

CHAPTER 18

PUBLIC FINANCE

This chapter deals with the financial activities of the organisations which make up the three levels of government in the Australian political system—Commonwealth, State and Local—and which collectively constitute the public sector. The chapter is organised into seven main groupings of topics. An account is given of the activities of each level of government, with particular emphasis being given to Commonwealth authorities. Tables are then presented which bring together the transactions of all public authorities to highlight the role of the public sector as a whole in the Australian economy. Then follows a section on government borrowing activities at all levels; and a section which looks at some major groups of State authorities that have been created to provide specific services, such as roads, water supply, etc.

For further detailed information on the subjects covered by this chapter *see* the annual bulletins published by this Bureau: *Australian National Accounts—National Income and Expenditure* (7.1); *Public Authority Finance—Commonwealth Authorities* (5.12); and *Commonwealth Taxation Assessments* (5.29). Additional information may be found in *Public Authority Finance* (5.33), and in the mimeographed bulletins *Public Authority Finance—State and Local Authorities* (5.43) and *Public Authority Finance—Taxation* (5.30). Current information in summarised form is given in *Quarterly Estimates of National Income and Expenditure* (7.5), and is also contained in *Quarterly Summary of Australian Statistics* (1.3), the *Monthly Review of Business Statistics* (1.4), and the *Monthly Digest of Current Economic Statistics* (1.5).

Additional details of the transactions of public authorities engaged in particular fields of activity, such as defence, transport and communication, health and welfare, education, etc. may be found in other chapters of this Year Book.

COMMONWEALTH FINANCE

Financial provisions of the Constitution

The main provisions of the Constitution relating to the initiation and development of the financial system of the Commonwealth are contained in Sections 81 to 105A of the Commonwealth Constitution (*see* pages 16–19 of this Year Book). Two other sections which have a most important bearing on questions of Commonwealth finance are sections 69 and 51.

Section 69 provides for the transfer from the States to the Commonwealth of certain specified departments, and Section 51, in outlining the powers of the Commonwealth Parliament, implies the transfer or creation of other departments. Sections 87 and 96 deal with the financial relations between the Commonwealth and the States. The full text of the Financial Agreement of 1927 was given in Year Book No. 31, page 21; accounts of this Agreement as affected by subsequent Agreements were included in later issues of the Year Book up to No. 37 (*see* pages 685–90); details of the main provisions appeared in further issues of the Year Book up to No. 50 (*see* pages 952–3). Details of current provisions for financial assistance to the States are given on pages 557 to 565.

The *Audit Act* 1901–1969 lays down the procedure which must be followed in accounting for the receipt and disbursement of public funds. The general administration of Commonwealth finances is the responsibility of the Treasurer of the Commonwealth.

Commonwealth Budget

The Commonwealth Budget records the transactions of those Commonwealth authorities whose receipts and payments are summarised in the statements of Treasury balances. In 1971-72 the change in cash balances was represented by the following—

	\$'000
Cash receipts of the Consolidated Revenue Fund	8,688,105
<i>plus</i> cash receipts of Loan Fund	1,258,988
<i>plus</i> cash receipts of Trust Fund	4,484,173
<i>Total</i>	14,431,266
<i>less</i> cash payments from Consolidated Revenue Fund	8,688,105
<i>less</i> cash payments from Loan Fund	1,258,988
<i>less</i> cash payments from Trust Fund (including increase in investments of the Trust Fund)	3,916,504
<i>Total</i>	13,863,597
<i>equals</i> increase in cash balances	567,669

Revenues from taxation and other sources are paid into the Consolidated Revenue Fund, from which the main expenditures are for defence, social services, payments to the States and general administration. The Trust Fund covers special transactions outside the ordinary operations of departmental expenditures, such as pension funds and moneys held for expenditure by the Commonwealth at some future time. The Loan Fund receives its funds from the sale of Commonwealth securities, and the expenditures from the Fund are made in accordance with the purpose of issue of each loan. The main disbursements from the Loan Fund are to the States by way of distribution of the proceeds of loans raised by the Commonwealth on their behalf and capital assistance grants, the remaining disbursements being mainly for Commonwealth purposes such as defence or war service land settlement.

The receipts and outlay of the Commonwealth Budget for 1972-73 are set out in the table which follows, together with figures for the years 1968-69 to 1971-72. The national accounting presentation of the budget is shown in order to be consistent with other transactions figures given in this chapter.

It should be noted that some transactions undertaken by authorities covered by the Budget are not reflected in the change in cash balances, usually because they are not cash transactions or because a receipt and a payment are offset against each other so that only a net amount is included in published totals. The national accounting presentation of the Budget includes these additional transactions, further details of which may be found in the Appendix to the Supplement to the *Treasury Information Bulletin*, August 1970.

RECEIPTS AND OUTLAY OF COMMONWEALTH BUDGET, 1968-69 TO 1972-73 (ESTIMATED)

(\$ million)

(Source: Supplement to the *Treasury Information Bulletin*, August 1972)

	1968-69	1969-70	1970-71	1971-72	1972-73 Budget Estimate
Outlay—					
Net expenditure on goods and services—					
Current	1,781	1,812	1,976	2,179	2,407
Capital(a)	180	187	224	222	249
Total	1,962	1,998	2,200	2,401	2,656
Transfer payments—					
Cash benefits to persons	1,406	1,598	1,771	2,055	2,417
Grants to States	1,419	1,620	2,207	2,373	2,716
Interest paid	502	546	576	616	649
Transfers overseas	159	180	185	205	234
Subsidies	261	247	309	382	338
Grants for private capital purposes	32	34	37	43	56
Total	3,779	4,224	5,084	5,674	6,410
Total expenditure	5,741	6,222	7,284	8,075	9,066
Net advances—					
States	625	667	520	587	644
Commonwealth authorities	235	271	340	375	387
Other sectors	31	36	47	64	66
Total	891	974	907	1,025	1,096
Total outlay	6,633	7,195	8,190	9,101	10,162
Receipts—					
Taxation—					
Indirect taxes	2,035	2,244	2,502	2,525	2,620
Income tax on companies	1,039	1,197	1,444	1,535	1,564
Income tax on persons	2,377	2,855	3,175	3,765	4,204
Estate and gift duties	70	80	78	76	75
Other direct taxes, fees, fines, etc.	43	46	47	58	63
Total	5,564	6,422	7,245	7,959	8,526
Other receipts—					
Interest, rent and dividends	642	711	800	885	938
Public enterprises income	50	52	60	62	65
Net sales of existing assets(b)	-7	3	11	8	2
Total	685	766	870	954	1,005
Total receipts	6,248	7,188	8,115	8,914	9,531
Deficit	385	7	75	187	630

(a) Expenditure on new fixed assets plus increase in stocks less sales of previously rented houses. (b) Excludes sales of previously rented houses.

Financing of the Commonwealth deficit

The deficit shown in the last line of the preceding table represents the net excess of Budget outlay over receipts. In other words, the estimated deficit shown for 1972-73 represents the Commonwealth budget sector's 'financing requirements,' and the actual deficits shown for earlier years represents the net outcome of the financing transactions of the budget sub-sector. Most such transactions involve the issue, repurchase, redemption or acquisition of Commonwealth securities, but some involve or are represented by changes in other assets or liabilities of the Commonwealth.

Specifically the deficit is financed as follows.

Net sales of Commonwealth securities (new issues, *less* redemptions, *less* net purchases from Commonwealth balances in the Trust Fund);

less net purchases of other investments from Commonwealth balances in the Trust Fund *plus* minor items of indebtedness (such as borrowing by Australian Capital Territory and Northern Territory housing trust accounts)

less net additions to cash balances, and funds provided for the International Monetary Fund and the Australian Wheat Board.

The following table summarises the financing transactions of the Commonwealth budget sector for the years 1967-68 to 1971-72. Further details of Commonwealth loan transactions and of government securities on issue on account of the Commonwealth and the States are given in a later section of this Chapter.

