financial Performance of Government Trading Enterprises</i> .
Efficiency		
Load factor	%	$\frac{\text{Gas sales in accounting year} * 100}{\text{Peak demand in period (TJ / day)} * (\text{Period days})}$
Energy delivered per employee	TJ/Emp	$\frac{\text{Total energy delivered (TJ)}}{\text{Average total employment (FTE)}}$ Where a GTE is active in both transmission and distribution, staff are identified as either transmission, distribution or corporate and headquarters staff.
Total days lost	%	$\frac{\text{Total days lost} * 100}{\text{Days worked during reporting period}}$
Effectiveness		
Real price index	Index	$\frac{\text{Current year average selling price index} * 100}{\text{Current year local State Capital CPI index}}$ Average selling price equals the total of prices for individual services weighted by their contribution to total revenue.
Kilometres of main per employee	km/Emp	$\frac{\text{Total kilometres of distribution mains operated}}{\text{Average total employment (FTE)}}$
Methane loss between entry and exit points	%	

Table C.2 Non-financial performance indicators: Gas (continued)

<i>Indicator</i>	<i>Units</i>	<i>Definition</i>
GENERAL (continued)		
Size		
Average total employment	Emp	The average of full time equivalent staff at the beginning and end of the reporting period unless otherwise stated.
Gas storage facilities maintained	'000m ³	
Total km of mains operated	km	
Cost & Revenue Measures		
Operation & maintenance unit costs per GJ delivered	\$/GJ	$\frac{\text{Operating and Maintenance costs}}{\text{Total energy transported in period}}$
Operation & maintenance unit costs per GJ sold	\$/GJ	$\frac{\text{Operating and Maintenance costs}}{\text{Total gas sales in period}}$
Safety		
Lost time injury frequency rate	No. per mill. hrs	$\frac{\text{Incidents}}{\text{Hours worked (million)}}$
TRANSMISSION		
Efficiency		
Additional demand capacity	%	$\frac{\text{Peak day delivered energy} * 100}{\text{Peak day pipeline capacity}}$
Size		
Compressor stations operated	No	
Peak day delivery	TJ/Day	Maximum energy delivered during accounting period
Total kilometres of pipeline operated	km	

Table C.2 Non-financial performance indicators: Gas (continued)

<i>Indicator</i>	<i>Units</i>	<i>Definition</i>
<i>DISTRIBUTION</i>		
<i>Efficiency</i>		
Customers per employee	Cus/Emp	$\frac{\text{Average number of customers}}{\text{Average total employment (FTE)}}$
Gas sales per employee	TJ/Emp	$\frac{\text{Total gas sales (TJ)}}{\text{Average total employment (FTE)}}$
Reliability:		
- unplanned customer interruptions per 1000 customers	1/1000	
- length of customer interruptions	Sec/Cus	Calls answered within twenty seconds and the number of calls abandoned.
Telephone response times	%	
<i>Effectiveness</i>		
Customers per kilometre of main	Cus/km	$\frac{\text{Average number of customers}}{\text{Total km of distribution mains operated}}$
Gas sold per kilometre of main	TJ/km	$\frac{\text{Gas sold (TJ)}}{\text{Total km of distribution mains operated}}$
Unaccounted for gas	%	$\frac{\text{Gas entering system (GJ)} - \text{Gas billings (GJ)} - \text{Utility gas use (GJ)}}{\text{Gas entering system (GJ)}}$
<i>Size</i>		
Total customers	No	
Peak day delivery	TJ/Day	Maximum energy delivered during accounting period
Total gas sales:	\$M	
<i>Cost and Revenue Measures</i>		
Average price of product	\$/GJ	$\frac{\text{Total revenue from customer class} * 100}{\text{Total energy sales to customer class}}$
Operating and maintenance costs per customer	\$/Cus	

Table C.3 Non-financial performance indicators: Water, sewerage, drainage and irrigation

<i>Indicator</i>	<i>Units</i>	<i>Definition</i>
<i>Economic Factors</i>		
Total factor productivity	Index	Refer to: Steering Committee on National Performance Monitoring of Government Trading Enterprises (July 1992) <i>Measuring Total Factor Productivity of Government Trading Enterprises</i> .
Economic rate of return	%	Refer to: Steering Committee on National Performance Monitoring of Government Trading Enterprises (July 1992) <i>An Economic Framework for Assessing the Financial Performance of Government Trading Enterprises</i> .
<i>Efficiency</i>		
System water loss	%	$\frac{\{\text{Master meter volumes} - \text{consumer volumes (including non-metered consumption)}\} * 100}{\text{Master meter volume}}$ The master meters measure is the volume of water flowing from main storages into reticulation systems.
OMA cost per 100km of main	\$'000/ 100km	$\frac{\text{Total operations, maintenance and admin. costs} * 100}{\text{Kilometers of mains employed}}$ OMA costs are defined as for ARMCANZ studies.
Employees per 1000 properties served	Emp/ '000Prop	$\frac{\text{Average number of FTE employees engaged in provision of service} * 1000}{\text{Number of properties receiving specified service}}$
Total days lost	%	$\frac{\text{Total days lost} * 100}{\text{Total days worked}}$

