Table 48: Hospitals and Available Beds, 1997-98 and 2003-04

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
HOSPITALS									
1997-98									
Public	221	147	190	96	80	22	3	5	764
Private[(a)]	168	123	71	36	53	13	7	1	472
Total	389	270	261	132	133	35	10	6	1,236
% Private	43.2	45.6	27.2	27.3	39.8	37.1	70.0	16.7	38.2
2003-04									
Public	231	144	178	93	80	27	3	5	761
Private	177	142	104	41	59	11	7	2	543
Total	408	286	282	134	139	38	10	7	1,304
% Private	43.4	49.7	36.9	30.6	42.4	28.9	70.0	28.6	41.6
AVAILABLE/LICENSED BEDS									
1997-98									
Public hospital beds	19,705	12,337	10,809	5,264	5,198	1,078	768	577	55,736
Per 1,000 population	3.1	2.7	3.2	2.9	3.5	2.3	2.5	3.1	3.0
Private hospital beds	7,034	6,322	5,209	2,323	2,438	803	na	na	24,129
Per 1,000 population[(b)]	1.1	1.4	1.5	1.3	1.6	1.7	na	na	1.3
Total hospital beds	26,739	18,659	16,018	7,586	7,636	1,881	768	577	79,864
Per 1,000 population[(b)]	4.2	4.0	4.7	4.2	5.1	4.0	2.5	3.1	4.3
% Private	26.3	33.9	32.5	30.6	31.9	42.7	na	na	30.2
2003-04									
Public hospital beds	19,408	11,950	9,788	4,955	4,826	1,149	683	569	53,327
Per 1,000 population	2.9	2.4	2.5	2.5	3.2	2.4	2.1	2.9	2.7
Private hospital beds	6,597	6,432	6,261	3,325	2,394	1,098	379	94	26,580
Per 1,000 population	1.0	1.3	1.6	1.7	1.6	2.3	1.2	0.5	1.3
Total hospital beds	26,005	18,382	16,049	8,280	7,220	2,247	1,062	663	79,907
Per 1,000 population	3.9	3.7	4.2	4.2	4.7	4.7	3.3	3.3	4.0
% Private	25.4	35.0	39.0	40.2	33.2	48.9	35.7	14.2	33.3

(a) Private hospital data are for 1996-97.
(b) Number of beds per 1,000 of population for 1997-98 not available for private and total hospitals. Figures calculated using ABS populationdata.
Source: Australian Hospital Statistics, 2003-04, AIHW, May 2005.

Patient Separations

The enhanced role of Australian private hospitals is reflected in the 39% of total patient separations effected by those hospitals in 2003-04, up from 32 % in 1997-98. Amongst the states Queensland private hospitals accounted for the highest proportion of total separations (47%) in 2003-04, over 20% above the Australian average. Total separations per 1000 of population from all Queensland hospitals were about 6% higher than the Australian average in 2003-04.

Table 49: Separations - Public and Private Hospitals, 1997-98 and 2003-04

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
1997-98									
Public hospitals	1,272,797	928,847	685,345	346,363	346,782	80,389	57,175	52,400	3,770,098
Per 1,000 population	202.0	200.7	200.1	191.1	233.9	170.1	186.0	278.3	202.4
Private hospitals	544,351	484,201	388,078	160,358	147,420	50,997	17,571	na	1,792,976
Per 1,000 population	86.4	104.6	113.3	88.5	99.4	107.9	57.2	na	97.3
Total hospitals	1,817,148	1,413,048	1,073,423	506,721	494,202	131,386	74,746	52,400	5,563,074
Per 1,000 population	288.3	305.3	313.3	279.6	333.4	278.0	243.2	278.3	298.7
% Private	30.0	34.3	36.2	31.6	29.8	38.8	23.5	na	32.2
2003-04									
Public hospitals	1,325,535	1,187,529	721,013	367,246	379,109	80,918	69,029	70,116	4,200,495
Per 1,000 population	192.9	235.0	189.3	191.0	235.9	162.8	235.6	428.9	207.7
Private hospitals	712,145	680,806	640,047	290,193	206,211	na	na	na	2,640,697
Per 1,000 population	103.0	133.9	167.8	149.8	124.8	na	na	na	130.9
Total hospitals	2,037,680	1,868,335	1,361,060	657,439	585,320	na	na	na	6,841,192
Per 1,000 population	295.9	368.9	357.0	340.8	360.7	na	na	na	337.2
% Private	34.9	36.4	47.0	44.1	35.2	na	na	na	38.6

(a) Patient separations refer to the number of people who leave a hospital, including discharges, transfers, deaths, or changes in care type.
Source: As for Table 48.

Data from Australian acute inpatient hospital care coding standards (AR-DRG) on separations from private hospitals show that such hospitals now undertake a wide range of relatively complex treatments traditionally associated with public hospitals. This is particularly the case in Queensland, where private hospitals perform a relatively higher range of complex treatments compared to the national average.

Table 50: Private hospital separations - percentage of total hospital separations by category, AR-DRG classifications, 2003-04

	NSW	Vic	Qld	WA	SA	Australia
Sameday alcohol use, disorder and dependence services	30	99	96	76	na	92
Major procedures for obesity	95	85	95	92	92	90
Sleep apnoea	93	74	94	87	69	84
Knee procedures	77	75	78	78	78	77
Major wrist/hand/thumb	70	66	79	75	na	71
Sinus, mastoid and complex middle ear procedures	78	54	81	72	76	71
Major eye procedures	70	60	82	63	62	70
Spinal procedures	58	64	71	na	na	66
Mental health treatment, sameday	45	72	71	85	25	65
Cerebral palsy, muscular dystrophy and neuropathy	63	63	72	na	64	64
Other major joint replacement and limb reattachment	58	62	68	67	65	63
Hip replacements	52	56	57	60	55	55
Major malignant breast conditions	53	50	58	53	57	54
Chemotherapy	90	40	61	50	46	53

Source: As for Table 48 (online tables).

Separations data provided by the Queensland Government under the Australian Health Care Agreement (AHCA) with the Australian Government show a similar increase to that in Table 49 in the rate of separations from private hospitals, particularly in the case of procedures that require same-day separations only.