COMMONWEALTH FINANCING TRANSACTIONS, 1967-68 TO 1971-72
(\$ million)

(Source: Statement No. 7 attached to the *Budget Speech*, 1972-73)

	1967-68	1968-69	1969-70	1970-71	1971-72
Overseas—					
Credit arrangements for defence purchases in the United States of America	132.1	91.2	51.1	63.8	46.2
<i>Less</i> —repayments	14.1	36.6	53.7	57.2	62.6
Net drawings	118.0	54.6	-2.5	6.6	-16.4
Aircraft loans for Qantas and Australian National Airlines Commission	64.8	14.6	11.3	47.1	84.5
<i>Less</i> —repayments	15.8	27.0	27.2	27.6	32.6
Net drawings	49.0	-12.4	-15.9	19.5	52.0
Other overseas loan proceeds	77.0	168.5	48.0	14.8	26.2
<i>Less</i> —redemptions, etc.	111.6	68.5	160.4	86.5	108.8
Net proceeds	-34.8	100.0	-112.4	-71.7	-82.6
<i>Total net proceeds overseas</i>	132.2	142.2	-130.9	-45.6	-47.1
Funds provided for International Monetary Fund	-58.8	-5.0	..	-36.8	..
Australia—					
Proceeds of loans raised in Australia	589.4	615.7	677.6	770.1	917.4
<i>Less</i> —redemptions, etc.	292.6	234.9	414.3	565.5	197.1
Net proceeds of loans raised in Australia	296.8	380.8	263.3	204.6	720.3
Net change in Treasury Notes on issue	183.6	-68.3	46.5	17.9	-9.7
Net advance to the Australian Wheat Board	480.4	312.5	309.8	222.4	710.5
<i>Net advance to the Australian Wheat Board</i> . . . . .	..	..	-184.0	65.3	53.2
Other financing transactions	480.4	312.5	125.8	287.7	763.7
Residual Financing—	37.4	62.4	45.1	27.4	37.7
Net increase in Treasury Bills on issue	51.0	-127.0	-14.0	..	..
Use of cash balances	0.2	0.2	-19.4	-157.4	-567.4
<i>Total residual financing</i>	51.2	-126.8	-33.4	-157.4	-567.4
<i>Total Australian financing transactions</i>	569.0	248.1	137.6	157.7	234.0
Total financing transactions	642.4	385.3	6.8	75.3	186.9

COMMONWEALTH AUTHORITIES

In addition to the group of Commonwealth authorities whose transactions are covered by the Budget (i.e. itemised in the Consolidated Revenue Fund or recorded in a Trust Fund), there are a number of organisations owned or controlled by the Commonwealth whose transactions do not, for the most part, pass through the Public Account. This category consists largely of public enterprises such as the Post Office, Qantas, Trans-Australia Airlines, the Overseas Telecommunications Commission, the Australian Coastal Shipping Commission, the Snowy Mountains Hydro-electric Authority, the Reserve Bank and the Commonwealth Banking Corporation. Public enterprises, it should be noted,

are bodies which aim at covering the bulk of their expenses by revenue either from sales of goods and services (trading enterprises), or by charges for services and net interest receipts (financial enterprises). As well as these enterprises, there are other public authorities which record most of their transactions outside the Public Account but have only minor independent sources of revenue, and are financed almost entirely from funds voted to them each year from the Consolidated Revenue Fund. In order that the national accounting presentation may indicate as completely as possible the direct effect of the budget on demand, appropriations to this group of authorities are treated as final expenditure in the Budget. Authorities in this category include the Australian Broadcasting Commission, Australian National University, National Capital Development Commission, and the Australian Atomic Energy Commission.

The transactions of Commonwealth bodies not covered by the Budget may be brought together and consolidated with the transactions recorded in the Budget to yield figures of the transactions of all Commonwealth authorities. The remaining tables in this section have been prepared on that basis. These tables for all Commonwealth authorities exclude borrowing and the corresponding advances in respect of State works programmes: borrowing by the Commonwealth on behalf of the States is treated as borrowing by the States, and recorded in the table of receipts and outlay of State authorities given in the next section.

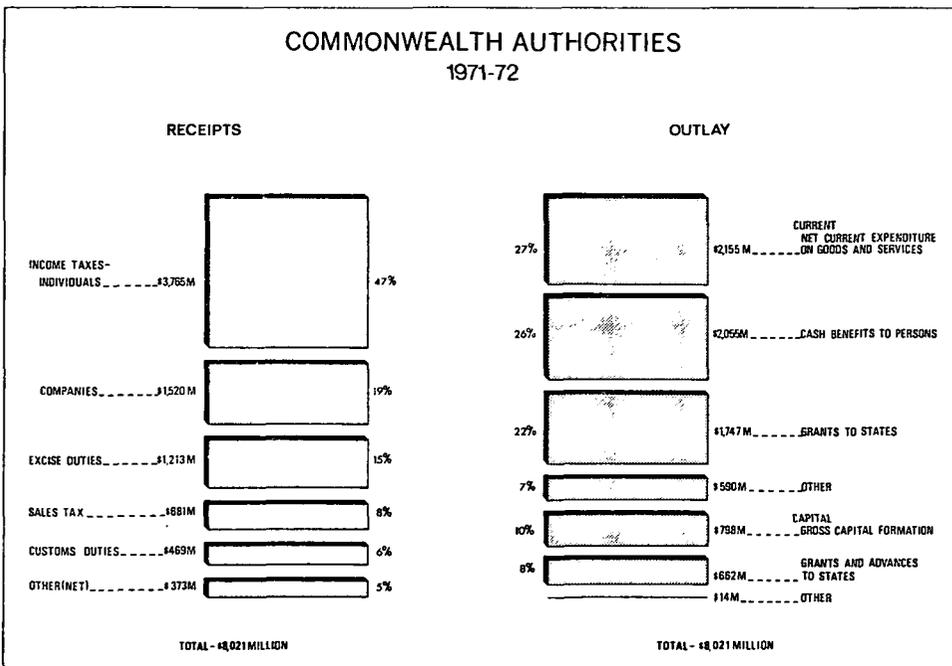


PLATE 34

Summary of receipts and outlay

The receipts and outlay of all Commonwealth authorities for the five year period ended 1971-72 are given in the following table.

COMMONWEALTH AUTHORITIES^(a): RECEIPTS AND OUTLAY, 1967-68 TO 1971-72
(\$ million)

	1967-68	1968-69	1969-70	1970-71	1971-72
RECEIPTS					
Current receipts—					
Taxes, fees, fines, etc.	4,951	5,527	6,378	7,181	7,937
Income from public enterprises	149	195	208	235	288
Interest, etc., received	47	50	56	65	60
<i>Total current receipts</i>	<i>5,146</i>	<i>5,772</i>	<i>6,642</i>	<i>7,481</i>	<i>8,284</i>
Capital receipts—					
Depreciation allowances	137	158	178	193	210
Net sale of securities—					
Commonwealth securities—					
Australia	-6	-365	-283	-167	143
Overseas	209	166	-42	6	-19
Public corporation securities	1	..	12	-10	-1
Other funds available (including errors and omissions)	44	37	108	13	-22
<i>Total capital receipts</i>	<i>385</i>	<i>-4</i>	<i>-27</i>	<i>36</i>	<i>310</i>
Reduction in cash and bank balances	-2	-16	-33	-101	-574
Total receipts	5,530	5,752	6,582	7,417	8,021
OUTLAY					
Current outlay—					
Net current expenditure on goods and services	1,607	1,720	1,786	1,990	2,155
Interest, etc., paid	34	26	23	12	-14
Cash benefits to persons	1,294	1,406	1,598	1,772	2,055
Subsidies	179	207	241	262	356
Transfers overseas	154	159	180	185	205
Grants for private capital purposes	58	32	34	37	43
Grants to States	1,057	1,155	1,309	1,652	1,747
<i>Total current outlay</i>	<i>4,382</i>	<i>4,706</i>	<i>5,170</i>	<i>5,909</i>	<i>6,547</i>
Capital outlay—					
Expenditure on new fixed assets	569	565	651	703	832
Expenditure on existing assets	6	8	-1	-7	-1
Increase in stocks	-3	-3	-2	47	-33
Advances to other sectors	152	99	276	58	14
Grants to States	255	264	311	554	626
Advances to States	170	113	176	151	36
<i>Total capital outlay</i>	<i>1,148</i>	<i>1,045</i>	<i>1,412</i>	<i>1,507</i>	<i>1,474</i>
Total outlay	5,530	5,752	6,582	7,417	8,021

(a) Excluding financial enterprises.

Outlay classified by economic type and function

In the following two tables the outlay of all Commonwealth authorities is shown in terms of a functional classification. The table on this page presents for 1971-72 the outlay under each functional head classified by economic type, highlighting the government's own demand for goods and services and the redistributive effect of its outlays. Current and capital outlay under each functional head are shown for the years 1967-68 to 1971-72 on page 552.

