

APPENDIX C: STATEMENT OF RISKS

OVERVIEW

Full details and explanations of fiscal risks and contingent liabilities and assets are provided in Statement 8 of Budget Paper No. 1, *Budget Strategy and Outlook 2013-14*. The following Statement of Risks updates, where necessary, those fiscal risks and contingent liabilities and assets that have arisen or materially changed since the 2013-14 Budget.

The forward estimates of revenue and expenses in the PEFO incorporate assumptions and judgments based on information available at the time of publication.

DETAILS OF FISCAL RISKS AND CONTINGENCIES

New or revised fiscal risks and contingent liabilities and assets with a possible impact on the forward estimates greater than \$20 million in any one year, or \$50 million over the forward estimates period, that have arisen or changed since the 2013-14 Budget are listed below.

Information on contingent liabilities is also provided in the annual financial statements of departments and non-budget entities.

FISCAL RISKS

Fiscal risks comprise general developments or specific events that may affect the fiscal outlook. Some developments or events raise the possibility of a fiscal impact. In other cases, the likelihood of a fiscal impact may be reasonably certain, but will not be included in the forward estimates because the timing or magnitude is not known.

Major taxes such as company and individuals' income taxes fluctuate significantly with economic activity. Capital gains tax is particularly volatile and is affected by both the level of gains in asset markets and the timing of when those gains are realised. Similarly, superannuation fund income tax is affected by investment market returns. Resource rent taxes may vary quite significantly, particularly with movements in commodity prices and the level of the Australian dollar. Revenue from carbon permit sales related to the flexible price period from 2014-15 onwards may also vary owing to changes in the international price of carbon permits.

Revenue forecasting also relies heavily on the historical relationships between the economy, tax bases and tax revenues. Such relationships may continue to shift as economic conditions change, requiring a greater degree of caution in their use in predicting future revenues. For example, the real and financial dimensions of the recent global financial crisis have posed particular challenges in estimating both the quantum and timing of loss utilisation. Any losses incurred during the downturn can

be carried forward to offset gains or profits as the economy recovers, such that to the extent tax revenue improves it does so with some lag. Given the uncertainty about the quantum of losses in the tax system, this carry forward results in additional uncertainty around revenue estimates in any given year.

The estimates and projections of revenue are subject to a number of general risks that can affect taxation collections. These general pressures include tax avoidance, court decisions, Australian Taxation Office rulings and the outcome of compliance programs. These pressures may result in a shift in the composition of taxation collected from the various tax bases and/or a change in the size of the tax base.

The estimates also include provision for a number of announced but as yet un-legislated tax policies which impact on the budget estimates. The total value of these policies is around \$12 billion in underlying cash terms over the forward estimates period.

The vast majority of the value of these policies relates to measures announced by the Government in the 2013-14 Budget and the 2013 Economic Statement including: increases to the tobacco excise, the *Protecting the corporate tax base from erosion and loopholes* package, changes to the fringe benefits tax on cars, the deferral of the 2015-16 personal income tax cuts from the *Clean Energy Future* package and bringing forward the emissions trading scheme to 1 July 2014.

The estimates assume that legislation is passed in time for these measures to take effect from the commencement date announced by the Government. Where legislation is not passed in time to take effect from the announced date, or is not passed at all, then there would be a risk – potentially significant – to revenue and hence to the overall fiscal position.

In addition to recently announced measures, there are a number of older policies valued at around \$100 million over the forward estimates that have not been legislated since the announced commencement date and a number of minor technical amendments to the tax laws that have not been legislated but which have been determined to be of nil impact over the forward estimates.

On 7 August 2013, the High Court of Australia rejected the challenge by Fortescue Metals Group Ltd and related companies regarding the constitutional validity of the minerals resource rent tax. As a consequence, that risk outlined in the 2013-14 Budget no longer exists and has been removed.

Effective 19 July 2013, Australia has made up to A\$1.0 billion available to the Government of Indonesia in the form of a standby loan facility, to be drawn down should Indonesia be unable to raise sufficient funds at reasonable interest rates on global capital markets due to the impact of global financial market volatility. Other contributions to the standby loan facility were agreed by the World Bank, the Asian Development Bank and the Government of Japan. This facility is available to Indonesia

up to 30 June 2014. A drawdown from the facility will be dependent on a request from the Indonesian Government and subject to certain criteria being met. Any funds provided will be repaid in full with interest.