Table C.3 Non-financial performance indicators: Water, sewerage, drainage and irrigation (continued)

<i>Indicator</i>	<i>Units</i>	<i>Definition</i>
Effectiveness		
Real price index	Index	$\frac{\text{Current year average selling price index} * 100}{\text{Current year local State Capital CPI index}}$ The average selling price equals the total of prices for individual services weighted by their contribution to total revenue.
Properties served per km of main	No/km	$\frac{\text{Number of properties receiving specified service}}{\text{Kilometres of mains employed}}$
Unsewered properties (% of total properties)	%	$\frac{(\text{No. of properties receiving water services} - \text{No. of properties receiving sewerage services}) * 100}{\text{No. of properties receiving water services}}$
Flooding incidents per 100 km of main (sewers)	No/100km	$\frac{\text{Total number of confirmed sewage overflows} * 100}{\text{Kilometres of sewerage mains}}$ Flooding incidents are confirmed sewerage overflows from any water agency assets and burst rising mains. Not included are overflows occasioned by the malfunction of internal drains.
Service Quality		
Compliance with water quality standards	%	$\frac{\text{Number of samples meeting NHMRC \& AWRC Guidelines} * 100}{\text{Total number of samples}}$ The performance measure is the percentage of samples meeting the guidelines with respect to both microbiological and compliance for pH, colour and turbidity measures.

Table C.3 Non-financial performance indicators: Water, sewerage, drainage and irrigation (continued)

<i>Indicator</i>	<i>Units</i>	<i>Definition</i>
Service Quality (continued)		
Compliance with sewerage effluent standards	%	$\frac{\text{Number of samples complying with licensing agreements} * 100}{\text{Total number of samples}}$ Licensing agreements refers to existing State or Territory based licensing agreements.
Water restrictions	%	$\frac{\text{Number of properties affected} * \text{Days of restrictions} * 100}{\text{Total number of properties served} * 365}$
Properties with service interruption (water)	%	$\frac{\text{Number of properties that experienced a service interruption} * 100}{\text{Total properties receiving water}}$
Average interruption duration (water)	Hr	Average time taken in hours to restore an interrupted service.
Service restored within 5 hours (water)	%	$\frac{\text{Number of chokes for which a resumption of service is achieved within 5 hours} * 100}{\text{Total number of chokes}}$ Chokes are confirmed partial or total blockages occasioning an interruption to service. The number does not include any blockages that occur in the service connection of internal drains.
Customer satisfaction results	%	$\frac{\text{Number of positive survey returns} * 100}{\text{Total number of survey returns}}$
Main breaks per 100 km (water)	No/100km	$\frac{\text{Total number of main breaks} * 100}{\text{Kilometres of water mains}}$ Main bursts includes bursts and leaks. Leaks include main faults that can be fixed without shutting down the main.
Sewer chokes per 100 km	No/100km	$\frac{\text{Total number of confirmed chokes} * 100}{\text{Kilometres of sewer mains}}$ Chokes are confirmed partial or total blockages occasioning an interruption to service. The number does not include any blockages that occur in the service connection of internal drains.

Table C.3 Non-financial performance indicators: Water, sewerage, drainage and irrigation (continued)

<i>Indicator</i>	<i>Units</i>	<i>Definition</i>
Size		
Total employment	Emp	The average of full time equivalent staff at the beginning and end of the reporting period unless otherwise stated.
Pipeline length	km	The length of each type of main, including all reticulation, distribution and trunk mains operated by the agency
Properties served	'000	
New housing allotments served	No	The number of new domestic water services installed within the financial year
Megalitres of water supplied	'000Ml	The volume of water from all sources measured via the master meters
Volume of sewage treated	'000Ml	Total volume of sewerage treated by the agency
Sewage treatment ratios:		
- primary	%	Involves comminution, maceration, grit and detritus removal, preparation and grease removal, primary sedimentation, including where assisted by the addition of chemicals.
- secondary	%	Involves activated sludge treatment (diffuse air aeration, coarse bubble aeration, mechanical aeration, oxygen injection and submerged filters, deep shaft process) and biological treatment (rotating biological contractors and biological filtration).
- tertiary	%	Refers to a secondary activated or biological sludge where the sewage is subsequently passed through grass plots, sand filters, microstrainers, tertiary nitrifying filters and all facilities for the removal of ammonia and phosphates.