COMMONWEALTH AUTHORITIES(a): TOTAL OUTLAY, BY ECONOMIC TYPE
AND FUNCTION, 1971-72
(\$ million)

CURRENT OUTLAY							
	<i>Expen- diture on goods and services</i>	<i>Cash benefits</i>	<i>Sub- sidies</i>	<i>Trans- fers over- seas</i>	<i>Current Grants to States</i>	<i>Grants for private capital pur- poses</i>	<i>Total</i>
Law, order and public safety	25	..	..	..	..	..	26
Education	67	53	..	1	120	1	243
Cultural and recreational facilities	88	..	..	1	..	..	89
Health	53	517	..	1	1	..	572
Welfare	43	1,213	..	..	28	21	1,305
Defence	1,114	..	..	22	..	..	1,136
Repatriation	108	263	..	..	..	2	373
Development of resources and assistance to industry	198	1	356	2	10	..	566
Transport and communication	55	..	..	8	..	..	63
General administration and legislature	250	..	..	1	..	..	251
Foreign affairs	41	..	..	58	..	..	99
Immigration	51	5	..	1	..	..	57
Regulation of trade and industry	23	2	..	..	..	..	25
Housing	7	..	..	..	4	18	29
Other	2	..	..	108	..	1	112
Not allocated to function	30	..	..	..	1,584	..	(b)1,600
Total	2,155	2,055	356	205	1,747	43	6,547
CAPITAL OUTLAY							
	<i>Expen- diture on new assets</i>	<i>Expen- diture on existing assets and stocks</i>	<i>Capital grants to States</i>	<i>Advances to States</i>	<i>Advances to other sectors</i>		<i>Total</i>
Education	24	..	86	..	..	..	110
Cultural and recreational facilities	14	..	..	..	..	..	14
Health	19	..	6	..	..	..	25
Defence . . . . .	..	3	..	..	..	22	25
Development of resources and assistance to industry	32	-40	42	26	-54	..	6
Transport and communication—							
Post office	403	9	..	..	..	..	412
Civil aviation	184	13	..	..	-29	..	168
Roads	29	..	255	-1	..	..	284
Other	46	-2	3	1	..	..	49
Power, fuel and light	26	..	..	3	..	..	29
Housing	7	-18	6	-10	46	..	30
Other	50	..	9	18	..	..	97
Not allocated to function . . . . .	..	..	219	-1	..	29	226
Total	832	-34	626	36	14		1,474

(a) Excluding financial enterprises. (b) Including interest.

COMMONWEALTH AUTHORITIES(a): TOTAL OUTLAY, BY FUNCTION
1967-68 TO 1971-72
(\$ million)

	1967-68	1968-69	1969-70	1970-71	1971-72
CURRENT OUTLAY					
Law, order and public safety	13	14	17	21	26
Education	109	124	158	211	244
Cultural and recreational facilities	57	64	74	80	89
Health	291	324	382	465	572
Welfare	828	891	1,027	1,115	1,305
Defence	1,010	1,036	1,014	1,092	1,136
Repatriation	275	301	315	330	373
Development of resources and assistance to industry	363	371	419	464	566
Transport and communication	38	41	46	54	63
General administration and legislature	145	158	182	219	252
Foreign affairs	61	67	75	84	99
Immigration	44	59	65	66	57
Regulation of trade and industry	15	15	17	19	25
Housing	18	18	18	22	29
Other	87	91	101	106	112
Not allocated to function	1,028	1,133	1,260	1,563	1,599
Total current outlay	4,382	4,706	5,170	5,909	6,547
CAPITAL OUTLAY					
Education	67	68	88	94	110
Cultural and recreational facilities	11	10	10	11	14
Health	8	9	11	19	25
Defence	59	67	30	-1	25
Development of resources and assistance to industry	67	35	223	80	6
Transport and communication—					
Post office	267	305	349	375	412
Civil aviation	110	59	91	120	168
Roads	185	199	222	257	284
Other	67	58	75	38	49
Power, fuel and light	50	39	51	41	29
Housing	152	159	171	182	30
Other	31	48	42	49	97
Not allocated to function	74	-11	49	243	226
Total capital outlay	1,148	1,045	1,412	1,507	1,474
TOTAL OUTLAY					
Total outlay	5,530	5,752	6,582	7,417	8,021

(a) Excluding financial enterprises.

Main components of outlay

The following tables give further details of the main components of the outlay of Commonwealth authorities, i.e. expenditure on goods and services, cash benefits, subsidies and payments to the States. More detailed information relating to outlay under specific function headings such as defence, education, health and welfare, may be found in the relevant chapters of this Year Book.

Expenditure on goods and services

Expenditure on goods and services by Commonwealth authorities (i.e. the demand by these authorities for the output of the producing sectors of the economy) consists essentially of purchases of goods and services for current consumption *less* any charges made by the authorities for goods and services which they themselves provide, together with expenditure on the acquisition of new fixed assets and existing assets (net of any sales of assets) and any change in stocks. The following tables show functional dissections of net current expenditure on goods and services and expenditure on new fixed assets for the five years ended 1971-72.

COMMONWEALTH AUTHORITIES: NET CURRENT EXPENDITURE ON GOODS AND SERVICES: CLASSIFIED BY FUNCTION, 1967-68 TO 1971-72

(\$ million)

	1967-68	1968-69	1969-70	1970-71	1971-72
Law, order and public safety	12	14	17	20	25
Education	30	36	41	59	67
Cultural and recreational facilities	56	63	73	79	88
Health	26	30	35	44	53
Welfare	22	25	31	36	43
Defence	984	1,017	989	1,073	1,114
Repatriation	71	76	83	92	108
Development of resources and assistance to industry	133	147	162	183	198
Transport and communication	33	35	40	45	55
Power, fuel and light	1	1	1	1	1
Legislature	12	12	14	17	17
General administration	130	143	167	199	233
Foreign affairs	23	26	31	35	41
Immigration	38	53	59	60	51
Regulation of trade and industry	12	13	14	17	23
Housing	5	5	6	6	7
Other	1	2	3	3	1
Not allocated to function	17	22	19	20	30
Grand total	1,607	1,720	1,786	1,990	2,155

**COMMONWEALTH AUTHORITIES: EXPENDITURE ON NEW FIXED ASSETS CLASSIFIED BY
FUNCTION, 1967-1968 TO 1971-72**
(\$ million)

<i>Function</i>	<i>1967-68</i>	<i>1968-69</i>	<i>1969-70</i>	<i>1970-71</i>	<i>1971-72</i>
Public enterprises—					
Development of resources and assistance to industry—					
Water supply, sewerage, etc.	12	8	10	13	18
Other . . . . .	..	..	..	..	..
Total development, etc.	12	8	10	13	18
Manufacturing . . . . .	..	1	1	1	1
Transport and communication—					
Post office	265	301	342	370	403
Railways	16	9	10	13	16
Other	90	42	73	62	171
Total transport, etc.	370	352	425	444	590
Power, fuel and light	44	36	42	39	26
Housing	13	19	17	15	5
Public financial enterprises	16	14	15	14	22
Other . . . . .	..	..	..	..	..
Total public enterprises	455	430	511	526	663
General government—					
Law, order and public safety	1	2	1	2	3
Education	13	13	17	20	24
Cultural and recreational facilities	12	10	9	11	14
Health	3	3	4	13	19
Welfare	2	2	2	4	2
Repatriation	3	3	3	5	3
Development of resources and assistance to industry—other	12	13	15	17	13
Transport and communication—					
Civil aviation	29	36	39	50	38
Roads	20	23	23	30	29
Other	1	2	2	2	5
Total transport, etc.	50	62	65	82	72
Housing	1	1	1	2	2
Other	28	35	31	31	32
Not allocated to function	3	5	7	4	8
Total general government	129	149	155	191	190
Grand total	584	579	666	718	853

Cash benefits to persons

Total payments of cash benefits to persons during the years 1967-68 to 1971-72 are shown in the next table. Further information relating to items in this table is given in the appropriate chapter of this Year Book, and figures of cash benefits paid to persons in each State and Territory may be found in *Public Authority Finance: Commonwealth Authorities*.

COMMONWEALTH AUTHORITIES: CASH BENEFITS TO PERSONS 1967-68 TO 1971-72
(\$'000)