From 19 July 2013, the Government introduced a Regional Resettlement Arrangement for Unauthorised Maritime Arrivals (UMAs). Under the arrangement, any UMAs who arrive after 19 July 2013 will be resettled in Papua New Guinea (PNG) or Nauru. A provision has been made for immigration processing facilities in PNG and Nauru. However, further facilities could be required should arrivals persist at higher rates.

There are also a number of expense measures which impact on the aggregates that still remain subject to the legislative process. If legislation is not passed by Parliament as proposed, this may affect the estimates and projections.

The *Commonwealth Inscribed Stock Act 1911* limits the face value of relevant Commonwealth Government Securities on issue to \$300 billion. Current estimates indicate that the limit will be reached in the 2013-14 financial year (around December 2013).

CONTINGENT LIABILITIES — QUANTIFIABLE

Broadband, Communications and the Digital Economy

NBN Co Limited — Equity Agreement

The Australian Government has entered into an Equity Funding Agreement with NBN Co. The Agreement formalises the Commonwealth's intention to provide equity to fund the roll out of the National Broadband Network, with such funding being conditional on the annual appropriation processes. In addition, it commits the Commonwealth, in the event of a termination of the national broadband network roll out, to provide sufficient funds to NBN Co to meet its direct costs arising from that termination. The NBN Co Equity Agreement terminates in 2021. As at 31 July 2013, NBN Co's termination liabilities were estimated at \$4.8 billion.

Telstra Financial Guarantee

The Australian Government has provided a guarantee to Telstra in respect of NBN Co's financial obligations to Telstra under the Definitive Agreements. The Definitive Agreements are long-term contracts and, in the case of the infrastructure component, involve terms of at least 35 years. The liabilities under the Definitive Agreements arise progressively during the roll out of the network as infrastructure is accessed and subscribers to Telstra's existing network are disconnected. As at 31 July 2013, NBN Co had generated liabilities covered by the Guarantee estimated at \$1.8 billion. The Guarantee will terminate when NBN Co achieves specified credit ratings for a period of two continuous years and either:

- the company is fully capitalised; or

- the Communications Minister declares, under the *National Broadband Network Companies Act 2011*, that, in his or her opinion, the national broadband network should be treated as built and fully operational.

Optus Financial Agreement

The Commonwealth has provided a guarantee to Optus for NBN Co's financial obligations to Optus under the Optus HFC Subscriber Agreement. That Agreement extends for the period of the national broadband network roll out in Optus Hybrid Fibre Coaxial (HFC) areas. The incurred quantifiable liabilities under the Optus Agreement as at 30 June 2013 were estimated at \$200 million.

Defence

Indemnities and remote contingencies

As at 23 July 2013, the Defence Materiel Organisation carried 78 contingencies that are quantifiable significant remote contingent liabilities, to the value of \$2.8 billion. These liabilities are restricted in nature and details are not given due to reasons of commercial in confidence and/or national security. While these contingencies are considered remote, they have been reported in aggregate for completeness.

As at 30 June 2013, the Department of Defence carried 1,643 instances of quantifiable significant remote contingent liabilities with a nominal value of \$2.9 billion. These significant remote contingent liabilities are restricted in nature and details are not given due to reasons of commercial in confidence and/or national security. While these contingencies are considered remote, they have been reported in aggregate for completeness.

Foreign Affairs and Trade

Export Finance and Insurance Corporation

The Australian Government guarantees the due payment of money that is, or may at any time become, payable by the Export Finance and Insurance Corporation (EFIC) to anybody other than the Government. The Government also has in place a \$200 million callable capital facility available to EFIC on request to cover liabilities, losses and claims. As at 30 June 2013, the Government's total contingent liability was \$3.3 billion, up from \$3.2 billion at the 2013-14 Budget. The \$3.3 billion contingent liability comprises EFIC's liabilities to third parties (\$2.4 billion) and EFIC's overseas investment insurance, contracts of insurance and guarantees (\$880 million). Of the total contingent liability, \$2.6 billion relates to EFIC's Commercial Account and \$719 million relates to the National Interest Account.