Table 51: Separations - Queensland Hospitals, 1998-99 to 2002-03

	1998-99	1999-2000	2000-01	2001-02	2002-03
Public hospitals					
Overnight separations	389,302	380,096	369,042	365,491	358,096
Same-day separations	317,925	326,415	318,930	328,560	346,528
Total	707,227	706,511	687,972	694,051	704,624
Private hospitals					
Overnight separations	183,648	190,815	209,084	224,058	219,880
Same-day separations	227,631	261,595	317,230	369,010	382,284
Total	411,279	452,410	526,314	593,068	602,164
Total hospitals					
Overnight separations	572,950	570,911	578,126	589,549	577,976
Same-day separations	545,556	588,010	636,160	697,570	728,812
Total	1,118,506	1,158,921	1,214,286	1,287,119	1,306,788
% Private					
Overnight separations	32.1	33.4	36.2	38.0	38.0
Same-day separations	41.7	44.5	49.9	52.9	52.5
Total	36.8	39.0	43.3	46.1	46.1

Source: Australian Government Department of Health and Ageing, Australian Health Care Agreements 1998-2003: Performance Report .

Patient Days

The number of patient days spent in Australian hospitals, which provide an indication of the usage of hospitals services but also a broad guide to improvements in the efficiency of such services, showed almost no change between 1997-98 and 2003-04 ie given the increase in separations the rate of "turnover" of patients increased. In Queensland hospitals total patient days declined slightly over this period to be almost the same as the Australian average per 1000 of population in 2003-04, with a large increase in patient days spent in private hospitals being more than offset by a decline in those spent in public hospitals. The increase in patient days in private hospitals reflects the higher relative usage of those hospitals by patients.

Table 52: Patient days - public and private hospitals, 1997-98 and 2003-04

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
1997-98									
Public hospitals	5,967,083	3,728,462	3,090,079	1,460,677	1,486,872	396,996	243,244	187,016	16,560,429
Per 1,000 population	946.8	805.5	902.0	806.1	1,003.0	839.9	791.3	993.4	889.2
Private hospitals	1,641,136	1,684,185	1,374,361	522,636	536,759	180,984	64,866	na	6,004,927
Per 1,000 population	260.4	363.8	401.2	288.4	362.1	382.9	211.0	na	325.8
Total hospitals	7,608,219	5,412,647	4,464,440	1,983,313	2,023,631	577,980	308,110	187,016	22,565,356
Per 1,000 population	1,207.2	1,169.3	1,303.2	1,094.5	1,365.1	1,222.8	1,002.3	993.4	1,211.7
% Private	21.6	31.1	30.8	26.4	26.5	31.3	21.1	na	26.6
2003-04									
Public hospitals	5,781,428	4,259,139	2,617,753	1,419,997	1,538,414	353,043	235,195	213,512	16,418,481
Per 1,000 population	828.0	830.0	691.1	748.8	914.8	695.3	837.8	1,363.1	804.9
Private hospitals	1,859,667	1,842,141	1,768,307	805,859	565,889	na	na	na	7,164,732
Per 1,000 population	265.3	357.3	467.9	423.8	330.8	na	na	na	351.3
Total hospitals	7,641,095	6,101,280	4,386,060	2,225,856	2,104,303	na	na	na	22,583,213
Per 1,000 population	1,093.3	1,187.4	1,159.0	1,172.6	1,245.6	na	na	na	1,153.9
% Private	24.3	30.2	40.3	36.2	26.9	na	na	na	31.7

(a) Patient days are defined as the number of full or partial days stay for patients who were admitted for an episode of care and who underwent separation during the reporting period - for example, a patient who is admitted and separated on the same day is allocated one patient day.
Source: As for Table 48.

Statistical Appendix

Patient Length of Stay

The average length of stay of patients in Australian hospitals, which also provides a proxy indicator of hospital efficiency, decreased by about 20% between 1997-98 and 2003-04. The Queensland hospital sector experienced the largest decline (24%) in patient stay and had the lowest average length of stay for all reported jurisdictions in 2003-04. Patient stay decreased at about the same rate in Queensland private hospitals as in public hospitals and was similar to the Australian private hospital average in 2003-04. Patient stay in Queensland public hospitals was lower than average in that year and, if same-day separations are excluded, was the lowest.

Table 53: Average length of stay - public and private hospitals, 1997-98 and 2003-04

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
1997-98									
Public hospitals	4.7	4.0	4.5	4.2	4.3	4.9	4.3	3.6	4.4
Private hospitals	3.0	3.5	3.5	3.3	3.6	3.5	3.7	na	3.3
Total	4.2	3.8	4.2	3.9	4.1	4.4	4.1	3.6	4.1
2003-04									
Public hospitals	4.4	3.6	3.6	3.9	4.1	4.4	3.4	3.0	3.9
Private hospitals	2.6	2.7	2.8	2.8	2.7	na	na	na	2.7
Total	3.7	3.3	3.2	3.4	3.6	na	na	na	3.4

(a) Patient length of stay defined as the period from admission to separation, less any days spent away from the hospital. It includes same-day separations.
Source: As for Table 48.

Average Cost Weights

Average cost weight data provide a guide to cost efficiency in hospitals as they take account of resource use for separations of certain categories of patients (with a cost weight of 1.00 representing the theoretical average for all separations). As public and private cost weights are not comparable, in compiling 2003-04 data the AIHW has used public sector cost weights for both public and private hospitals to allow comparisons between the two sectors.

In that year the average public cost weight (APCW) of separations in all Queensland hospitals was the equal second lowest amongst the states and territories. In Queensland itself the APCW for private hospitals was significantly lower in 2003-04 than for public hospitals and, whereas the private hospitals' APCW exhibited a major decline since 1997-98, that for Queensland public hospitals was slightly higher than in 1997-98.

Table 54: Separations - average cost weight - public and private hospitals, 1997-98 and 2003-04

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
1997-98									
Public hospitals	1.02	1.02	0.98	0.96	1.00	0.97	0.97	0.76	1.00
Private hospitals	0.92	0.96	0.97	0.95	1.00	1.01	1.07	na	0.96
Total hospitals	0.99	1.00	0.98	0.96	1.00	0.98	0.99	0.76	0.99
2003-04									
Public hospitals	1.07	0.96	0.99	0.98	1.01	1.05	0.97	0.75	1.00
Private hospitals	0.96	0.90	0.91	0.89	0.99	na	na	na	0.93
Total hospitals	1.03	0.94	0.95	0.94	1.00	na	na	na	0.97

(a) For 2003-04 data, as public and private sector cost weights are not comparable publ ic sector cost weights were used for both public and private hospitals to enable comparison between the sectors on the same basis. In 1997-98, public sector cost weights were used for public acute hospitals, private hospitals and totals only, which excluded public psychiatric hospitals.
Source: As for Table 48.