Table C.3 Non-financial performance indicators: Water, sewerage, drainage and irrigation (continued)

<i>Indicator</i>	<i>Units</i>	<i>Definition</i>
Cost & Revenue Measures		
Average revenue received per property	\$/Prop	$\frac{\text{Total revenue received for service provision}}{\text{Total number of properties served}}$ Total revenue includes revenue from base charges and consumption charges only.
Average revenue per kl	\$/kl	$\frac{\text{Total revenue received from customer group}}{\text{Water consumption attributed to group}}$ Total revenue consists of base rates and charges plus consumption charges.
OMA costs per property served	\$/Prop	$\frac{\text{Total operations, maintenance and administration expenditure (by service)}}{\text{Total number of properties served}}$

Table C.4 Non-financial performance indicators: Urban transport

<i>Indicator</i>	<i>Units</i>	<i>Definition</i>
<i>Economic Factors</i>		
Total factor productivity	Index	Refer to: Steering Committee on National Performance Monitoring of Government Trading Enterprises (July 1992) <i>Measuring Total Factor Productivity of Government Trading Enterprises</i> .
Economic rate of return	%	Refer to: Steering Committee on National Performance Monitoring of Government Trading Enterprises (July 1992) <i>An Economic Framework for Assessing the Financial Performance of Government Trading Enterprises</i> .
<i>Size</i>		
Cash box and other non-government revenue	\$'000	All revenue received from non-government sources including receipts from customers, interest received, revenue from asset sales and abnormal revenue.
<i>Efficiency</i>		
Passenger revenue per total vehicle capacity kilometres	Cents/ TVCKm	$\frac{\text{Total passenger revenue (FTE)}}{\text{Total vehicle capacity kilometres}}$
Expenditure per total vehicle capacity kilometres	Cents/ TVCKm	$\frac{\text{Total expenditure}}{\text{Total vehicle capacity kilometres}}$
Employees per vehicle	Emp/Veh	$\frac{\text{Total employees (FTE)}}{\text{Maximum daily vehicle demand}}$
Vehicles in excess of maximum daily demand	%	$\frac{(\text{Revenue vehicle fleet} - \text{Maximum daily vehicle demand})}{\text{Maximum daily vehicle demand}} * 100$
Kilometres per vehicle	km/Veh	$\frac{\text{Total vehicle kilometres}}{\text{Revenue vehicle fleet}}$
Vehicle kilometres per employee	km/Emp	$\frac{\text{Total vehicle kilometres}}{\text{Total employees}}$
Vehicle capacity kilometres per employee	'000 TVCKm/ Emp	$\frac{\text{Total vehicle capacity kilometres}}{\text{Total employees}}$
Total days lost	%	$\frac{\text{Total days lost} * 100}{\text{Days worked}}$

Table C.4 Non-financial performance indicators: Urban transport (cont.)

<i>Indicator</i>	<i>Units</i>	<i>Definition</i>
Effectiveness		
Real price index	Index	$\frac{\text{Current year average selling price index} * 100}{\text{Current year local State Capital CPI index}}$ The average selling price equals the total of prices for individual services weighted by their contribution to total revenue.
Boardings per vehicle kilometre	Bd/km	$\frac{\text{Total passenger boardings}}{\text{Total vehicle kilometres}}$
Boardings per employee	Bd/Emp	$\frac{\text{Total passenger boardings}}{\text{Total employees}}$
Boardings per head of population: - metro	Bd/Hd	$\frac{\text{Total passenger boardings}}{\text{Population of metropolitan area}}$
- catchment	Bd/Hd	$\frac{\text{Total passenger boardings}}{\text{Population of catchment area}}$
Service Quality		
Service cancellations	%	$\frac{\text{Number of services cancelled} * 100}{\text{Number of scheduled services}}$
Service delays	%	$\frac{\text{Number of services delayed} * 100}{\text{Number of scheduled services}}$
Size		
Total employment	No	The average of full time equivalent staff at the beginning and end of the period unless otherwise stated.
Total vehicle kilometres	'000 km	All kilometres travelled by revenue vehicle fleet.
Total passenger boardings	'000	Total number of passenger boardings for the mode, including charter passengers.
Number of scheduled services	'000	Total number of scheduled route services per annum.
Revenue vehicle fleet	No	Total vehicles in stock. Excludes vehicles awaiting disposal, vehicles used for heritage purposes and training vehicles not configured for operations.

Table C.4 Non-financial performance indicators: Urban transport (cont.)