Health and Ageing

Accommodation Bond Guarantee Scheme

The Accommodation Bond Guarantee Scheme (the Guarantee Scheme) guarantees the repayment of residential accommodation bonds and entry contribution balances if a

resident's approved residential aged care provider becomes insolvent or bankrupt and defaults on its refund obligations. In return for the payment, the rights that the resident had to recover the amount from their approved provider are transferred to the Commonwealth so it can pursue the approved aged care provider for the funds. In cases where the funds are unable to be recovered, the Australian Government may levy all approved providers holding bonds to meet any shortfall. On 30 June 2012, the maximum contingent liability, in the unlikely event that all providers defaulted, was approximately \$13.1 billion.

Amendments were recently made to the Guarantee Scheme through the *Aged Care (Bond Security) Amendment Act 2013* and the *Aged Care (Bond Security) Levy Amendment Act 2013*. These amendments extend the current guarantee for bonds paid by aged care residents (outlined above), to also cover future lump sum accommodation payments paid by aged care residents. The passage of this legislation means that both bonds paid by aged care residents (before 1 July 2014) and refundable accommodation deposits made by aged care residents (after 1 July 2014) are guaranteed by the Government if an aged care provider becomes insolvent or bankrupt.

Industry, Innovation, Climate Change, Science, Research and Tertiary Education

Low Carbon Australia Limited — Board of Directors' and senior management indemnities

The Australian Government has provided indemnities to directors and company officers of Low Carbon Australia Limited (LCAL). A total of seven indemnity deeds have been executed. Each indemnity covers liability incurred by a director or officer arising from the implementation of the merger of LCAL with the Clean Energy Finance Corporation. An aggregate cap of \$100 million to cover all claims has been established, and the indemnities will operate for seven years from execution.

Treasury

Contingent liability for the payment of unclaimed monies under the *Banking Act 1959*, *Life Insurance Act 1995* and the *Corporations Act 2001*

The Australian Securities and Investments Commission (ASIC) is responsible for the administration of unclaimed monies under the *Banking Act 1959*, *Life Insurance Act 1995* and the *Corporations Act 2001*. Based on historical data it is not probable that all unclaimed monies will be refunded to claimants. ASIC has recognised a provision for likely future claims and estimates the residual contingent liability for unclaimed monies administered by ASIC at 30 June 2013 to be \$753 million which includes contingent liabilities considered remote.

Guarantees under the *Commonwealth Bank Sale Act 1995*

Under the terms of the *Commonwealth Bank Sale Act 1995*, the Australian Government has guaranteed various superannuation and other liabilities; \$751 million is attributable to liabilities of the Commonwealth Bank of Australia, as at 30 June 2013,

and \$4.2 billion is attributable to liabilities of the Commonwealth Bank Officers' Superannuation Corporation, as at 30 June 2013.

International financial institutions — uncalled capital subscriptions

The Australian Government has held uncalled capital subscriptions in the International Bank for Reconstruction and Development (IBRD) since 1947. The Government is contributing additional resources to the IBRD as part of the general capital increase agreed in 2010. The paid-in component of Australia's contribution was a measure in the 2010-11 Budget. As part of this process, Australia will increase its uncalled capital subscription so that it totals US\$3.6 billion (estimated value A\$3.9 billion as at 17 July 2013).

Australia has also held uncalled capital subscriptions in the European Bank for Reconstruction and Development (EBRD) since 1991. The Government increased its uncalled capital subscription (effective 20 April 2011) to the EBRD as part of its 2010 general capital increase so that it totals EUR238 million (estimated value A\$338 million as at 17 July 2013). The financial implications of the paid-in component were reported as a measure in the 2010-11 Mid-Year Economic and Fiscal Outlook.

The Australian Government also holds uncalled capital subscriptions in the Asian Development Bank of US\$7.0 billion (estimated value A\$7.6 billion as at 17 July 2013), and the Multilateral Investment Guarantee Agency of US\$27 million (estimated value A\$29 million as at 17 July 2013).

None of these international financial institutions has ever drawn on Australia's uncalled capital subscriptions.

International Monetary Fund

Australia has made a line of credit available to the International Monetary Fund (IMF) under its New Arrangements to Borrow (NAB) since 1998. In line with G20 Leaders' commitments, Australia has joined with other countries to increase its credit line under an expanded NAB. When the expanded NAB came into effect on 11 March 2011, Australia's NAB credit arrangement increased from Special Drawing Rights (SDR, the IMF's unit of account) 801 million (estimated value A\$1.4 billion as at 7 August 2013) to SDR 4.4 billion (estimated value A\$7.4 billion). This is a contingent loan to help ensure that the IMF has the resources available to maintain stability and support recovery in the global economy. As agreed by G20 Finance Ministers and IMF Governors in late 2010, the credit arrangements of all NAB participants, including Australia, will be reduced when the increase in IMF quotas comes into effect. This was anticipated to occur in 2012-13; however, due to a delay in the implementation of the above agreement by the United States it is now anticipated to occur in 2013-14.