Data provided under the Australian Health Care agreements show that the average cost weights of services provided in private hospitals declined between 1998-99 and 2002-03, whilst those for public hospitals remained relatively static.

Table 55: Separations - average cost weight - public and private hospitals, 1998-99 to 2002-03

	1998-99	1999-2000	2000-01	2001-02	2002-03
Public hospitals					
Overnight separations	1.40	1.45	1.47	1.54	1.58
Same-day separations	0.50	0.45	0.44	0.43	0.42
Total	1.00	0.99	0.99	1.01	1.01
Private hospitals					
Overnight separations	1.40	1.50	1.52	1.56	1.60
Same-day separations	0.50	0.42	0.42	0.38	0.38
Total	0.90	0.88	0.86	0.83	0.82

Source: As for Table 48.

Cost per Casemix-adjusted Separation (public hospitals only)

The cost per casemix-adjusted separation is an indicator of the efficiency of the acute care sector of public hospitals. It measures the average recurrent cost of treating an admitted patient (overnight stay or same-day), adjusted by AIHW with AR-DRG cost weights taking account of the relative complexity of the patient's clinical condition and of the hospital services provided.

Data for 2003-04 indicates that total costs in Queensland were about 11% below the Australian average compared with 9% below in 1997-98. Medical labour costs (covering both salaried/sessional staff and visiting medical officers) were over 20% lower.

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Table 56: Separations - Cost per Casemix-adjusted - public hospitals, 1997-98 and 2003-04

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
1997-98									
Medical labour costs	542	440	376	484	472	453	685	481	471
% of total	115.1	93.4	79.8	102.8	100.2	96.2	145.4	102.1	
Non-medical labour costs	1,431	1,384	1,359	1,631	1,237	1,486	1,856	1,858	1,419
% of total	100.8	97.5	95.8	114.9	87.2	104.7	130.8	130.9	
Other recurrent costs	664	638	619	851	749	800	1,082	1,024	685
% of total	96.9	93.1	90.4	124.2	109.3	116.8	158.0	149.5	
Total costs	2,637	2,462	2,354	2,966	2,458	2,739	3,623	3,363	2,575
% of total	102.4	95.6	91.4	115.2	95.5	106.4	140.7	130.6	
2003-04									
Medical labour costs	706	609	494	708	605	516	838	488	627
% of total	112.6	97.1	78.8	112.9	96.5	82.3	133.7	77.8	
Non-medical labour costs	1,780	1,795	1,580	1,794	1,488	1,695	1,897	1,806	1,727
% of total	103.1	103.9	91.5	103.9	86.2	98.1	109.8	104.6	
Other recurrent costs	965	929	856	920	942	1,122	1,266	1,082	940
% of total	102.7	98.8	91.1	97.9	100.2	119.4	134.7	115.1	
Total costs	3,451	3,333	2,929	3,422	3,036	3,333	4,002	3,377	3,293

Public Hospital Waiting Times

Waiting times indicate the time lapsed between admission to a public hospital admission list and actual treatment. This statistic provides a critical measure of access in the public hospital system, where services are rationed as a means of handling the "natural" over-demand of services resulting from the provision of free services under Medicare.

Data for 2003-04 shows that, despite having the highest number of admissions per 1,000 of population of all jurisdictions, Queensland public hospital patients had the lowest number of days waited at the 50th and 90th percentiles, as well as for those waiting more than a year.

Table 57: Public hospitals - waiting times for elective surgery by peer group, 2003-04

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Admissions per 1,000 population	27.2	25.6	28.9	23.4	23.9	25.9	26.5	25.4	26.5
Days waited at 50th percentile	32	27	22	27	37	42	46	34	28
Days waited at 90th percentile	222	175	115	200	201	372	373	245	193
Per cent waited more than 365 days	4.1	3.3	2.8	4.0	3.8	10.3	10.4	5.3	3.9

(a) Data specifies the number of days within which 50 per cent (i.e. 50th percentile), and 90 per cent (i.e. 90th percentile), of patients are admitted into hospital for elective surgery.
Source: As for Table 48.

Public Hospital Re-admissions

The Productivity Commission provides limited data on unplanned re-admission rates in public hospitals only. These show *unintended* additional hospital care and provide an indicator of hospital safety. Data for 2004 shows Queensland had a public hospital re-admission rate of 3.3 per 100 admissions, the equal highest rate for all reported jurisdictions covered.

Table 58: Unplanned re-admissions, public hospitals, 2001 to 2004

	NSW	Vic	Qld	WA	SA
Hospitals reporting					
2001	61	44	12	10	
2002	54	41	12	10	13
2003	57	36	11	13	10
2004	60	34	10	25	11
Re-admissions					
2001	7,124	8,847	2,182	847	
2002	11,189	6,043	3,243	764	1,613
2003	15,426	6,022	4,998	1,955	2,397
2004	12,954	8,910	3,679	1,563	1,219
Separations					
2001	308,698	334,312	81,047	45,692	
2002	386,388	251,633	74,995	52,103	69,191
2003	433,906	217,702	125,108	115,103	48,505
2004	395,528	294,183	111,542	119,846	44,087
Re-admission rate (per 100 admissions)					
2001	2.31				
2002	2.90	2.40	4.30	1.47	2.33
2003	3.60	2.80	4.00	1.70	4.94
2004	3.30	3.00	3.30	1.30	2.80

(a) Hospitals contribute data voluntarily to the Australian Council on Health Standards (ACHS) and therefore the samples are not necessarily representative of all hospitals in each jurisdiction.
Source: Productivity Commission Report on Government Services January 2006, Appendix Tables 9A.35-A.39.

Public Hospital Staffing

Relative levels of staffing for public hospitals as between the states provide a prima facie indication of relative efficiency of such hospital services, although account also needs to be taken of the respective relative roles of public and private hospitals. In 2003-04 Queensland public hospitals employed 16.1% of total Australian public hospital staff, well below Queensland's share of population (19.6 %) and down from 18.2% in 1997-98. However, this reduced proportion of public hospital staffing probably reflected the greater increase in the role of private hospitals in Queensland and the consequent significantly reduced proportion of separations from public hospitals.

Between 1997-98 and 2003-04 Queensland public hospitals increased total staffing by 4.2%, a similar increase to that in Western and South Australia but considerably less than the 17.3% increase for all Australian public hospitals, which largely reflected the very large jump in Victoria (42%) under the Bracks government.

In 2003-04 diagnostic and allied medical staff employed in Queensland public hospitals constituted only 9.8% of total staffing (much lower than the Australian average of 14.2%) and, over the period from 1997-98, employment of these staff in Queensland public hospitals actually declined by 380. However, this may have reflected the large increase (30%) in salaried medical staff: the combined total of salaried plus diagnostic and allied medical staff increased by 7% over the period.