<i>Indicator</i>	<i>Units</i>	<i>Definition</i>
<i>Cost and Revenue Measures</i>		
Average fare per boarding	\$/Bd	$\frac{\text{Total passenger revenue}}{\text{Total passenger boardings}}$
Passenger revenue per vehicle kilometre	\$/km	$\frac{\text{Total passenger revenue}}{\text{Total vehicle kilometres}}$
Passenger revenue per employee	\$/Emp	$\frac{\text{Total passenger revenue}}{\text{Total employees}}$
Expenditure per vehicle kilometre	\$/km	$\frac{\text{Total expenditure}}{\text{Total vehicle kilometres}}$
Expenditure per boarding	\$/Bd	$\frac{\text{Total expenditure}}{\text{Total passenger boardings}}$
Government operating subsidy	%	$\frac{\text{Total revenue from government} * 100}{\text{Total expenditure}}$

Table C.5 Non-financial performance indicators: Railways

<i>Indicator</i>	<i>Units</i>	<i>Definition</i>
<i>Economic Factors</i>		
Total factor productivity	Index	Refer to: Steering Committee on National Performance Monitoring of Government Trading Enterprises (July 1992) <i>Measuring Total Factor Productivity of Government Trading Enterprises</i> .
Economic rate of return	%	Refer to: Steering Committee on National Performance Monitoring of Government Trading Enterprises (July 1992) <i>An Economic Framework for Assessing the Financial Performance of Government Trading Enterprises</i> .
<i>Efficiency</i>		
Employee productivity:		
- urban rail passenger journeys per employee	No/Emp	$\frac{\text{Number of urban passenger journeys}}{\text{Number of urban rail employees (FTE)}}$
- non-urban passenger kilometres per employee	'000Pkm/ Emp	$\frac{\text{Non urban passenger kms}}{\text{Number of non urban rail employees}}$
- net freight tonne-kilometres per employee	'000NFTkm/ Emp	$\frac{\text{Net freight tonne kilometers}}{\text{Number of freight rail employees}}$
Net freight tonne-kilometres per wagon	'000NFTkm/ Wag	$\frac{\text{Net freight tonne kilometers}}{\text{Number of wagons (average)}}$
Net freight tonne-kilometres per locomotive	'000NFTkm/ Loco	$\frac{\text{Net freight tonne kilometers}}{\text{Number of locomotives (average)}}$
Total days lost		$\frac{\text{Total days lost} * 100}{\text{Total days worked}}$

Table C.5 Non-financial performance indicators: Railways (continued)

<i>Indicator</i>	<i>Units</i>	<i>Definitions</i>
<i>Effectiveness</i>		
Real price index	Index	$\frac{\text{Current year average selling price index} * 100}{\text{Current year local State Capital CPI index}}$ The average selling price equals the total of prices for individual services weighted by their contribution to total revenue.
Real urban fare revenue index	Index	To calculate index first calculate nominal average urban prices as follows: $\frac{\text{Urban passenger revenue}}{\text{Urban rail passenger journeys}}$
Real non-urban fare revenue index	Index	To calculate index first calculate nominal average non-urban prices as follows: $\frac{\text{Non urban passenger revenue}}{\text{Non urban passenger kilometers}}$
Real freight revenue index	Index	To calculate index first calculate nominal average freight prices as follows: $\frac{\text{Freight revenue}}{\text{Non urban passenger kilometers}}$
Train kilometres per level crossing accident	'000 km/ Accident	$\frac{\text{Train kilometers}}{\text{Number of level crossing accidents}}$
Train trips cancelled	No	Cancellations for any reason including industrial action. Excludes trips which had commenced.
Number of level crossing accidents	No	
Train kilometres	'000 km	

Table C.5 Non-financial performance indicators: Railways (continued)

<i>Indicator</i>	<i>Units</i>	<i>Definition</i>
Service Quality		
Service cancellations (urban only)	%	$\frac{\text{Train trips cancelled} * 100}{\text{Total trips scheduled}}$
Total trips scheduled	No	
On time running:		
- urban (within 3 minutes)	%	$\frac{\text{Number of trips arriving within three minutes of scheduled time}}{\text{Total trips scheduled}}$
- non-urban (various)	%	$\frac{\text{Number of trips arriving within scheduled time}}{\text{Total trips scheduled}}$
- freight (within 30 minutes)	%	$\frac{\text{Number of trips arriving within thirty minutes of scheduled time}}{\text{Total trips scheduled}}$
Size		
Cash box and other non-government revenue	\$M	All revenue from non-government sources including receipts from customers, interest received, revenue from asset sales and rents and abnormal revenue.
Total route-kilometres operated (average)	Kms	Includes operational track only and multi-user track whether it used by passenger or freight trains.
Urban rail passenger journeys	'000	
Non-urban passenger kilometres	Mill. Pkm	
Number of employees (average)	Emp	The average of full time equivalent staff at the beginning and end of the reporting period unless otherwise stated.
Net freight tonne-kilometres	Mill.NFTkm	
Net freight tonne-kilometres per route-kilometres	'000NFTkm/Rkm	$\frac{\text{Net freight tonne kilometers}}{\text{Route kilometers (average)}}$
Route-kilometres (freight)	Rkm	Includes operational; track only. Excludes multi-use track where only passenger lines run.