On 20 April 2012, as part of a broad international effort to increase the resources available to the IMF, Australia committed to provide a US\$7.0 billion (calculated as SDR 4.61 billion, approximately A\$7.8 billion at 7 August 2013) contingent bilateral

loan to the IMF, soon to enter into force following recent passage of enabling legislation. The contingent loan is on terms consistent with separate bilateral loan and note purchase agreements to be concluded between the IMF and all contributing countries. It will be drawn upon by the IMF only if needed to supplement the IMF's quota and NAB resources and any loans would be repaid in full with interest. The increase in the IMF's resources will help ensure that it has the capability to address any potential vulnerability facing the global economy.

Reserve Bank of Australia — guarantee

The Australian Government guarantees the liabilities of the Reserve Bank of Australia. It is measured as the Bank's total liabilities excluding capital, reserves, and Australian Government deposits. The major component of the Bank's liabilities is notes (that is, currency) on issue. Notes on issue amount to \$57.0 billion, as at 30 June 2013, and the total guarantee is \$67.0 billion, up from \$65.0 billion reported in the 2013-14 Budget.

CONTINGENT LIABILITIES — UNQUANTIFIABLE

Attorney-General's

Australian Victims of Terrorism Overseas Payment

The *Social Security Amendment (Supporting Australian Victims of Terrorism Overseas) Act 2012* inserted Part 2.24AA into the *Social Security Act 1991* (the Act) to create a scheme for providing financial assistance to Australians who are victims of an overseas terrorist act that has been declared by the Prime Minister. The scheme commenced on 22 January 2013. Under the scheme, Australians harmed (primary victims) and Australians who are close family members of a person who dies as a direct result of a declared terrorist act (secondary victims) will be able to claim payments of up to \$75,000. As acts of terrorism are unpredictable, the cost of the scheme is unquantifiable.

Native Title costs

The Australian Government has previously offered to assist State and Territory governments in meeting certain Native Title costs pursuant to the *Native Title Act 1993* (the NTA), including compensation costs. Consistent with the policy of considering this issue on a case by case basis subject to available funding, a National Partnership Agreement was executed in 2010 between the Commonwealth and Victoria, under which the Commonwealth provided a contribution towards the settlement of two native title claims. No other agreement under this offer has been entered into to date.

The Australian Government will also be liable for any compensation found to be payable under the NTA (and potentially also the Constitution) in respect of compensable acts for which the Commonwealth is responsible.

The Australian Government's liability in both scenarios cannot be quantified owing to uncertainty about the number and effect of compensable acts and the value of Native Title affected by those acts.

Defence

Indemnities and remote contingencies

The Defence Materiel Organisation carries 451 instances of contingencies (including Foreign Military Sales) that are unquantifiable. While these contingencies are considered remote, they have been reported in aggregate for completeness.

Litigation cases

The Department of Defence is involved in a wide range of litigation and other claims for compensation and/or damages that may result in litigation where the matters are not able to be finalised by use of negotiation. The litigation includes common law liability claims, including injury from alleged exposure to hazardous substances in the workplace. A number of claims have also been received for damage caused by the use of a Defence Practice Area. There is also the potential for a number of claims to arise out of reviews into Australian Defence Force and Defence culture.

Families, Housing, Community Services and Indigenous Affairs

Business Services Wage Assessment Tool (BSWAT)

The Australian Government may potentially become liable for compensation following a Full Federal Court ruling (21 December 2012) that the use of the Business Services Wage Assessment Tool (BSWAT) to assess the wages of two intellectually disabled employees constituted unlawful discrimination under the *Disability Discrimination Act 1992*.

There are currently three further cases in the Federal Court. In each of these matters, the applicants allege that the use of the BSWAT to assess their wages constituted unlawful discrimination under the *Disability Discrimination Act 1992*. Additionally, there may be a number of current and former employees who share similar circumstances. The Australian Government's potential liability cannot be quantified at this time.