Table 59: Staffing - public hospitals, 1997-98 and 2003-04

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
1997-98									
Salaried medical officers									
Number	5,392	3,511	2,774	1,400	1,512	304	284	210	15,387
% of total	8.7	9.0	8.7	7.8	9.6	8.8	10.0	9.5	8.8
Nursing staff									
Number	28,517	16,714	14,246	7,598	7,371	1,520	1,329	944	78,239
% of total	46.1	42.6	44.8	42.1	47.0	44.2	46.8	42.8	44.7
Other personal care staff									
Number	1,722	1,405	786	484	na	26	33	88	4,544
% of total	2.8	3.6	2.5	2.7	na	0.8	1.2	4.0	2.6
Diagnostic and allied health professionals									
Number	8,193	5,993	3,611	2,262	1,739	361	440	149	22,748
% of total	13.3	15.3	11.4	12.5	11.1	10.5	15.5	6.8	13.0
Administrative and clerical staff									
Number	7,307	6,383	4,290	3,031	2,601	513	466	303	24,894
% of total	11.8	16.3	13.5	16.8	16.6	14.9	16.4	13.7	14.2
Domestic and other staff									
Number	10,674	5,192	6,089	3,289	2,451	716	288	513	29,212
% of total	17.3	13.2	19.2	18.2	15.6	20.8	10.1	23.2	16.7
Total staff	61,805	39,198	31,796	18,064	15,674	3,440	2,840	2,207	175,024
2003-04									
Salaried medical officers									
Number	6,700	5,389	3,602	1,883	1,678	367	317	246	20,182
% of total	9.3	9.7	10.9	9.9	10.3	9.2	10.6	10.6	9.8
Nursing staff									
Number	31,865	24,028	14,661	8,158	7,813	1,806	1,479	941	90,751
% of total	44.4	43.2	44.3	42.8	47.8	45.0	49.5	40.7	44.2
Other personal care staff									
Number	na	na	742	6	na	na	125	14	na
% of total	na	na	2.2	0.0	na	na	4.2	0.6	na
Diagnostic and allied health professionals									
Number	10,005	10,784	3,231	2,230	1,965	349	349	261	29,174
% of total	13.9	19.4	9.8	11.7	12.0	8.7	11.7	11.3	14.2
Administrative and clerical staff									
Number	11,536	9,042	4,667	3,120	2,739	504	523	364	32,495
% of total	16.1	16.2	14.1	16.4	16.8	12.6	17.5	15.8	15.8
Domestic and other staff									
Number	11,679	6,441	6,222	3,674	2,149	984	192	484	31,825
% of total	16.3	11.6	18.8	19.3	13.1	24.5	6.4	21.0	15.5
Total staff	71,785	55,684	33,125	19,071	16,344	4,010	2,985	2,310	205,314

Source: As for Table 48.

Public Hospital Expenditure

Inter-state differences in levels of recurrent spending on public (acute and psychiatric) hospitals reflect a variety of influences, including the respective roles of public and private hospitals in each state. AIHW data for 2003-04 shows expenditure per head in Queensland on public hospital services was the lowest amongst the states and territories and 24% lower than the Australian average. The increase of 20% in such per head expenditure between 1997-98 and 2003-04 was also lower than the average increase of 25.4%.

Table 60: Recurrent expenditure - Public acute and psychiatric hospitals, $m, 1997-98 and 2003-04

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
1997-98									
Salary and wages	2,932.4	2,041.0	1,404.3	815.8	633.6	167.0	140.6	107.6	8,242.3
Total	4,702.4	3,093.0	2,133.4	1,321.4	1,070.1	286.0	256.0	163.5	13,025.7
Total per head of popn	744.5	669.1	622.2	729.2	719.9	605.1	828.0	866.2	782.8
2003-04									
Salary and wages	4,413.5	3,381.9	1,878.8	1,171.2	920.3	227.4	191.1	150.1	12,334.4
Total	7,249.0	5,370.1	2,996.3	1,847.1	1,555.9	401.6	350.8	242.6	20,013.2
Total per head of popn	1,068.6	1,066.2	749.3	915.4	1,008.7	823.4	1,079.1	1,200.2	981.2

(a) Excluding depreciation.
Source: As in Table 48.

Public and Private Hospitals – Sources of Funds

More than 90% of funding of public (non-psychiatric) hospitals is provided by governments, with the Australian Government and State Governments contributing approximately equal shares. The Australian Government share is mainly in the form of specific purpose grants under the Health Care Agreements and these provide significantly differing proportions of funding as between states. In 2002-03 the Australian Government contributed 52% of the total funding of Queensland public hospitals, compared with 47% of Australian public hospitals in total and 42% of Victoria's public hospitals.

The Australian Government also contributes indirectly a significant proportion of the funding of private hospitals –nearly 35% in total in 2002-03 – mainly through rebates in respect of premiums paid by contributors to heath insurance funds, which are the other main source of funding of private hospitals. In 2002-03 the Australian Government's indirect contribution to Queensland private hospitals' funding was 40.6%, the highest for any state and compared with 32.5% for Victoria's.

Table 61: Hospitals - Sources of funds, $m, 2002-03

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Public hospitals[a]									
Australian Government[b]	3,024	2,140	1,520	864	756	188	115	89	8,696
State and local	2,738	2,538	1,302	771	554	140	201	144	8,388
Health insurance funds	152	44	25	23	26	7	9	1	287
Individuals	174	88	19	8	2	17	4	4	316
Other[c]	277	269	69	63	28	24	14	5	749
Total	6,365	5,078	2,935	1,730	1,365	376	342	243	18,434
Private hospitals									
Australian Government[b]	558	468	493	205	143	56	11	7	1,941
State and local	80	-	22	163	3	20	-	2	290
Health insurance funds	724	625	539	284	235	73	44	12	2,536
Individuals	40	155	37	4	3	1	15	11	266
Other[c]	163	187	123	28	37	7	12	3	560
Total	1,566	1,436	1,213	683	421	157	83	34	5,593

Public and Private Hospitals – Possible Future Roles

The ageing of the population and the increasing demand for additional health treatments suggest that it is likely that total Queensland hospital separations will increase in the period 2003-04 to 2009-10 at least as fast as the 27 per cent increase in the six years to 2003-04. Moreover, the increased assistance to private health insurance provided by the Australian Government, and the continued increase in Queensland per capita incomes, suggests that the much faster growth in usage of private hospitals since 1997-98 relative to public hospitals is also likely to continue. The following outlines what would happen to relative usage in 2009-10 if the 65 per cent increase in private hospital separations over the six years to 2003-04 was also repeated, together with the implications for Queensland Government expenditure.