Type of benefit	1967-68	1968-69	1969-70	1970-71	1971-72
Education—					
Commonwealth scholarship scheme—					
Post-graduate	2,899	3,588	4,526	5,209	5,888
University	13,383	16,268	18,160	22,519	28,127
Advanced education	754	1,001	1,628	2,793	3,552
Secondary	6,474	6,558	6,738	6,791	6,924
Technical	1,031	1,123	1,162	1,096	1,048
Soldiers' children education scheme	2,720	3,154	3,203	3,407	3,625
Aboriginal study grants . . . . .	..	62	190	326	473
Aboriginal secondary grants . . . . .	..	..	522	2,201	2,536
Other	717	753	829	994	1,221
<i>Total education</i>	<i>27,979</i>	<i>32,508</i>	<i>36,959</i>	<i>45,337</i>	<i>53,393</i>
Health—					
Hospital benefits	26,598	29,779	40,258	49,812	67,305
Hospital benefits for pensioners	23,665	24,520	24,163	23,555	24,065
Nursing home benefits	24,486	31,643	46,960	49,477	70,593
Medical benefits	46,431	49,556	56,863	95,604	132,574
Medical benefits for pensioners	16,116	16,912	19,224	19,898	27,804
Milk for school children	9,831	10,053	10,051	10,160	11,845
Pharmaceutical benefits	73,019	81,764	95,650	115,094	121,263
Pharmaceutical benefits for pensioners	32,115	36,609	41,069	45,181	52,005
Tuberculosis campaign	11,266	11,460	10,554	10,597	9,596
Handicapped children's benefit . . . . .	..	76	485	456	438
<i>Total health</i>	<i>263,529</i>	<i>292,373</i>	<i>345,277</i>	<i>419,835</i>	<i>517,488</i>
Welfare—					
Age and invalid pensions	513,984	558,587	641,982	702,276	818,516
Child endowment	187,920	193,263	220,121	198,442	216,609
Commonwealth rehabilitation service	1,944	2,260	2,758	3,646	3,945
Funeral benefits	1,338	1,571	1,512	1,653	1,583
Maternity allowances	7,349	7,960	8,000	8,554	8,617
Tuberculosis campaign—allowances	1,091	921	771	659	630
Unemployment benefits, sickness and special benefits	18,832	16,830	18,592	23,478	44,754
Widows' pensions	61,061	69,080	81,753	90,514	105,283
Sheltered employment allowances	104	288	436	590	742
Deserted wives benefits	201	1,149	1,882	3,691	5,876
Personal care . . . . .	..	..	1,133	1,592	1,830
Delivered meals . . . . .	..	..	196	341	338
Emergency assistance to woolgrowers . . . . .	..	..	..	21,327	187
Other	2,273	3,058	2,991	3,950	4,167
<i>Total welfare</i>	<i>796,098</i>	<i>854,966</i>	<i>982,125</i>	<i>1,060,713</i>	<i>1,213,077</i>
Development of resources and assistance to industry—					
Wool research studentships	270	360	341	368	388
Repatriation—					
War and service pensions and allowances	196,219	216,958	223,366	234,979	260,295
Other	1,954	1,981	2,192	2,453	2,832
<i>Total repatriation</i>	<i>198,173</i>	<i>218,939</i>	<i>225,557</i>	<i>237,431</i>	<i>263,127</i>
Immigration—					
Maintenance of migrant families	4,460	4,277	4,623	4,925	4,298
Other	345	656	681	731	602
<i>Total immigration</i>	<i>4,805</i>	<i>4,933</i>	<i>5,304</i>	<i>5,656</i>	<i>4,900</i>
Regulation of trade and industry—					
Coal mining industry—long service leave	918	892	985	1,062	1,241
Stevedoring industry—attendance money, etc.	2,196	1,410	1,141	1,140	1,213
<i>Total regulation of trade, etc.</i>	<i>3,114</i>	<i>2,302</i>	<i>2,127</i>	<i>2,202</i>	<i>2,454</i>
Housing—					
Commonwealth-State Housing Agreement—					
Contribution to rental losses	44	60	74	131	151
Grand total	1,294,011	1,406,441	1,597,765	1,771,673	2,054,978

Subsidies

The following table shows details of Commonwealth outlay on subsidies and bounties for the years 1967-68 to 1971-72. Other assistance to primary producers is included in, for example, tables relating to cash benefits and payments to the States, and additional information is given in Chapter 22, Rural Industry.

COMMONWEALTH AUTHORITIES: SUBSIDIES 1967-68 TO 1971-72

(\$'000)

Type of subsidy	1967-68	1968-69	1969-70	1970-71	1971-72
Dairy industry	27,000	27,000	27,000	41,500	39,882
Wheat prices stabilisation	15,508	42,870	..	29,008	58,357
Phosphate fertilisers	23,564	31,665	45,820	40,815	45,795
Oil search	11,552	12,333	14,298	9,643	7,572
Nitrogenous fertilisers	10,308	11,044	9,876	9,716	9,757
Gold mining industry	4,302	1,737	1,812	2,828	1,992
Pyrites . . . . .	..	..	..	568	1,205
Cotton	4,027	4,620	3,531	2,973	795
Processed milk products	743	638	516	2,729	2,052
Sulphate of ammonia	565	430	1,081	538	-2
Vinyl resin	12	..	..	..	..
Sulphuric acid	1,286	988	740	489	896
Agricultural tractor	2,480	2,249	1,757	2,750	3,160
Cellulose acetate flake	220	179	276	200	166
Poultry industry assistance	10,418	10,920	11,349	12,505	13,420
Urea	163	424	496	449	..
Devaluation compensation . . . . .	..	35,627	30,069	21,600	7,227
Book bounty . . . . .	..	..	1,374	3,217	3,181
Industrial and development research grants	654	5,300	8,915	16,250	13,000
Ship construction	11,605	12,551	18,758	18,646	12,692
Dried vine fruits stabilisation . . . . .	..	..	1,240	1,161	276
Wool marketing—Assistance . . . . .	..	..	..	2,900	4,100
Wool Commission . . . . .	..	..	..	1,040	..
Deficiency payments for wool . . . . .	..	..	..	..	52,802
Northern Territory—					
Coastal shipping service	39	24	27	12	36
Petrol prices	991	1,316	1,742	2,092	2,165
Railway freight	100	113	87	114	80
Superphosphate sea subsidy	43	23	50	55	200
Transport of stud stock	80	175	245	129	100
Drought relief freight concessions	50	2	239	149	210
Air services	1,901	1,780	1,800	2,000	1,900
Coastal shipping service—King Island	150	141	150	160	143
South American shipping service	300	180	157	113	38
Petrol prices stabilisation	16,578	17,948	20,625	21,737	23,064
Stevedoring industry	6,190	9,053	9,323	12,289	14,892
Apple and pear stabilisation . . . . .	..	..	..	..	2,584
Export incentive . . . . .	..	..	..	..	(a)50,674
Other	400	68	..	10	..
Adjustment to payable basis	27,361	-24,346	27,538	1,800	-18,300
Total	178,590	207,053	240,892	262,185	356,111

(a) Offset against gross receipts of pay-roll tax prior to 1971-72.

Grants and advances to the States

Commonwealth financial assistance to the States takes two main forms: (i) direct financial assistance in the form of grants for general and specific purposes, and (ii) assistance for developmental and other specific purposes in the form of repayable advances. Some information about the more important or most recent of these forms of financial assistance is given on pages 557-65, but for more complete information reference should be made to the Commonwealth Budget paper *Commonwealth Payments to or for the States*. Further information also appears in chapters of this Year Book dealing with the specific function which the payments are designed to serve.

Grants to the States

The following tables show details of grants to the States for general and specific purposes. More detailed figures appear in *Public Authority Finance: Commonwealth Authorities*.

COMMONWEALTH AUTHORITIES: GRANTS TO THE STATES, BY FUNCTION, 1971-72
(**\$'000**)

<i>Function</i>	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Tas.</i>	<i>Total</i>
CURRENT GRANTS							
Specific purpose—							
Education	43,612	36,842	15,255	10,842	9,911	3,788	120,250
Health	231	6	170	77	93	7	584
Welfare	10,811	6,239	5,760	1,786	2,138	1,508	28,243
Housing	1,368	1,005	315	623	457	232	4,000
Development of resources and assistance to industry	2,711	2,064	2,897	828	781	440	9,721
Other functions	-370	..	..	..	..	..	-370
Not allocated to function—							
Payments under Financial Agreement	14,507	10,632	5,623	4,866	3,505	2,359	41,492
Debt charges assistance	7,600	5,568	3,051	2,991	2,211	1,590	23,008
<i>Total specific</i>	<i>80,470</i>	<i>62,356</i>	<i>33,071</i>	<i>22,013</i>	<i>19,096</i>	<i>9,924</i>	<i>226,928</i>
General purpose—							
Financial assistance grants	462,204	348,464	231,603	158,491	170,960	69,156	1,440,878
Special grants . . . . .	..	..	9,000	7,000	..	7,800	23,800
Special revenue assistance	18,313	13,621	8,606	5,929	6,014	2,517	55,000
<i>Total general</i>	<i>480,517</i>	<i>362,085</i>	<i>249,209</i>	<i>171,420</i>	<i>176,974</i>	<i>79,473</i>	<i>1,519,678</i>
<i>Total current</i>	<i>560,987</i>	<i>424,439</i>	<i>282,280</i>	<i>193,433</i>	<i>196,070</i>	<i>89,397</i>	<i>1,746,606</i>
CAPITAL GRANTS							
Specific purpose—							
Education	29,517	24,086	11,535	8,565	7,935	4,331	85,969
Health	1,446	1,081	1,958	482	882	279	6,127
Welfare	3,460	2,254	772	1,092	804	243	8,624
Development of resources and assistance to industry	8,673	2,924	20,075	2,513	7,127	823	42,133
Transport and communication	74,500	49,820	53,574	26,627	41,694	12,094	258,309
Other functions	1,714	280	1,933	342	1,268	35	5,572
<i>Total specific</i>	<i>119,310</i>	<i>80,445</i>	<i>89,847</i>	<i>39,621</i>	<i>59,710</i>	<i>17,805</i>	<i>406,734</i>
General purpose—							
Capital assistance grants	69,690	55,890	27,710	30,030	20,470	15,310	219,100
<i>Total capital</i>	<i>189,000</i>	<i>136,335</i>	<i>117,557</i>	<i>69,651</i>	<i>80,180</i>	<i>33,115</i>	<i>625,834</i>

COMMONWEALTH AUTHORITIES: GRANTS TO THE STATES, BY FUNCTION
1967-68 TO 1971-72
(\$'000)