Table C.5 Non-financial performance indicators: Railways (continued)

<i>Indicator</i>	<i>Units</i>	<i>Definition and Notes</i>
Size (continued)		
Number of wagons	No	Includes wagons under repair, overhaul or stored for seasonal traffic. Excludes wagons awaiting disposal and non-revenue (departmental wagons)
Number of locomotives	No	Includes shunt locomotives, locomotives under repair, overhaul or stored for seasonal traffic. Excludes locomotives awaiting disposal and locomotives used for passenger services
Cost and Revenue Measures		
Revenue per passenger:		
- urban (per journey)	Cents	$\frac{\text{Total urban passenger revenue, including reimbursement for concession}}{\text{Total urban passenger journeys}}$
- non-urban (per passenger km)	Cents	$\frac{\text{Total non - urban passenger revenue, including reimbursement for concession}}{\text{Total non urban passenger kilometres}}$
Urban passenger revenue	\$'000	
Non-urban passenger revenue	\$'000	
Revenue per net freight tonne-kilometre	Cents/ NFTkm	$\frac{\text{Freight revenue excluding government subsidies}}{\text{Net tonne kilometres}}$
Freight revenue	\$'000	All revenue earned from freight operations, excluding property rentals, assets sales, advertising, investment income and government payments.

Table C.6 Non-financial performance indicators: Port authorities

<i>Indicator</i>	<i>Units</i>	<i>Definition and Notes</i>
<i>Economic Factors</i>		
Total factor productivity	Index	Refer to: Steering Committee on National Performance Monitoring of Government Trading Enterprises (July 1992) <i>Measuring Total Factor Productivity of Government Trading Enterprises</i> .
Economic rate of return	%	Refer to: Steering Committee on National Performance Monitoring of Government Trading Enterprises (July 1992) <i>An Economic Framework for Assessing the Financial Performance of Government Trading Enterprises</i> .
<i>Efficiency</i>		
Port authority charges per unit of cargo	\$/MT	$\frac{\text{Port authority charges}}{\text{Total tonnage}}$ Port authority charges include all cargo-related and directly identifiable ship based charges of the Port Authority in the reporting period.
Port authority costs per unit of cargo	\$/MT	$\frac{\text{Port authority costs}}{\text{Total tonnage}}$ Port authority costs include all actual operating costs in the reporting period.
Shipping charges per mass tonne	\$/MT	
Total days lost	%	$\frac{\text{Total days lost} * 100}{\text{Total days worked}}$
<i>Effectiveness</i>		
Real Price Index of port authority charges	Index	$\frac{\text{Current year average selling price index} * 100}{\text{Current year local State Capital CPI index}}$ The average selling price equals the total of prices for individual services weighted by their contribution to total revenue.
<i>Size</i>		
Total employment	No	The average of full time equivalent staff at the beginning and end of the reporting period unless otherwise stated.

Table C.6 Non-financial performance indicators: Port authorities (continued)

<i>Indicator</i>	<i>Units</i>	<i>Definition and Notes</i>
Effectiveness		
Berth occupancy	%	$\frac{[\text{Length of vessel} * \text{Time vessel is at berth}] \text{ summed over all vessels using berth(s)} * 100}{[\text{Wharf length} * \text{Time available during reporting period}] \text{ summed over all berth (s)}}$
Service Quality		
Time at berth	Hours	Time at berth is calculated from the elapsed time from first line ashore to the last line off.
Turnaround time	Hours	The time elapsed from incoming arrival at the port boundary, dropping anchor, taking a pilot on board, passing some suitable mark, or however this is generally defined locally, to time of departure after passing that same point on the way out.
Cargo processed/ship working time	MT/Hr	$\frac{\text{Total cargo processed in reporting period}}{\text{Total working time on all ships in period}}$
Cargo processed/gross ship time	MT/Hr	$\frac{\text{Total cargo processed (by type) in reporting period}}{\text{Sum of ship turnaround times in period}}$
Stevedoring idle time	%	$\frac{\text{Time that "A" register waterside workers are available, but not required, to work} * 100}{\text{Total time that "A" register waterside workers are available for work}}$
Average delay time per ship due to industrial disputes	Hours	
Size		
Cargo handled	'000 MT	
Number of containers handled	TEUs	
Number of vessel movements	No	
Safety		
Shipping incidents	No	

Table C.7 Non-financial performance indicators: Other Commonwealth

<i>Indicator</i>	<i>Units</i>	<i>Definition</i>
AIRSERVICES AUSTRALIA		
<i>Economic factors</i>		
Total factor productivity	Index	Refer to: Steering Committee on National Performance Monitoring of Government Trading Enterprises (July 1992) <i>Measuring Total Factor Productivity of Government Trading Enterprises</i> .
Economic rate of return	%	Refer to: Steering Committee on National Performance Monitoring of Government Trading Enterprises (July 1992) <i>An Economic Framework for Assessing the Financial Performance of Government Trading Enterprises</i> .
<i>Size</i>		
Average employment	No	The average of full time equivalent staff at the beginning and end of the reporting period unless otherwise stated.
<i>Effectiveness</i>		
Real price index	Index	$\frac{\text{Current year average selling price index} * 100}{\text{Current year local State Capital CPI index}}$ The average selling price equals the total of prices for individual services weighted by their contribution to total revenue.
<i>Safety</i>		
Air traffic service incidents per 100 000 aircraft movements	No	$\frac{\text{Total number of events outside specified standards}}{100\,000 \text{ aircraft movements}}$ One movement equals one departure or one arrival.
Lost injury time per million employee hours	1/Million	$\frac{\text{Lost injury time in hours}}{\text{Millions of employee hours}}$
Workers compensation cost in real terms per employee	\$/Emp	$\frac{\text{Total cost of workers compensation (indexed for inflation)}}{\text{Average number of employees}}$