In that event, there would be a reduction of about 7 per cent in public hospital separations between 2003-04 and 2009-10 and the Queensland Government would "save" $3.8 billion in 2009-10 (or $328 million per year) compared with a situation in which all the increase in total separations were met by public hospitals.

Table 62: Recurrent expenditure savings associated with utilisation of private hospitals, 1997-98 to 2009-10

	1997-98	2003-04		2009-10
	Separations (no.)	Separations (no.)	Growth (%)	Separations (no.)
Public hospitals	685,345	721,013	5.2	670,386
Private hospitals	388,078	640,047	64.9	1,055,438
Saving from private hospitals ($m)(a)(b)	913.5	1,874.7		3,843.9
Ave. pa saving from private hospitals - 2003-04 to 2009-10 ($m)				328.2

(a) Savings show the additional expenditure the State Government would need to make if separations are made through public hospitals.
(b) Estimated average saving per year to State Government expenditure calculated on the assumption that all the increase in separations after 2003-04 was effected through public hospitals.
Source: As in Table 48; IP E/Commerce Queensland calculations

Apart from recurrent cost savings to government associated with utilisation of private hospitals, the Queensland Government also enjoys "savings" in capital expenditure in not having to build/extend as many public hospitals. For the period 2003-04 to 2009-10 it is assumed that private hospitals will accommodate the projected increase in separations less than in the six years to 2003-04 by increasing the number of hospitals and more by extending the average size. The following table models the potential savings (in terms of numbers of hospital facilities) associated with a projected growth in separations to 2009-10 as in Table 15 above. In essence, a continuation of the current growth in patient separations – with a greater relative growth in the private sector – implies that the Queensland Government would enjoy "savings" in terms of a further reduction in the number of public hospitals.

Table 63: Capital savings (in terms of hospital facilities) associated with utilisation of private hospitals, 1997-98 to 2009-10

	1997-98	2003-04	2009-10
Public hospitals			
Hospitals (no.)	190	178	147
Separations (no.)	685345	721013	758506
Ave. separation per annum per public hospital	3607	4051	5,160
Private hospitals			
Hospitals (no.)	71	104	137
Separations (no.)	388,078	640,047	1,055,438
Ave. separation per annum per private hospital	5,466	6,154	7,704

Source: As in Table 48; IPE/Commerce Queensland calculations.

PUBLIC INVESTMENT AND PUBLIC CORPORATIONS

Statistical Appendix

Introduction

As indicated in Table 9, between 1997-98 and 2004-05 public sector investment in Queensland increased at a much slower pace than private investment, particularly business investment and, as noted in the Queensland 2005-06 Budget Strategy paper, over the five years to 2003-04 the private sector accounted on average for around 73 per cent of all non-dwelling investment. However, while the announcement by the Government of a long term plan for additional infrastructure investment (stated to involve investment of $55 billion in current prices over 20 years i.e. averaging $2.75 billion a year) has been followed by provision in the Queensland budget for a major increase in public sector investment in 2005-06, the budget projections for the next three years then show a decline in public sector investment.

Table 64: Gross and Net Acquisitions of Non-Financial Assets by Public Sector, 2003-04 to 2008-09

	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
General government						
$m (gross)	2,415	2,843	3,800	3,694	3,298	2,988
% GSP	1.7	1.9	2.4	2.1	1.8	1.5
$m (net)	503	1,053	1,919	1,763	1,227	963
% GSP	0.3	0.7	1.2	1.0	0.7	0.5
GOCs[(a)]						
$m (gross)	1,804	2,823	4,268	4,219	3,696	3,398
% GSP	1.2	1.9	2.6	2.4	2	1.7
$m (net)	182	1,506	2,890	2,669	2,009	1,596
% GSP	0.1	1.0	1.8	1.5	1.1	0.8
Public sector						
$m (gross)	4,219	5,666	8,065	7,913	6,996	6,336
% GSP	2.9	3.8	5.0	4.6	3.8	3.2
$m (net)	685	2,558	4,810	4,422	3,236	2,559
% GSP	0.5	1.7	3.0	2.6	1.8	1.3

(a) Government Owned Corporations.
(b) Data for 2005-06 are estimates and for subsequent years are projections. Net acquisition of non-financial assets is derived after deducting depreciation and asset sales.
Sources: State Budget 2005-06 and Special Fiscal and Economic Statement, October 2005.

In the context of a decision to establish increased competition in the distribution of electricity with effect from 2007, the Queensland Government is also examining the scope for an increased role of the private sector in public sector type investment, particularly in the electricity sector. To date, the current government has involved the private sector in public sector type infrastructure investment to a much lesser extent than in Victoria and even than NSW (where union opposition stopped the government from proceeding with electricity privatisation). Analysis by the Australian Council for Infrastructure Development (Aus CID) published in March 2005 shows the following main private sector involvements in such investment in recent years:

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Table 65: Major private sector involvement in infrastructure provision, Queensland

Sector	Project	Private sector involvement(a)	Project value ($m)	Date
Energy	South West Queensland Gas Pipeline	BOO	209	1994
Energy	Collinsville Power Station	BOO	165	1996
Energy	State Gas Pipeline	Privatisation	162	1996
Energy	Townsville Power Station	BOO	77	1996
Energy	Oakey Power Station	BOO	150	1997
Energy	Roma-Brisbane Gas Pipeline	Additional capital expenditure	100	1997-2002
Rail	Brisbane Airport Rail Link	BOOT	223	1998
Energy	Carpentaria Gas Pipeline	BOO	180	1998
Energy	Gladstone-Bundaberg Gas Pipeline	BOO	30	2000
Energy	Callide C Power Station	PPP (joint venture)	824	2001
Ports	Dalrymple Bay Coal Terminal	Privatisation	860	2001
Energy	Milmerran Power Station	BOO	1,500	2003
Energy	Tarong North Power Station	PPP (joint venture)	1,400	2003

(a) Under BOO projects (Build Own Operate), the contractor retains ownership of the assets in perpetuity and the government only agrees to purchase the services for a fixed length of time. By contrast, under BOOT (Build Own Operate Transfer) projects there is a transfer of the assets back to the government after a defined period. It should be noted that the Queensland budget capital statement for 2005-06 describes the Dalrymple Bay project as a lease.