<i>Function</i>	<i>1967-68</i>	<i>1968-69</i>	<i>1969-70</i>	<i>1970-71</i>	<i>1971-72</i>
CURRENT GRANTS					
Specific purpose—					
Education	48,338	52,846	77,005	103,316	120,250
Health . . . . .	..	162	161	290	584
Welfare	-26	-50	21	507	28,243
Housing . . . . .	..	..	..	..	4,000
Development of resources and assistance to industry	30,285	15,964	14,464	16,796	9,721
Other functions	-275	-294	-319	-328	-370
Not allocated to function—					
Payments under Financial Agreement	35,557	36,789	38,441	39,720	41,492
Debt charges assistance . . . . .	..	..	..	11,504	23,008
<i>Total specific</i>	<i>113,879</i>	<i>105,417</i>	<i>129,773</i>	<i>171,806</i>	<i>226,928</i>
General purpose—					
Financial assistance grants	907,539	1,018,193	1,141,319	1,418,518	1,440,878
Special grants	35,407	17,392	21,900	18,680	23,800
Special revenue assistance . . . . .	..	14,000	16,000	43,000	55,000
Total general	942,946	1,049,585	1,179,219	1,480,198	1,519,678
Total current	1,056,826	1,155,001	1,308,992	1,652,004	1,746,606
CAPITAL GRANTS					
Specific purpose—					
Education	53,958	55,377	71,160	74,035	85,969
Health	5,062	5,861	7,053	5,404	6,127
Welfare . . . . .	..	125	1,081	5,419	8,624
Development of resources and assistance to industry	8,423	12,396	17,376	33,256	42,133
Transport and communication	186,589	187,501	211,167	230,900	258,309
Other functions	843	2,648	3,610	5,278	5,572
<i>Total specific</i>	<i>254,876</i>	<i>263,908</i>	<i>311,447</i>	<i>354,292</i>	<i>406,734</i>
General purpose—					
Capital assistance grants . . . . .	..	..	..	200,000	219,100
Total capital	254,876	263,908	311,447	554,292	625,834

General purposes grants

The Financial Assistance Grants. Details of the financial assistance grants arrangements existing in 1971-72 and prior years are given in earlier issues of the Year Book (see No. 58, page 548). Revised arrangements to apply over the five years 1970-71 to 1974-75 are embodied in the *States Grants Act (No. 2) 1971*.

The financial assistance grants, which are the main general revenue grants to the States, will continue to increase each year in proportion to the increase in average wages in Australia as a whole in the year ending 31 March in the year of payment and to the increase in each States' population in the year ending 31 December in the year of payment and by a further 'betterment factor.' However, this last factor will increase, beginning with the calculation of the 1971-72 grants, from 1.2 per cent to 1.8 per cent. Further grants are provided for over the years 1970-71 to 1974-75 to New South Wales and Victoria (equal to two dollars per head of their population, increasing to \$3.50 in 1972-73) to Queensland (by way of an annual addition of \$2 million to the base on which its grant is calculated) and to Western Australia (the amount being \$9.5 million in 1971-72, \$10.0 million in 1972-73, \$3.5 million in 1973-74 and \$0.4 million in 1974-75). Compensatory grants payable to the States for the loss of receipts duty are subject to increases under the formula. As from 1971-72,

financial assistance grants otherwise payable are to be reduced to offset the transfer of payroll taxation from the Commonwealth to the States. The following table shows details of the calculation of the financial assistance grants for 1971-72.

CALCULATION OF FINANCIAL ASSISTANCE GRANTS FOR 1971-72
(**\$'000**)

	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Tas.</i>	<i>Total</i>
'Base' grants(a)	473,588	352,732	221,552	153,932	152,963	65,731	1,420,498
Plus additions under formula(b)	72,165	53,197	34,927	22,756	26,275	9,275	218,594
Formula grants	545,753	405,929	256,479	176,688	179,238	75,006	1,639,092
Plus additional grants to particular States	(c)9,282	(c)7,061	..	..	(d)9,500	..	25,843
Less reduction to offset the transfer of payroll tax(e)	92,830	64,525	24,875	18,197	17,778	5,850	224,057
Total financial assistance grants	462,204	348,464	231,603	158,491	170,960	69,156	1,440,878

(a) Financial assistance grants paid in 1970-71 under the *States Grants Act 1971-72*. They are the totals of the 1970-71 formula grants, additions of \$2 million and \$10 million for Queensland and Tasmania respectively, and the additions to the base made to compensate for the loss of receipts duty. (b) Due to population increases in each State in the year ended 31 December 1971 (the weighted average of these increases was 1.83 per cent) to an increase in average wages in Australia as a whole in the year ending March 1972 of 11.31 per cent, and to the betterment factor of 1.8 per cent. (c) Equal to \$2 per head of these States' populations at 31 December 1971. (d) Additional grant reduced from the \$12.5 million paid in 1970-71. (e) This amount was agreed between the Commonwealth and State Treasuries and was formally determined by the Treasurer in accordance with the *States Grants Act 1971-72*.

Special Grants. These grants are paid to the financially weaker States as supplements to the financial assistance grants. They are subject to annual recommendation by the Commonwealth Grants Commission. Each recommendation by the Commission for payment of a special grant consists of two parts: (i) One part is based on an estimate of the claimant State's financial need in the current financial year, and is treated as an advance payment subject to adjustment two years later when the Commission has compared in detail the audited budget results and standards of effort and of services provided in that year for both the claimant State and the States which the Commission takes as 'standard' (New South Wales and Victoria at present). (ii) The other part represents the final adjustment to the advance payment made two years earlier and is known as the completion payment. The following table shows special grants paid in the years 1968-69 to 1972-73.

COMMONWEALTH GRANTS COMMISSION: SPECIAL GRANTS, 1968-69 TO 1972-73
(**\$'000**)

	<i>1968-69</i>	<i>1969-70</i>	<i>1970-71</i>	<i>1971-72</i>	<i>1972-73</i>
Queensland—					
Advance payment . . . . .	..	..	..	9,000	10,000
Completion payment(a) . . . . .	..	..	..	..	..
Total . . . . .	..	..	..	9,000	10,000
South Australia—					
Advance payment . . . . .	..	..	5,000	7,000	13,500
Completion payment(a) . . . . .	..	..	..	..	7,500
Total . . . . .	..	..	5,000	7,000	21,000
Western Australia—					
Advance payment . . . . .	..	..	..	..	..
Completion payment(a) . . . . .	..	582	..	..	..
Total . . . . .	..	582	..	..	..
Tasmania—					
Advance payment	18,000	22,000	22,000	11,000	10,000
Completion payment(a)	-1,190	-100	1,680	-3,200	-2,400
Total	16,810	21,900	(b)23,680	7,800	7,600
Grand total	17,392	21,900	28,680	23,800	38,600

(a) Adjustment to estimated grant paid two years previously. (b) \$10,000,000 and \$13,680,000 paid as Financial Assistance Grants and Special Grants respectively.

Minus sign (-) denotes excess of repayment.

Capital assistance grants. Also as part of the new revenue assistance arrangements, the Commonwealth has undertaken to pay grants to the States to finance capital works. The grants replace State borrowings and thereby relieve them of debt charges they would otherwise have had to pay. These grants, which were authorised by the *States Grants (Capital Assistance) Act 1970*, totalled \$200 million in 1970-71, \$219.1 million in 1971-72 and will amount to \$248.5 million in 1972-73.

Specific purpose grants

Education

Payments to the States for universities were first introduced in 1951-52, and details of the States Grants (Universities) Acts under which they were continued are given in earlier issues of the Year Book (see No. 51 page 923 and No. 52 page 770). The *States Grants (Universities) Act 1971* authorised grants totalling approximately \$251,400,000 for the Commonwealth share of the agreed program of development of State universities for the years 1970 to 1972. (See also Chapter 19, Education Cultural Activities, and Research.)

The Commonwealth, in the 1970-72 triennium, is meeting the full cost of a \$13.5 million research programme approved by the Australian Research Grants Committee. In addition, the Commonwealth has agreed to finance a program of research costing \$20 million in the 1973-75 triennium.

Colleges of Advanced Education. Under the States Grants (Advanced Education) Acts, the Commonwealth is providing financial assistance to the States of \$100.8 million during the 1970-72 triennium for recurrent and capital expenditures.

The *States Grants (Science Laboratories) Act 1971* extended for the four years ending 30 June 1975 the operation of the scheme outlined in Official Year Book No. 54 page 745. A total payment of \$43.3 million is provided for with equal annual authorisations.

Grants for buildings and equipment for use in technical training in schools and colleges conducted by States only are provided for under the *States Grants (Technical Training) Act 1971* which provides for the payment of up to \$36 million in the years 1970-71 to 1972-73.

Under the *States Grants (Teachers Colleges) Act 1970* the Commonwealth provided for a maximum amount of \$30 million over the three years ending 30 June 1973 for the construction and equipping of teachers colleges.

Under the *States Grants (Secondary School Libraries) Act 1971* grants totalling \$30 million were authorised over the three years commencing 1 January 1972 to finance buildings and associated capital facilities for libraries in government and non-government secondary schools.