DisabilityCare Australia

In bilateral negotiations, the Australian Government has committed to provide temporary, untied financial assistance to some jurisdictions that expect to have their GST entitlements adversely affected during the transition to DisabilityCare Australia, the national disability insurance scheme (NDIS).

Under this commitment, the expected liability will depend on a range of factors including when all jurisdictions reach full scheme and any impact resulting from the Commonwealth Grants Commission's 2015 Methodology Review, scheduled to be completed in February 2015. The Review will consider the most appropriate treatment

of disability services for GST distribution purposes, both during the transition to the NDIS and once the full scheme is operating nationally. Any impact on the Government's budget is not expected to occur before 2016-17.

Finance and Deregulation

Litigation — Davis Samuel case

The Australian Government was subject to a counter-claim for damages in legal action before the Australian Capital Territory Supreme Court. The Australian Government is seeking to recover funds which were misappropriated from the Department of Finance and Deregulation during 1998. The judgment, handed down on 1 August 2013, dismissed the counter claim against the Australian Government and found in favour of the Australian Government in its claims against the defendants. Final orders are yet to be made. The Court extended the time for appeals to 28 days after final orders are made.

Immigration and Citizenship

Immigration detention services by State and Territory governments — liability limit

DIAC is negotiating arrangements with a number of State and Territory governments for the provision of various services (including health, education, corrections and policing services) to immigration detention facilities and people in immigration detention. Some jurisdictions are seeking indemnification by the Commonwealth for the provision of those services.

In June 2012, the then Minister for Immigration and Citizenship wrote to the Minister for Finance and Deregulation seeking agreement under regulation 10 of the Financial Management and Accountability Regulations 1997 (FMA Regulations) for expenditure that may become payable under those arrangements.

In September 2012, the Minister for Finance and Deregulation agreed that DIAC may consider entering arrangements which include the relevant indemnities, based on the framework parameters:

Service stream	NSW	VIC	SA	WA
Health	NA	Uncapped liability	\$5 million per claim or event	Uncapped liability
Education	NA	Uncapped liability	\$5 million per claim or event	Uncapped liability
Corrections	Uncapped liability	NA	NA	NA
Police	NA	\$5 million per claim	\$5 million per claim	\$5 million per claim

Infrastructure and Transport

Moorebank Intermodal Company Limited (MIC) — Board Members' Indemnity

The Australian Government has provided certain indemnities for the board members of the Moorebank Intermodal Company Limited (MIC) to protect them against civil claims relating to their employment and conduct as directors. The indemnities apply to the period of appointment as board members of the company. Until the indemnity agreements are varied or brought to an end, they will remain as contingent and unquantifiable liabilities.

Regional Australia, Local Government, Arts and Sport

Indemnity provided to the New South Wales Rural Fire Fighting Service in relation to the Jervis Bay Territory

The Department of Regional Australia, Local Government, the Arts and Sport is required to engage the NSW Rural Fire Service (NSW RFS) to provide fire management support for the volunteer brigade located in the Jervis Bay Territory (JBT). To provide this service, the NSW RFS requires the Commonwealth to provide an uncapped indemnity whereby the Commonwealth would be liable for any damage caused as a result of the actions of the NSW RFS in the JBT while fighting a fire. The likelihood of an event occurring that may result in a liability for the Commonwealth has been assessed as very remote and the risks are currently mitigated through the training and professional qualifications of the NSW RFS staff.

Sustainability, Environment, Water, Population and Communities

Murray-Darling Basin Reform — additional net costs

Under the 2013 *Intergovernmental Agreement on Implementing Water Reform in the Murray-Darling Basin*, signatory Basin States have agreed that the capped financial support provided through the associated National Partnership for state implementation payments replaces the 'No Net Additional Costs' provision under the 2008 *Intergovernmental Agreement on Murray-Darling Basin Reform*.

As at 15 July 2013, Victoria, South Australia and the ACT had signed the 2013 Intergovernmental Agreement, whilst NSW and Queensland were considering the matter further and are thus still covered under the provisions of the 2008 Intergovernmental Agreement. The 2008 Intergovernmental Agreement specified that the Basin States will not bear additional net costs as a consequence of the reforms agreed between the parties and implementation of the *Water Act 2007*. This undertaking ceases on 30 June 2015.

Treasury

Financial Claims Scheme

The Financial Claims Scheme provides depositors of authorised deposit taking institutions (ADIs) and policyholders of general insurers (GIs) with timely access to their funds in the event of a financial institution failure.