The Queensland Government has also sold its holdings in financial sector activities, including Suncorp, TAB and the Bank of Queensland, on the basis that such activities are primarily a matter for the private sector. The private sector has also undertaken other public sector type investments through public/private partnership arrangements, including the $230 million Southbank TAFE re-development (commenced in November 2005), the Brisbane North-South Bypass Tunnel and Robina Hospital.

By contrast, the Aus CID survey shows that the involvement of the private sector in Victorian public sector type investments, both under the Kennett and Bracks governments, has been much more extensive both in terms of sectors covered and overall (see Attachment A). Between 1988 and 2004 the total project values of BOOs, BOOTs, privatisations, and PPPs in Victoria exceeded $40 billion compared with $4.4 billion in Queensland. Excluding privatizations, the value of other projects involving the private sector was about $8 billion in both Victoria and New South Wales and $2.5 billion in Queensland.

The 1999 agreements by the Victorian Government to franchise to the private sector the operation of the Melbourne public transport (train and tram) system are of some interest and possible relevance to the role of Queensland Rail in providing Brisbane rail services. In September 2005 a report by the Victorian Auditor General concluded that the (then) new "agreements represent reasonable value-for-money" and that the CSO payments negotiated with the franchisees "were close to the best possible prices it could have negotiated for the sustainable operation of the metropolitan train and tram system".

The caution of the current Queensland Government in extending private sector involvement in public sector type investment appears to relate to a range of factors, including that governments are able to supply capital for government-operated infrastructure by borrowing at lower costs (or by giving quasi debt guarantees to public corporations) than the private sector and concern (particularly by unions) that the substitution of private sector operators may reduce employment and services in a more competitive environment.[9] However, the decision on whether to have greater private sector involvement should be determined primarily by whether capital is likely to be used more efficiently and services are likely to be provided at a lower cost and higher quality to consumers.

The ability of governments to borrow at a lower cost does not ensure that outcome (logically it could otherwise be used to justify the takeover by governments of the private sector) and the risk that some part of existing services may be reduced (or supplied at a higher price) in a more competitive environment can where necessary be overcome by the provision of government subsidies to private operators eg where it is judged that there are externalities justifying a service that would otherwise be supplied at a lower level, such as the provision of metropolitan transport services. Possible adverse effects on employment have to be assessed against the potential reduction in service costs to consumers (and taxpayers), the resultant likelihood of increased consumption generally (or even of the service itself) and the availability of alternative employment. Short term effects aside, experience with privatisations in the UK and Victoria provides no evidence of overall adverse employment effects: rather the contrary.

Public Corporations

Whether public corporations should continue to play a role in public investment and as suppliers of public services depends in part on their performance. The July 2005 Productivity Commission report on the performance of Australian government trading enterprises (GTEs) examined 83 of such bodies with assets valued at more than $173 billion, including 16 owned by the Queensland Government with earnings on assets ranging between 8.3 and -3.3% (a simple average of about 5 per cent) in 2003-04. This compares with the standard average cost of capital for Australian companies with 40 per cent gearing of about 9.5 per cent ie the capital employed by Queensland public sector corporations is yielding well below that on capital employed in the private sector, implying an inefficient use of scarce resources. Moreover, this return on public sector assets is calculated by including as “revenue” the Queensland Government funding of various GOC community service obligations (CSOs) totalling over $1 billion in 2005-06.

The Productivity Commission report shows that dividend pay-out ratios by the 83 GTEs over the period 1999-2000 to 2003-04 averaged nearly 80 per cent, higher than those for private companies. The conclusions of the report included that:

- Profitability of the 50 GTEs monitored continuously since 1999-2000 did not improve;
- Nearly half the 83 GTEs currently monitored earned less than the long term bond rate in 2003-04 and a greater number failed to earn a commercial rate of return;
- Improvements in governance arrangements should include clarification and public scrutiny of the rationale for ongoing ownership of GTEs;
- There should be improved transparency of the external governance role of ministers

The 20 public corporations (GOCs) owned by the Queensland Government have an estimated total value of over $22 billion and, if sold at that value, could provide savings in interest of $1.3-$1.5 billion pa. As they also contribute to the budget around $600-$700 million a year in dividends and about $400 million a year in tax equivalent payments, their sale could produce a net saving to the Queensland budget in the range of $300-400 million pa.

These GOC's operate trading enterprises which perform functions and activities in a diverse range of areas, including energy, transport, funds management, gaming and natural resources, and account for about 60% of total investment by the public sector.

These include:

- CS Energy Ltd (electricity generation).
- Enertrade (Queensland Power Trading Corporation) (electricity generation – trades power from privately-owned generators into the National Electricity Market).
- Energex Group (incl. Energex Ltd and Energex Retail Pty Ltd) (electricity distribution).
- Ergon Energy Corporation Ltd (electricity distribution).
- Powerlink Queensland (Queensland Electricity Transmission Corp. Ltd.) (electricity transmission).
- Stanwell Corporation Ltd (electricity generation).
- Tarong Energy Corporation Ltd (electricity generation).
- Sunwater.
- Queensland Rail.
- Ports Corporation of Queensland.
- Port of Brisbane Corporation.
- Bundaberg Port Authority.
- Cairns Port Authority.
- Central Queensland Ports Authority.
- Mackay Port Authority.
- Townsville Port Authority.
- Golden Casket Lottery Corporation Ltd.
- Queensland Investment Corporation.

The main features of the performance of 16 major Queensland GOC's between 1997-98 and 2003-04 as published in the Productivity Commission report are outlined below and in Attachments.

Electricity

Attachment B shows the main financial developments between 1997-98 (when the electricity industry was restructured) and 2003-04 as published in the PC analysis. Excluding Ergon Energy (which was not established until 30 June 1999 through the amalgamation of six regional electricity distribution corporations), the following major developments in the other six enterprises included in the PC analysis suggests a major deterioration in their financial performance over the period (data on Ergon Energy from 1999-2000 indicates an increase in profits and dividends but a return on assets of only 5.9% in 2003-04):

- Assets remained virtually unchanged at $12.9 billion;
- Operating profit declined from $612 mn to $579 mn;
- Returns on assets declined from a simple average of 8.5% to 4.9% (this latter figure includes provisions of $486 million by Enertrade for estimated future losses in regard to longer term, power purchase agreements). In 2003-04 only one enterprise achieved the benchmark of 8% set by the Queensland Competition Authority;
- Dividends increased from $298 mn to $386 mn and pay-out ratios increased from a simple average of 62.5% to 81% (but to 95% for the five enterprises with a positive return on assets);
- Income tax payments to the Queensland Government, resulting from the introduction by the Government of tax-equivalent regimes, decreased from $211 mn to $195 mn;

- CSO funding totalling $308 mn by the Queensland Government for the provision of rebates, concessions and decisions to provide uneconomic electricity supplies to certain groups was paid to only two enterprises, including Ergon Energy, in 2003-04.