The *States Grants (Pre-school Teachers Colleges) Acts 1968, 1971 and 1972* provided for capital grants totalling \$2.5 million to 31 December 1973 for the purpose of increasing the physical capacity of approved pre-school teachers colleges.

The *States Grants (Independent Schools) Act 1972* authorised payments to the States, for transmission to independent schools, of contributions to school running costs at rates of \$50 per primary pupil and \$68 per secondary pupil per annum as from the beginning of 1972.

The *States Grants (Capital Assistance) Act 1971-72* provides an amount of \$20 million over the eighteen months January 1972 to July 1973 for capital expenditure on government primary and secondary schools.

Health

The *Tuberculosis Act 1948* provided for the reimbursement by the Commonwealth of capital and maintenance expenditure incurred by the States in the provision of facilities for the diagnosis, treatment and control of tuberculosis.

The *States Grants (Mental Health Institutions) Act 1964-1970* authorised assistance to the States amounting to one-third of their total expenditure on building and equipping approved mental health institutions up to 30 June 1973.

Welfare

The *States Grants (Home Care) Act, 1969* the *States Grants (Paramedical Services) Act 1969* and the *States Grants (Nursing Homes) Act 1969* provide funds for a range of home care services, senior citizens' centres and nursing homes, mainly for aged persons. See Chapters 13, Welfare Services, and 14, Public Health.

During December 1971 the Commonwealth introduced a scheme of grants to the States for employment-creating activities in non-metropolitan areas. In 1971-72 these grants amounted to \$27 million.

*Development of resources and assistance to industry**Natural disasters*

Payments to the States for natural disaster relief (drought, flood, bushfire, earthquake, cyclone, mouse plague) include financial assistance to alleviate personal hardship and distress and to enable the States to meet budgetary problems arising from the effects on their revenues of such natural disasters. Such relief does not normally cover the full cost of restoration of private assets damaged by natural disasters, it being regarded as the individual's responsibility to provide against such losses by way of insurance. Of the total amount of \$5,682,000 made available by the Commonwealth for this purpose in 1971-72, grants of \$5,539,000 were paid to Queensland for drought and cyclone relief and cyclone damage restoration.

Water resources projects

Investigation and measurement of water resources. Commonwealth commitments under the National Water Resources Development Programme up to 30 June 1971 included further grants of up to \$12.8 million to Queensland for Bundaberg Irrigation Works, further assistance of up to \$9 million to New South Wales for flood mitigation works on various of its coastal rivers, further grants of up to \$4.7 million to New South Wales and Queensland towards the cost of construction of a dam and associated works on Pike Creek in the border river region of the two States, \$2 million to Victoria towards the cost of construction of a pipeline and certain associated works to carry water from the River Murray to rural holdings in the Millewa district, and of \$8.2 million for additional investigation and measurement of State water resources in a three-year program commencing in 1970-71.

Fairbairn Dam. The *Queensland Grant (Maraboon Dam) Act 1968* provided for grants to Queensland of up to \$20 million for the construction of a dam on the Nogoia River near Emerald.

Copeton Dam. Commonwealth grants up to \$20 million will be made to New South Wales under the *New South Wales Grant (Gwydir River Dam) Act 1969* for the construction of a dam on the Gwydir River near Copeton.

King River Dam. Under the *Victoria Grant (King River Dam) Act 1969* the Commonwealth is providing grants of up to \$4 million to Victoria for the construction of a dam on the King River south of Cheshunt.

Tailem Bend to Keith Pipeline. The construction of a pipeline and certain associated works to carry water from Tailem Bend to Keith in South Australia is being assisted financially by provision of grants up to \$6 million under the *South Australia Grant (Tailem Bend to Keith Pipeline) Act 1969*.

Ord River Irrigation Project. The *Western Australia (Ord River Irrigation) Act 1968* provided for financial assistance to Western Australia on the basis of grants for dam construction and interest-bearing loans in respect of the irrigation works. Grants amounting to \$4,593,000 were paid during 1971-72.

River Murray Salinity Reduction. The *Victoria Grant (River Murray Salinity) Act 1968* provides for grants to Victoria of up to \$3,600,000 for two salinity reduction projects on the River Murray.

Cressy-Longford Irrigation Works, Tasmania. Grants of up to \$750,000 to Tasmania for the construction of a channel system and associated works to carry water from the tailrace of the Poatina Power Station to supply rural holdings were provided for by the *Tasmania Grant (Cressy-Longford Irrigation Works) Act 1969*.

Assistance to Primary Industry

Marginal dairy farms reconstruction. Under the *Marginal Dairy Farms Agreement Act 1970* the Commonwealth may provide financial assistance to the States of up to \$25 million to enable the States to acquire marginal dairy farms from their owners by agreement, and dispose of them so as to encourage the most practicable and economic use of the land. The States are required to repay half of the sum paid out by the Commonwealth under this scheme. Payments to the States in 1971-72 amounted to \$7,592,000.

Rural reconstruction. The *States Grants (Rural Reconstruction) Act 1971* provides for the Commonwealth to make available up to \$100 million over the period ended 30 June 1975 to finance schemes for farm debt reconstruction, farm build-up, and rehabilitation for persons forced to leave rural industry. Three-quarters of the amount paid by the Commonwealth over the period of the scheme is to be repaid by the States. Payments under the scheme in 1971-72 amounted to \$40 million.

*Transport and communication**Roads projects*

The *Commonwealth Aid Roads Act 1969* provided for principal and supplementary grants totalling \$1,252,050,000 to be paid to the States over the five-year period commencing on 1 July 1969. Supplementary grants totalling \$52,050,000 are to be made to South Australia, Western Australia and Tasmania to assist in the transition from arrangements under the 1964 Act and the principal grant of \$1,200 million is to be allocated specifically as follows: Urban-arterial and sub-arterial roads \$600,690,000; Rural-arterial roads \$186,760,000 and other rural roads \$394,550,000; and planning and research \$18,000,000. Total grants of \$1,252,050,000 payable in the five-year period from 1969-70 to 1973-74 are to be allocated on the following basis: New South Wales, \$380,400,000; Victoria, \$254,400,000; Queensland, \$231,600,000; South Australia, \$129,000,000; Western Australia, \$200,400,000; and Tasmania, \$56,250,000. In addition, the Commonwealth has agreed to provide up to \$2.5 million to South Australia towards the cost of completing the sealing of the Eyre Highway. For details of previous legislation see earlier year books.

Beef cattle roads. The States Grants (Beef Cattle Roads) Act 1968 provided for grants of \$39,500,000, \$9,500,000, and \$1,000,000 for Queensland, Western Australia, and South Australia respectively for a programme of beef cattle road construction over a period of seven years commencing from 1 July 1967.

Railway projects

The Commonwealth is continuing to make grants to South Australia and Western Australia under its railway standardisation agreement with those two States. In addition, from 1971-72 onwards \$1.75 million was made available to Tasmania to meet part of the cost of the construction of a new rail link between Nelsons Creek and Bell Bay, and the upgrading of the existing rail track between Launceston and Nelsons Creek and associated works.

Harbours

The Commonwealth has agreed to provide financial assistance to Tasmania of \$1.4 million towards the construction of port facilities at Grassy Harbour, King Island.

Other functions

Housing. With the termination of the Commonwealth-State Housing Agreement, States' borrowings through the Loan Council are to be supplemented by: (i) cumulative grants of \$2.75 million a year payable for 30 years in respect of each of the years from 1971-72 to 1975-76 to replace interest concessions under the old agreement, the total sum over 30 years is to aggregate \$412.5 million; (ii) non-cumulative grants of \$1.25 million each year for the next five years, a total of \$6.25 million, for reducing rents of dwellings for families considered to have insufficient means to pay the rents ordinarily payable to State authorities in respect of these dwellings.

Aboriginal Advancement. The *States Grants (Aboriginal Advancement) Acts 1969, 1970 and 1971* provided for the payment to the States of grants totalling \$9.2 million in 1971-72 and an estimated \$14.5 million in 1972-73 for Aboriginal advancement particularly in the fields of housing, education and health.

Development of Exmouth township, Western Australia. The Commonwealth has assisted the Western Australian Government in financing the cost of developing a township at Exmouth in connection with the United States Naval Communications Station established at North West Cape.

Other specific purpose grants

Contributions under Financial Agreement. Details of the Financial Agreement between the Commonwealth and the States are given in Year Book No. 37, pages 685-90. Under this Agreement the Commonwealth undertook to contribute \$15,169,824 per annum towards interest payable on the State loan securities for a period of 58 years from 1 July 1927. This amount is distributed among the States as follows: New South Wales, \$5,834,822; Victoria, \$4,254,318; Queensland, \$2,192,470; South Australia, \$1,407,632; Western Australia, \$946,864; Tasmania, \$533,718. In addition, under the Financial Agreement the Commonwealth agreed to make certain contributions to the National Debt Sinking Fund for redemption of State loan securities. Details of these are given on page 609 of this chapter.