Table C.7 Non-financial performance indicators: Other Commonwealth (continued)

<i>Indicator</i>	<i>Units</i>	<i>Definition and Notes</i>
AIRSERVICES AUSTRALIA (continued)		
Service Quality		
Number of airways facilities in service	No	Equipment installation used in providing air traffic services or navigational support.
Number of airways facilities failures	No	Total number of airways facilities failures.
Average outage time	Hours	Time that airways facility is out of service. Incident is usually unscheduled.
Aircraft delays greater than 5 minutes	%	$\frac{\text{Number of delays greater than five minutes} * 100}{\text{Total movements}}$
Average delay per movement	Min	$\frac{\text{Average delay in minutes}}{\text{Total aircraft movements}}$ One movement equals one departure or one arrival.
Cost and Revenue Measures		
Maintenance cost of national airways facilities	\$M	Total maintenance cost of all national airways facilities in service.
Annual cost per aircraft (MTOW) tonne landed	\$/Tonne	$\frac{\text{Total annual air service costs}}{\text{Maximum take off weight - tonne landed}}$ Tonne landed: contribution to total based on MTOW
Annual cost per tonne kilometre flown	\$/Tkm	$\frac{\text{Total annual air service costs}}{\text{Tonne kilometer} * \text{maximum take off weight}}$

Table C.7 Non-financial performance indicators: Other Commonwealth (continued)

<i>Indicator</i>	<i>Units</i>	<i>Definition</i>
ANL Ltd		
Economic factors		
Total factor productivity	Index	Refer to: Steering Committee on National Performance Monitoring of Government Trading Enterprises (July 1992) <i>Measuring Total Factor Productivity of Government Trading Enterprises</i> .
Economic rate of return	%	Refer to: Steering Committee on National Performance Monitoring of Government Trading Enterprises (July 1992) <i>An Economic Framework for Assessing the Financial Performance of Government Trading Enterprises</i> .
Efficiency		
Average real price	Index	
Seagoing employees per vessel	Emp/Vess	$\frac{\text{Average number of seagoing employees}}{\text{Average number of vessels}}$
TEUs per terminal employee	TEU/TEmp	$\frac{\text{Throughput TEUs}}{\text{Average number of terminal employees}}$
Total bulk tonnes carried per bulk ship	Mill.Tonnes/Vess	$\frac{\text{Total bulk tonnes carried by bulk ships}}{\text{Average number of bulk ships}}$
Size		
Average number of employees	Emp	The average of full time equivalent staff at the beginning and end of the reporting period unless otherwise stated.
Throughput (TEU)	TEU	Twenty-foot equivalent unit: a container counting unit based on the International Standards Organisation 20ft by 8.5ft by 8.5ft container. Some containers are of dimensions 40ft by 8.5ft by 8.5ft. These containers equate to two TEUs.
Average number of vessels	No	The average of number of vessels at the beginning and end of the reporting period unless otherwise stated.
Average number of DWT	'000 DWT	Deadweight tonnage: the total weight in tonnes that a ship can carry on a specified draft including cargo, fuel, water in tanks, stores and crew and their effects.

Table C.7 Non-financial performance indicators: Other Commonwealth
(continued)

<i>Indicator</i>	<i>Units</i>	<i>Definition</i>
<i>ANL Ltd (continued)</i>		
<i>Cost and Revenue Measures</i>		
Revenue per average number of - employees	\$'000/Emp	$\frac{\text{Total revenue}}{\text{Average number of employees}}$
- vessels	\$'000/Vess	$\frac{\text{Total revenue}}{\text{Average number of vessels}}$
- DWT	\$'000/DWT	$\frac{\text{Total revenue}}{\text{Total deadweight tonnage}}$
Profit per average number of employees	\$'000/Emp	$\frac{\text{Total revenue} - \text{Total expense}}{\text{Average number of employees}}$

Table C.7 Non-financial performance indicators: Other Commonwealth
(continued)