The Australian Prudential Regulation Authority (APRA) is responsible for the administration of the Financial Claims Scheme. Under the Financial Claims Scheme any payments to eligible depositors or policyholders will be made out of APRA'S Financial Claims Scheme Special Account.

The Financial Claims Scheme established under the *Banking Act 1959* provides a mechanism for making payments to depositors under the Government's guarantee of deposits in ADIs. Payments are capped at \$250,000 per account holder per ADI. As at 31 March 2013, deposits eligible for coverage under the Financial Claims Scheme were estimated to be approximately \$688.2 billion, compared to \$696.9 billion at 28 February 2013, reflecting better information provided by ADIs.

The Financial Claims Scheme established under the *Insurance Act 1973* provides a mechanism for making payments to eligible beneficiaries with a valid claim against a failed general insurer.

In the very unlikely event of an ADI failure, any payments made under the Financial Claims Scheme would be recovered through the liquidation of the failed institution. From 2016, the payments would initially be met from the Financial Stability Fund announced in the 2013 Economic Statement. In the even more unlikely event that there was a shortfall in the amount recovered through the liquidation of the failed institution and available to be drawn from the Financial Stability Fund, a levy could be applied to ADIs to recover the difference between the amount expended and the amount recovered in the liquidation and from the Financial Stability Fund.

In the very unlikely event of a GI failure, any payments made under the Financial Claims Scheme would be recovered through the liquidation of the failed institution. In the event that there was a shortfall in the amount recovered, a levy would be applied to GIs to recover the difference between the amount expended and the amount recovered in the liquidation.

Initial amounts available to meet payments and administer the Financial Claims Scheme, in the event of activation, are \$20.1 billion per institution, under the legislation.

Guarantee of State and Territory Borrowing

The Australian Government announced on 25 March 2009 that a voluntary, temporary guarantee would be put in place over state and territory borrowing. The Guarantee of State and Territory Borrowing commenced on 24 July 2009 and closed on 31 December 2010.

Securities covered by the guarantee will continue to be guaranteed until these securities either mature or are bought back and extinguished by the issuer.

The expected liability under the guarantee is remote and unquantifiable. Australian Government expenditure would arise under the guarantee only in the unlikely event

that a State or Territory failed to meet its obligations with respect to a commitment that was subject to the guarantee and the guarantee was called upon. In such a case, the Government would likely be able to recover any such expenditure through a claim on the relevant State or Territory at a future date. The impact on the Government's budget would depend upon the extent of the default and the State or Territory's ability to meet the Government's claim.

As at 30 June 2013, the face value of State and Territory borrowings covered by the guarantee was \$25.4 billion, down from \$27.3 billion at 31 March 2013.

Guarantee Scheme for Large Deposits and Wholesale Funding

The Australian Government announced the guarantee of eligible deposits and wholesale funding for authorised deposit taking institutions from 12 October 2008 under the Guarantee Scheme for Large Deposits and Wholesale Funding.

On 7 February 2010, the Government announced that the Guarantee Scheme would close to new liabilities on 31 March 2010. Since 31 March 2010, Australian authorised deposit taking institutions have been prohibited from issuing any new guaranteed wholesale funding or accepting new guaranteed deposits above \$1 million. Existing guaranteed wholesale funding is guaranteed to maturity. Depositors who covered their balances above \$1 million under the Guarantee Scheme can have those funds covered to maturity for term deposits up to five years, or until October 2015 for at call deposits.

The expected liability under the Guarantee Scheme is remote and unquantifiable. Government expenditure would arise under the guarantee only in the unlikely event that an institution failed to meet its obligations with respect to a commitment that was subject to the guarantee and the guarantee was called upon. In such a case, the Government would likely be able to recover any such expenditure through a claim on the relevant institution. The impact on the Government's budget would depend on the extent of the institution's default and its ability to meet the Government's claim.

As at 30 June 2013, total liabilities covered by the Guarantee Scheme were estimated at \$48.3 billion, down from \$55.2 billion at 31 March 2013. This is made up of \$2.3 billion (down from \$2.8 billion) of large deposits and \$46.0 billion (down from \$52.4 billion) of long term wholesale funding. All guaranteed short-term wholesale funding matured in March 2011.

As at 30 June 2013, institutions participating in the Guarantee Scheme had paid fees of \$4.2 billion since its inception.