Debt Charges Assistance. As part of the revised revenue assistance arrangements to apply over the five years 1970-71 to 1974-75 the Commonwealth is providing the States with grants to finance increasing portions of the interest and sinking fund charges on certain State debt amounting to \$1,000 million. The grants, which are authorised by the *States Grants (Debt Charges Assistance) Act 1970* totalled \$11,504,000 in 1970-71 and will increase by that sum each subsequent year. Over the five years 1970-71 to 1974-75, the total assistance provided will amount to \$172,560,000.

Advances to the States

The following tables show figures of advances to the States and repayments of advances. More detailed figures appear in *Public Authority Finance: Commonwealth Authorities*.

COMMONWEALTH AUTHORITIES: ADVANCES TO THE STATES, BY FUNCTION, 1971-72 (\$'000)

Function	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
GROSS							
Development of resources and assistance to industry	8,750	6,718	12,330	4,165	8,655	1,041	41,657
Transport and communication—							
Railway projects . . . . .	..	..	..	272	1,169	1,820	(a)3,761
Other . . . . .	..	..	..	1,750	..	..	1,750
Power, fuel and light . . . . .	..	..	..	..	..	2,500	2,500
Housing	5,545	1,165	..	..	324	..	7,034
Not allocated to function	17,500	..	..	..	..	..	17,512
Total gross advances	31,795	7,883	12,330	6,187	10,148	5,361	74,214
REPAYMENTS							
Development of resources and assistance to industry	2,998	872	3,475	4,427	1,863	1,495	15,130
Transport and communication—							
Railway projects	192	..	1,422	343	1,628	..	3,585
Other	330	..	642	..	151	..	1,123
Power, fuel and light . . . . .	..	..	..	..	..	..	..
Housing	5,816	5,189	1,575	1,986	1,473	604	16,643
Not allocated to function . . . . .	..	..	..	..	..	..	1,275
Total repayments	9,336	6,061	7,114	6,756	5,115	2,099	37,756
NET							
Development of resources and assistance to industry	5,752	5,846	8,855	-262	6,792	-454	26,527
Transport and communication—							
Railway projects	-192	..	-1,422	-71	-459	1,820	(a)176
Other	-330	..	-642	1,750	-151	..	627
Power, fuel and light . . . . .	..	..	..	..	..	2,500	2,500
Housing	-271	-4,024	-1,575	-1,986	-1,149	-604	-9,609
Not allocated to function	17,500	..	..	..	..	..	16,237
Total net advances	22,459	1,822	5,216	-569	5,033	3,262	36,458

(a) The estimated advance for intersystem passenger vehicles has not been allocated and has been included in the total only.

Minus sign (-) denotes excess of repayment.

**COMMONWEALTH AUTHORITIES: ADVANCES TO THE STATES
BY FUNCTION, 1967-68 TO 1971-72**

(\$'000)

<i>Function</i>	1967-68	1968-69	1969-70	1970-71	1971-72
GROSS					
Development of resources and assistance to industry	50,412	22,429	16,923	26,047	41,657
Transport and communication—					
Railway projects	13,989	10,244	9,971	4,233	3,761
Other . . . . .	..	11,000	..	2,250	1,750
Power, fuel and light	5,300	3,200	9,704	3,211	2,500
Housing	129,943	132,899	141,691	150,777	(a)7,034
Not allocated to function(b)	726	..	35,533	269	17,512
Total gross advances	200,370	179,771	213,821	186,787	74,214
REPAYMENTS					
Development of resources and assistance to industry	15,402	19,482	18,829	12,185	15,130
Transport and communication—					
Railway projects	1,725	1,886	3,010	3,231	3,585
Other	1,113	1,115	1,118	1,120	1,123
Power, fuel and light	25	1	..	4	..
Housing	12,297	13,413	14,567	15,647	16,643
Not allocated to function(b) . . . . .	..	31,202	..	3,705	1,275
Total repayments	30,563	67,100	37,525	35,892	37,756
NET					
Development of resources and assistance to industry	35,010	2,946	-1,907	13,863	26,527
Transport and communication—					
Railway projects	12,264	8,358	6,961	1,002	176
Other	-1,113	9,885	-1,118	1,130	627
Power, fuel and light	5,275	3,199	9,704	3,207	2,500
Housing	117,646	119,486	127,124	135,130	-9,609
Not allocated to function(b)	726	-31,202	35,533	-3,436	16,237
Total net advances	169,806	112,671	176,297	150,894	36,458

(a) From 1971-72 this item includes only advances to the States in respect of the cost of erection of houses for military personnel. Other funds for housing are obtained by the States under the State Loan program. (b) Comprised mainly of States' deposits with the National Debt Sinking Fund.

Minus sign (-) denotes excess of repayments.

Details of some of the more important State projects for which the Commonwealth is providing financial assistance by way of advances are set out below.

Development of resources and assistance to industry

Water resources projects

Blowering Reservoir, New South Wales. The Blowering Reservoir was constructed at the expense of the State of New South Wales mainly by the Snowy Mountains Hydro-electric Authority, and the Commonwealth has financed half the cost in the form of repayable interest-bearing loans to that State.

Under the *Western Australia (South-west Region Water Supplies) Agreement Act 1965-1971*, the Commonwealth is providing financial assistance of up to \$12,000,000 by way of interest-bearing loans to Western Australia to accelerate works undertaken by the State to extend the comprehensive water supply scheme in the south-west portion of the State.

Chowilla and Dartmouth Reservoirs. Under the River Murray Waters Agreement the Commonwealth provided assistance in the form of interest-bearing loans amounting to \$1,500,000 to meet the capital costs of the Chowilla Reservoir. Because of significant increases in the estimated cost of the project, it was decided in August 1967 to suspend work on it. Further investigations then followed, including a re-assessment of the likely yield from both Chowilla and alternative storages on the Upper Murray and Mitta Mitta Rivers. Following this re-assessment, the River Murray Commission in February 1969 agreed that a 3,000,000 acre feet storage at Dartmouth on the Mitta Mitta River provided the greatest overall benefits in terms of cost and yield and should be the next development of the resources of the River Murray. The estimated cost of the Dartmouth Dam is \$64 million, and the Commonwealth is making advances to the three States concerned (New South Wales, Victoria and South Australia) amounting to fifty per cent of each of their one-quarter share of the construction costs. The Commonwealth itself will make its own quarter contribution of the cost of the project. No payments have yet been made to the States, but it is estimated the \$500,000 will be paid to each of the three participating States in 1972-73. (Further information can be found in Chapter 23, Water Conservation and Irrigation).

Rural industries development projects

Brigalow lands. Under the Brigalow Lands Agreement Acts, Commonwealth advances to the State of Queensland for specified works associated with the production of beef cattle and other primary products in the Fitzroy River Basin and the supply of beef for export were fixed at an overall limit of \$23 million. Repayments over a twenty-year period commenced in 1968 in respect of advances made prior to 1 July 1967 and in 1971 in respect of advances made after 1 July 1967.

Softwood forestry. The *Softwood Forestry Agreements Act 1967* authorised the Commonwealth to provide assistance during the five years ending 30 June 1971 for increased planting of softwood forests. Total assistance of the order of \$17.7 million is in the form of interest-bearing loans repayable over twenty-five years.

Transport and communication

Railway projects. The Commonwealth is continuing to make advances to South Australia and Western Australia to finance 30 per cent of the cost associated with railway standardisation in those States. In 1971-72, \$2.5 million was made available to Tasmania to finance railway extensions and up-grading in that State.

Natural gas pipeline, South Australia. Under the *Natural Gas Pipeline (South Australia) Agreement Act 1967* the Commonwealth is providing a maximum of \$15 million by way of interest-bearing loans to help finance the construction of a pipeline to transport gas from natural gas fields at Gidgealpa and Moomba.

Power, fuel and light

The *Tasmania Agreement (Hydro-Electric Power Development) Act 1968* provided for interest-bearing loans with an overall limit of \$47 million to Tasmania for the financing of a five-year programme of accelerated hydro-electric development based on the commencement of development of the Gordon River area in the south west of the State.

Main components of receipts

The main components of the receipts of Commonwealth authorities are taxation, income of public enterprises and other factor income transfers, and borrowing and financing transactions. Taxation constitutes by far the major source of receipts. Borrowing is now of minor significance so far as Commonwealth authorities are concerned, although, as may be seen in later tables, it has become an increasingly significant source of funds for the States. The realisation of the increasing commitment of State revenues to the servicing of a rapidly growing debt burden led to the arrangement agreed to at the 1970 Premiers' Conference whereby the Commonwealth now makes interest-free capital grants to the States in lieu of moneys previously obtained by the States from borrowings (*see* page 560).

In what follows, an account is given of the system of Commonwealth taxation, and some details are given of the current operations of Commonwealth public enterprises. Borrowing and other financing activities of Commonwealth authorities are dealt with for convenience in a later section relating to the debt of all public authorities.