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Water

- Local governments in Queensland generally have responsibility for water, sewerage, drainage and irrigation services. However, Sunwater was established on 1 October 2000 to assume the role and responsibilities of State Water Projects for providing bulk storage and water supply services to 6,000 customers, including irrigators, industrial and other customers, primarily in regional and remote areas of Queensland.
- Between 1997-98 and 2003-04, Sunwater's assets declined sharply due to a number of downward revaluations. With the move from operating losses to profits, this increased returns on assets and equity.
- CSO funding over the period from the Queensland Government for shortfalls in revenue from providing water to various rural water users exceeded operating profit and dividends.

Table 66: Performance indicators, Sunwater, 1997-98 to 2003-04

	1997-98	2003-04
Total assets ($m)	2,096	392
Operating profit before tax ($m)	-12	20
Return on assets (per cent)	-0.6	5.0
Dividends ($m)	0	4
Dividend payout ratio (per cent)	0	29.5
Income tax ($m)		6
CSO funding ($m)	0	9

Source: Productivity Commission Financial Performance of Government Trading Enterprises, July 2005.

Urban transport and rail

- Queensland Rail is a vertically integrated rail transport GOC, managing Queensland's rail infrastructure as well as operating rail freight and passenger services (in Brisbane, South East Queensland and between key regional centres).
- Over the period 1997-98 to 2003-04, total assets increased by 13% while, underpinned by increasing coal and freight traffic, revenue rose by 18%. However, despite reductions in labour costs as a result of the approximate halving of employment (to about 13,000) over the past twenty years, operating profit declined by 37% and the return on assets fell from 8.1 to 5.4%.
- Under contracts with the Queensland Transport Department, CSO receipts increased by 23% for urban and intercity passenger services, low volume freight services and infrastructure and in 2003-04 were 3.5 times higher than the operating profit. QR also receives reimbursements from various State Departments for concessions provided to senior citizens, pensioners and students.

Ports

Although between 1997-98 and 2003-04 Brisbane and Gladstone (the only two major ports then operating as GOCs) significantly increased operating profits, their average returns on assets remained relatively low (except in 2003-04 itself for Gladstone). Dividends paid by the two ports also increased significantly and Brisbane became subject to a 95% payout ratio. Both ports were also subject to tax-equivalent payments but neither received CSO payments. The Port of Brisbane Corporations' assets have been revalued upwards, reflecting rising land values in the precinct.

The other four ports included in the PC analysis from 2001-02 to 2003-04 showed mixed financial performances, with total operating profits of $51 million and dividends of $17million in 2003-04. Activities such as towage and stevedoring are generally conducted by private operators at these ports.

Table 67: Performance indicators, Queensland Rail, 1997-98 to 2003-04

	1997-98	2003-04
Total assets ($m)	7,031	7,936
Operating profit before tax ($m)	305	191
Return on assets (per cent)	8.1	5.4
Dividends ($m)	100	115
Dividend payout ratio (per cent)	53.4	95.1
Income tax ($m)	117	71
CSO funding ($m)	542	666

Source: Productivity Commission Financial Performance of Government Trading Enterprises, July 2005.

Table 68: Performance indicators, ports sector, 1997-98 to 2003-04

	1997-98	2001-02	2003-04
Gladstone Port Authority			
Total assets ($m)	464	410	533
Operating profit before tax ($m)	13	21	84
Return on assets (per cent)	3.4	6.2	19.0
Dividends ($m)	3	17	13
Dividend payout ratio (per cent)	41.3	119.0	21.7
Income tax ($m)	6	7	25
CSO funding ($m)	0	0	0
Port of Brisbane Corporation			
Total assets ($m)	625	912	1,332
Operating profit before tax ($m)	17	32	42
Return on assets (per cent)	4.4	5.4	5.3
Dividends ($m)	5	22	29
Dividend payout ratio (per cent)	39.7	95.0	95.0
Income tax ($m)	5	9	12
CSO funding ($m)	0	0	0
Cairns Port Authority			
Total assets ($m)		325	439
Operating profit before tax ($m)		12	30
Return on assets (per cent)		4.1	8.3
Dividends ($m)		14	5
Dividend payout ratio (per cent)		176.5	19.3
Income tax ($m)		4	3
CSO funding ($m)		0	0
Ports Corporation of Queensland			
Total assets ($m)		237	224
Operating profit before tax ($m)		-14	17
Return on assets (per cent)		2.4	7.2
Dividends ($m)		6	11
Dividend payout ratio (per cent)		-34.5	92.8
Income tax ($m)		3	4
CSO funding ($m)		0	0
Mackay Port Authority			
Total assets ($m)		158	160
Operating profit before tax ($m)		-1	1
Return on assets (per cent)		-0.3	0.8
Dividends ($m)		0	0
Dividend payout ratio (per cent)		0.0	94.8
Income tax ($m)		1	1
CSO funding ($m)		0	0
Townsville Port Authority			
Total assets ($m)		131	133
Operating profit before tax ($m)		1	3
Return on assets (per cent)		1.7	2.9
Dividends ($m)		0	1
Dividend payout ratio (per cent)		0.0	95.0
Income tax ($m)		1	1
CSO funding ($m)		0	0

Source: Productivity Commission Financial Performance of Government Trading Enterprises, July 2005.

DPI Forestry

This was established in July 1995 as a commercial unit within the Department of Primary Industry (DPI) and is responsible for 84% of Queensland's domestic timber production. In 2003-04 total assets of $1,294 million returned only 3.3%, following returns of 23.8% in 2002-03 and 10.6% in 2001-02. Over the three years 2001-02 to 2003-04 dividends of $51.8 million were paid to the Government.

Funds management

The Queensland Investment Corporation (QIC) is one of the five largest wholesale investment managers in Australia with over $40 billion in funds under management from a range of public and private sector clients, including major superannuation funds. With assets (including some long-term corporate investments) of $58 million in 2003-04, QIC had revenues in excess of $81 million and an operating profit (before tax) of $16 million.

QIC is a GOC which operates as a fully commercial organisation, and returns from its management activities provided in 2003-04 $10.9 million in dividends to the State Government, and over $5 million in income tax equivalents.