<i>Indicator</i>	<i>Units</i>	<i>Definition and Notes</i>
AUSTRALIA POST		
<i>Economic factors</i>		
Total factor productivity	Index	Refer to: Steering Committee on National Performance Monitoring of Government Trading Enterprises (July 1992) <i>Measuring Total Factor Productivity of Government Trading Enterprises</i> .
Economic rate of return	%	Refer to: Steering Committee on National Performance Monitoring of Government Trading Enterprises (July 1992) <i>An Economic Framework for Assessing the Financial Performance of Government Trading Enterprises</i> .
<i>Efficiency</i>		
Total days lost:	%	$\frac{\text{Total days lost} * 100}{\text{Total days worked}}$
Labour productivity	Index	Revenue at constant prices per paid work year.
Mail volume rise	%	Annual percentage change in total mail articles handled.
Delivery points rise	%	Annual percentage change in total number of mail article delivery points.
Articles handled per employee	'000	$\frac{\text{Total number of mail articles handled}}{\text{Average number of employees (FTE)}}$
Delivery points per employee	No/Emp	$\frac{\text{Total number of mail article delivery points}}{\text{Average number of employees (FTE)}}$
<i>Effectiveness</i>		
Mail volume	Million	Total number of mail articles handled.
Real standard letter price	Index	Real postage rate applicable to standard letters carried within Australia by ordinary post.

Table C.7 Non-financial performance indicators: Other Commonwealth
(continued)

<i>Indicator</i>	<i>Units</i>	<i>Definition and Notes</i>
AUSTRALIA POST (continued)		
Service Quality		
Articles delivered:		
- within advertised time	%	Percentage of articles delivered within advertised time (see delivery standards).
- within advertised time or one day later	%	Percentage of articles delivered within advertised time or one day later (see delivery standards).
Delivery standards		
- across town	Days	Post for delivery within metropolitan areas of capital cities or within the same city or town and environs.
- major centres (Intrastate)	Days	Post for delivery between metropolitan areas of capital cities and country locations within the state.
- major centres (interstate)	Days	Post for delivery between metropolitan areas of capital cities and country locations between states.
- distant areas	Days	Post for delivery between countries and remote locations.
Size		
Cost of CSOs	\$M	Total cost of providing community service obligation.
Average number of post service providers	No	The average number of post service providers, by classification.
Average number of		
- postage points	No	The average number of retail and other postal outlets and street posting boxes at the beginning and end of the reporting period unless otherwise stated.
- delivery points	'000s	The average number of mail article delivery points at the beginning and end of the reporting period unless otherwise stated.
Average number of employees	No	The average of full time equivalent staff at the beginning and end of the reporting period unless otherwise stated.

Table C.7 Non-financial performance indicators: Other Commonwealth
(continued)

<i>Indicator</i>	<i>Units</i>	<i>Definition and Notes</i>
FEDERAL AIRPORTS CORPORATION		
<i>Economic factors</i>		
Total factor productivity	Index	Refer to: Steering Committee on National Performance Monitoring of Government Trading Enterprises (July 1992) <i>Measuring Total Factor Productivity of Government Trading Enterprises</i> .
Economic rate of return	%	Refer to: Steering Committee on National Performance Monitoring of Government Trading Enterprises (July 1992) <i>An Economic Framework for Assessing the Financial Performance of Government Trading Enterprises</i> .
<i>Efficiency</i>		
Passengers per average number of employees	Pass/Emp	$\frac{\text{Total number of revenue passengers carried}}{\text{Average number of employees (FTE)}}$
Movements per average number of employees	Mov/Emp	$\frac{\text{Total number of aircraft movements}}{\text{Average number of employees (FTE)}}$
Landed tonnes per movement	T/Mov	$\frac{\text{Total landed tonnes}}{\text{Total number of aircraft movements}}$
Change in movements	%	Annual percentage change in the total number of aircraft movements.
Percentage change in landed tonnes	%	Annual percentage change in total tonnes landed.
Real change in commercial revenue	Index	Annual percentage change in total commercial (non-aeronautical) revenue (indexed for inflation).
Real change in aeronautical revenue	Index	Annual percentage change in total aeronautical revenue (indexed for inflation).
Total days lost	%	$\frac{\text{Total days lost} * 100}{\text{Total days worked}}$

Table C.7 Non-financial performance indicators: Other Commonwealth (continued)

<i>Indicator</i>	<i>Units</i>	<i>Definition and Notes</i>
FEDERAL AIRPORTS CORPORATION (continued)		
Effectiveness		
Real Price Index	Index	$\frac{\text{Current year average selling price index} \times 100}{\text{Current year local State Capital CPI index}}$ The average selling price equals the total of prices for individual services weighted by their contribution to total revenue.
Aircraft movements against total capacity:		Total capacity: the notional maximum capacity of the runway.
Size		
Average number of employees	No	The average of full time equivalent staff at the beginning and end of the reporting period unless otherwise stated.
Passengers	Million	Total number of revenue passengers carried, by classification.
Total aircraft movements	'000	One movement equals one departure or one arrival.
Tonnes landed	Million	Maximum take off weight fully laden with fuel.
Cost and Revenue Measures		
Share of revenue:		
- aeronautical	%	$\frac{\text{Total aeronautical revenue}}{\text{Total revenue}}$
- commercial	%	$\frac{\text{Total commercial (non aeronautical) revenue}}{\text{Total revenue}}$
Commercial revenue:		
- per passenger	\$/Pass	$\frac{\text{Total commercial (non aeronautical) revenue}}{\text{Total number of passengers carried}}$
- per employee	\$'000/Emp	$\frac{\text{Total commercial (non aeronautical) revenue}}{\text{Average number of employees}}$
Aeronautical revenue per average number of employees	\$'000/Emp	$\frac{\text{Total aeronautical revenue}}{\text{Average number of employees}}$

Table C.7 Non-financial performance indicators: Other Commonwealth
(continued)

<i>Indicator</i>	<i>Units</i>	<i>Definition and Notes</i>
TELSTRA CORPORATION		
<i>Economic factors</i>		
Total factor productivity	Index	Refer to: Steering Committee on National Performance Monitoring of Government Trading Enterprises (July 1992) <i>Measuring Total Factor Productivity of Government Trading Enterprises</i> .
Economic rate of return	%	Refer to: Steering Committee on National Performance Monitoring of Government Trading Enterprises (July 1992) <i>An Economic Framework for Assessing the Financial Performance of Government Trading Enterprises</i> .
<i>Efficiency</i>		
Telephone calls per average number of employees	No/Emp	Telephone calls include: local, trunk, international and cellular.
Telephone services per average number of employees	No/Emp	Telephone services include: all basic telephony services.
Telephone calls per \$million of fixed assets	No/\$M	Telephone calls include: local, trunk, international and cellular.
Total days lost	%	$\frac{\text{Total days lost} * 100}{\text{Total days worked}}$
<i>Effectiveness</i>		
Households with standard telephone service	%	Percentage of households with fixed point access.
Real price index	Index	$\frac{\text{Current year average selling price index} * 100}{\text{Current year local State Capital CPI index}}$ The average selling price equals the total of prices for individual services weighted by their contribution to total revenue.

Table C.7 Non-financial performance indicators: Other Commonwealth
(continued)

<i>Indicator</i>	<i>Units</i>	<i>Definition and Notes</i>
TELSTRA CORPORATION (continued)		
Service Quality		
Faults cleared	%	A fault is registered when a customer notifies Telstra.
Operator assisted services	%	Percentage of calls answered.
Calls not answered due to network loss	%	Network loss: The percentage of call attempts that fail to establish a connection due to a shortage of/or malfunction of Telstra's public switch telephone network switching or signalling equipment.
Mobile calls prematurely disconnected	%	Percentage of all mobile calls disconnected before customer initiated disconnection.
Average number of payphones operating	%	
Size		
Average number of customer services with access to itemised bills	%	
Number of telephone calls	million	
Average number of employees	No	
New service connections	'000	Connection is to basic telephony services, fixed point residential and business.
Services in operation	'000	Basic telephony services in operation, fixed point residential and business.

ATTACHMENT D UNITS OF QUANTITY USED IN PERFORMANCE INDICATORS

Table D.1 Units of quantity used in performance indicators

<i>Abbreviation</i>	<i>Name</i>	<i>Abbreviation</i>	<i>Name</i>
Money		Time	
C	Cents	Sec	Seconds
\$	Dollars	Min	Minutes
\$'000	Thousand dollars	Hr	Hours
\$Mill or \$M	Million dollars	Pa	Per annum
Numbers		Ratios	
No	Numbers	%	Per cent
'000	Thousands	Ratio	Ratio
Mill	Millions	Index	Index
		RPI	Real price index
Other		Distance and derivatives	
Prop	Properties	km	Kilometres
Cus	Customers	Rkm	Route kilometres
Bd	Boardings	Pkm	Passenger kilometres
Hd	Head of population	TVCKm	Tonne vehicle capacity kilometres
Pass	Passengers	NFTkm	Net freight tonne kilometres
Emp	Employees	Sq km	Square kilometres
FTE	Full time equivalents		
TEmp	Terminal employees		
Veh	Vehicles		
Wag	Wagons		
Loco	Locomotives		
Vess	Vessels		
Mov	Movements		
Acc	Accidents		
Aid	Navigation aid		
Assess	Assessments		
Trans	Transactions		
Power and energy		Mass and derivatives	
MVA	Mega (10 ⁶) volt amps	kg	Kilograms
MW	Mega (10 ⁶) watts	T	Tonnes
MWh	Mega (10 ⁶)-watt hours	DWT	Deadweight tonnes
GW	Giga (10 ⁹) watts	'000 MT	Thousand mass tonnes
GWh	Giga (10 ⁹)-watt hours		
TJ	Tera-joules (10 ¹²)		
GJ	Giga-joules (10 ⁹)		
		Volume	
		Vol	Volume
		'000m ³	Thousand cubic metre
		TEU	Twenty feet equivalent units
		kl	Kilolitres
		Ml	Megalitres