<u>Attachment A</u>

VICTORIAN BOOs, BOOTs, PRIVATISATIONS AND PPPs BY SECTOR

Sector	Project	Private sector involvement(a)	Project value ($m)	Date
Energy	Loy Yang B Power Station (first tranche)	Privatisation	544	1992-93
Water	Yan Yean Water Treatment Plant	BOOT	25	1993
Energy	Eildon Pondage, Lake Glenmaggie and Lake William Hovel Hydro Power Plants	BOO	14	1994-95
Energy	AGL Electricity (Distribution)	Privatisation	1,087	1995
Energy	CitiPower (Distribution)	Privatisation	1,545	1995
Energy	Eastern (TXU) (Distribution)	Privatisation	2,080	1995
Corrective services	Fulham Men's Rural Prison	BOO	276	1995
Energy	Powercor (Distribution)	Privatisation	2,150	1995
Energy	United Energy (Distribution)	Privatisation	1,553	1995
Energy	Hazelwood/Energy Brix Power (Generation)	Privatisation	2,400	1996
Road	Melbourne CityLink	BOOT	1,780	1996
Corrective services	Port Phillip Men's Metropolitan Prison	BOO	318	1996
Ports	Port of Geelong	Privatisation	50	1996
Ports	Port of Portland	Privatisation	30	1996
Energy	Yallourn Energy	Privatisation	2,428	1996
Entertainment	Docklands Stadium	BOO	450	1997
Energy	Loy Yang A Power Station	Privatisation	4,746	1997
Energy	Power Net (Transmission)	Privatisation	2,555	1997
Energy	Solaris	Privatisation	950	1997
Energy	Southern Hydro	Privatisation	391	1997
Energy	Loy Yang B Power Station (second tranche)	Privatisation	1,150	1997-98
Water	Castlemaine Wastewater Treatment Plant	BOOT	25	1998
Energy	Underground Gas Storage Project	BOO	144	1998
Corrective services	Coburg Prison Complex	Privatisation	16	1999
Energy	Gas Extension to Mildura	BOO	30	1999
Energy	Ecogen Energy (Generation)	Privatisation	350	1999
Energy	Origin Energy	Privatisation	1,670	1999
Energy	South West Gas Pipeline	BOO	82	1999
Energy	Texas Utilities Company (TXU) (Gas)	Privatisation	1,617	1999
Energy	Transmission Pipelines Australia (GPU Gasnet)	Privatisation	1,025	1999
Energy	United Energy (Gas)	Privatisation	1,970	1999
Rail	Bayside Trains	Franchise	917	1999
Rail	Hillside Trains	Franchise	1,205	1999
Rail	Swanston Trams	Franchise	511	1999
Rail	V/Line Freight	Privatisation	163	1999
Rail	V/Line Passenger	Franchise	721	1999
Rail	Yarra Trams	Franchise	308	1999
Water	Aqua 2000 Project (Coliban Water)	BOOT	85	1999
Water	Ballarat Water Treatment Plant	BOOT	50	1999
Water	Grampians Growth Corridor Water Project	BOOT	18	1999
Health	Mildura Base Hospital	BOO	211	1999
Energy	Codrington Wind Farm	BOO	33	2000
Rail	Spencer Street Station Redevelopment	PPP	700	2000
Energy	Toora Wind Farm	BOO	35	2001
Water	Eastern Irrigation Scheme	BOOT	30	2001
Corrective services	Metropolitan Remand Centre	PPP	100	2002
Corrective services	Correctional Programs Centre	PPP	40	2002
Justice	Victorian County Court Project	PPP	140	2002
Energy	Bairnsdale Gas-fired Power Plant (Alinta)	BOO	40	2002
Entertainment	Docklands Film and Television Studio Complex Project	PPP	70	2002
Emergency services	Mobile Data Network	PPP	140	2003
Corrective services	Victorian Correctional Infrastructure Partnership	PPP	275	2004
Emergency services	Emergency Alerting System Project	PPP	100	2004
Emergency services	Metropolitan Mobile Radio Project	PPP	120	2004
Health	Casey Hospital	PPP	90	2004
Road	Mitcham Frankston Freeway	PPP	2,600	2004
Entertainment	Royal Melbourne Showgrounds	PPP	146	2004
Water	Echuca/Rochester Wastewater Treatment Plant	PPP	40	2004

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Attachment B

ELECTRICITY SECTOR PERFORMANCE INDICATORS

	1997-98	2003-04
CS Energy		
Total assets ($m)	927	1,620
Operating profit before tax ($m)	99	41
Return on assets (per cent)	13.1	4.7
Dividends ($m)	39	29
Dividend payout ratio (per cent)	62.3	95.0
Income tax ($m)	36	10
CSO funding ($m)	0	0
Stanwell Corp		
Total assets ($m)	1,769	1,590
Operating profit before tax ($m)	123	61
Return on assets (per cent)	10.1	4.6
Dividends ($m)	40	39
Dividend payout ratio (per cent)	50.8	95.0
Income tax ($m)	44	21
CSO funding ($m)	0	0
Tarong Energy		
Total assets ($m)	1,391	1,598
Operating profit before tax ($m)	127	123
Return on assets (per cent)	12.1	8.1
Dividends ($m)	74	82
Dividend payout ratio (per cent)	90.0	95.0
Income tax ($m)	46	37
CSO funding ($m)	0	0
Enertrade		
Total assets ($m)	3,528	441
Operating profit before tax ($m)	8	-20
Return on assets (per cent)	0.3	-3.6
Dividends ($m)	0	0
Dividend payout ratio (per cent)	0	0
Income tax ($m)	2	0
CSO funding ($m)	0	0
Powerlink		
Total assets ($m)	1,842	3,201
Operating profit before tax ($m)	68	135
Return on assets (per cent)	6.5	6.7
Dividends ($m)	39	88
Dividend payout ratio (per cent)	88.1	95.0
Income tax ($m)	24	43
CSO funding ($m)	0	0
Ergon Energy		
Total assets ($m)		3,852
Operating profit before tax ($m)		128
Return on assets (per cent)		5.9
Dividends ($m)		87
Dividend payout ratio (per cent)		95.0
Income tax ($m)		36
CSO funding ($m)		224
Energex		
Total assets ($m)	2,927	4,489
Operating profit before tax ($m)	187	239
Return on assets (per cent)	8.6	7.9
Dividends ($m)	106	148
Dividend payout ratio (per cent)	83.6	95.0
Income tax ($m)	61	84
CSO funding ($m)	22	33

Source: Productivity Commission, Financial Performance of Government Trading Enterprises, July 2005