Commonwealth taxation—summary

The following tables show Commonwealth taxation receipts classified by type of tax for the years 1967-68 to 1971-72, and the proportion of each type to total collections.

**COMMONWEALTH AUTHORITIES: TAXATION BY TYPE OF TAX
1967-68 TO 1971-72
(\$'000)**

Type of tax	1967-68	1968-69	1969-70	1970-71	1971-72
Income tax—					
Individuals	2,175,249	2,377,407	2,854,857	3,174,983	3,764,686
Companies(a)	830,142	998,021	1,140,922	1,379,255	1,462,097
Dividend (withholding)	21,716	28,303	38,003	35,956	42,002
Interest (withholding)	910	4,456	8,019	12,318	15,650
Total income taxes	3,028,017	3,408,187	4,041,801	4,602,512	5,284,435
Estate duty	54,717	60,726	71,332	70,101	67,258
Gift duty	8,543	9,376	8,553	7,795	8,530
Rates on land	1,045	1,069	1,296	2,066	5,312
Customs duties	312,220	346,264	413,559	465,989	468,732
Excise duties	855,168	902,307	939,283	1,053,460	1,212,925
Sales tax	416,626	494,090	568,668	632,537	680,772
Primary production taxes	31,649	33,674	33,133	27,300	28,836
Licences and registration fees n.e.i.—					
Broadcasting listeners' and television viewers' licences	39,182	45,125	48,389	49,563	61,785
Broadcast station licences	299	310	345	341	474
Television station licences	1,144	1,392	1,491	1,647	1,967
Other	1,721	2,176	2,365	3,236	4,037
Total licences, etc.	42,346	49,003	52,590	54,787	68,263
Stevedoring industry charge	14,259	14,402	13,726	13,131	15,987
Payroll tax	184,416	205,568	230,469	247,677	91,170
Other taxes, fees, fines, etc.	1,807	2,330	3,458	3,970	4,900
Total taxation	4,950,813	5,526,996	6,377,868	7,181,325	7,937,120
<i>of which—</i>					
Taxes levied in the Territories only	3,029	3,589	5,599	7,665	11,549

(a) Excludes income tax paid by public enterprises: 1967-68, \$6.5m; 1968-69, \$8.5m; 1969-70, \$10.4m; 1970-71, \$16.1m; 1971-72, \$15.4m.

**COMMONWEALTH AUTHORITIES: PROPORTION OF EACH TYPE OF TAX TO
TOTAL TAXATION, 1967-68 TO 1971-72
(Per cent)**

Type of tax	1967-68	1968-69	1969-70	1970-71	1971-72
Income tax	61.2	61.7	63.4	64.1	66.6
Estate duty	1.1	1.1	1.1	1.0	0.9
Gift duty	0.2	0.2	0.1	0.1	0.1
Rates on land . . . . .	..	..	..	..	0.1
Customs duties	6.3	6.3	6.5	6.5	5.9
Excise duties	17.3	16.3	14.7	14.7	15.3
Sales tax	8.4	8.9	8.9	8.8	8.6
Primary production taxes	0.6	0.6	0.5	0.4	0.4
Licences and registration fees n.e.i.	0.9	0.9	0.8	0.8	0.9
Stevedoring industry charge	0.3	0.3	0.2	0.2	0.2
Payroll tax	3.7	3.7	3.6	3.4	1.2
Other taxes, fees, fines, etc. . . . .	..	..	..	0.1	0.1
Total taxation	100.0	100.0	100.0	100.0	100.0

Taxes on income

A description of the development of income taxes in Australia appeared in Year Book No. 35, page 926. Since July 1942 the Commonwealth, under the uniform tax arrangement, has been the only authority imposing taxes on income.

The laws dealing with the assessment and imposition of Income tax at 30 June 1972 were — *Income Tax Assessment Act 1936-1972*, *Income Tax Act 1971-1972*, *Income Tax (Non-Resident Dividends and Interest) Act 1967*, *Income, Tax (Drought Bonds) Act 1969*, and the *Income Tax Regulations*. The second-mentioned Act is an annual measure, and its primary purpose is to declare the rates of tax payable for the financial year.

Both individuals and companies are liable for income tax. Private companies are subject to tax on undistributed income in addition to the primary income tax levied on all companies.

The operation of the *Income Tax Assessment Act* 1936–1972 is affected by the following Acts:

- (a) *Taxation Administration Act* 1953–1968, which provides for the administration of certain Acts relating to taxation;
- (b) *Income Tax (International Agreements) Act* 1953–1972 which gives the force of law to comprehensive double taxation agreements between the Commonwealth and the Governments of the United Kingdom, the United States of America, Canada, New Zealand, Singapore and Japan. This Act also gives the force of law to an agreement with the Government of France for the avoidance of double taxation on income derived from international air transport. An agreement with Italy dealing with airline profits has been signed, but has not yet been given the force of law.
- (c) *Diplomatic Privileges and Immunities Act* 1967 which provides for the exemption from income tax of certain income of diplomatic representatives, their staff and families.
- (d) *International Organisations (Privileges and Immunities) Act* 1963–1966, and Regulations made under that Act, which provide for exemption from income tax of certain incomes of international organisations and their officials;
- (e) *Loan (Drought Bonds) Act* 1969 which authorises the issue of drought bonds and empowers the Commissioner of Taxation to declare when drought bonds shall become redeemable.

Individuals with incomes in excess of \$1,040, non-profit companies with total incomes in excess of \$416, and all other companies, partnerships and trusts deriving income are required to lodge returns of income each year.

Where applicable, income tax payable is assessed and assessment notices showing the amounts payable are issued during the year following the year of income. For individuals the approximate amount payable, however, has already been collected during the income year (from employees by deductions from salary or wages and from non-employees by a provisional tax). The amount shown on the assessment notice is therefore adjusted against the amount already paid and any difference either collected or refunded.

Taxes on income—individuals

Pay-as-you-earn-system

Salary and wage earners are subject to tax instalment deductions by employers according to a prescribed scale which shows the amount to be deducted according to income and number of dependants. Under the group employer scheme of deduction (covering most employers of more than ten persons), the amount deducted is required to be regularly remitted to the Commonwealth Taxation Office.

Not later than 14 July each year employers are required to supply each employee with a group certificate showing amount earned and deductions made during the year ended 30 June.

Under the stamp scheme used by employers other than group employers, a stamp deduction sheet in two parts is used. Each four weeks the employer purchases stamps (also in two parts) for the amount of deductions made each pay day and sticks one part on each half of the sheet. At the end of the year the employer gives the employee one half of the sheet and sends the other half to the Taxation Office. The employee's half is then used in the same way as a group certificate.

Individuals with taxable income of \$400 or more from other than salary or wages may be required to pay provisional tax in respect of that income. Collection of provisional tax for the current year is made at the same time as collection and assessment for the previous year are adjusted. The notice of assessment shows an amount of provisional tax for the current year. The provisional amount is intended as an approximation to the tax which will be assessed after the return of income for the current year has been lodged. It is ascertained by assuming that the income of the current year will be the same as that for the previous year and applying to that income the rates for the current year. The assessment notice shows the provisional tax paid in the previous year as a credit against the tax assessed on the basis of the return for that year.

Assessable income

Assessable income includes all income, other than exempt income, derived directly or indirectly from sources in Australia and, in the case of resident taxpayers, includes income from sources outside Australia.

Income includes certain other receipts declared by the Assessment Act to be assessable income. Receipts such as gifts (other than gratuities received by an employee from his employer in the course of his employment), legacies, profits from the sale of property (not acquired for the purpose of profit making by sale), lottery wins, and most capital gains are not regarded as income and are not assessable.

Certain types of income are exempt from tax, the more important being (i) war and service pensions (ii) age and invalid pensions, child endowment and other payments under the *Social Services Act 1947-1972* and the *Tuberculosis Act 1948*, (iii) income from gold-mining and some other mining operations, (iv) twenty per cent of certain mining profits, (v) dividends paid out of exempt mining profits, (vi) income received from a scholarship, bursary or other educational allowance, (vii) income of certain non-profit institutions and mutual income of some other organisations, (viii) income of specified superannuation funds, (ix) pay, allowances and bounties for part-time duty, and gratuity payable on a call out for continuous full-time service of members of the Defence Force Emergency Reserves, and (x) pay and allowances of members of the Defence Forces while allotted for duty in special areas (e.g. part of Borneo and adjacent waters, and South Vietnam).

Expenditure incurred in producing assessable income or in carrying on a business is an allowable deduction, except to the extent that it is of a capital, private, or domestic nature, or is incurred in producing exempt income. Subscriptions to certain business associations and trade union dues are also allowable deductions.

Special deductions for both resident and non-resident taxpayers include such items as trading losses incurred in previous years, bad debts, depreciation, annual rates and land taxes paid, gifts to various institutions, certain expenditure on scientific research, and, subject to certain conditions, one-third of amounts paid as calls to mining, prospecting, oil prospecting, or afforestation companies operating in Australia. In lieu of the one-third deduction for calls, capital subscribed to companies engaged in exploration or mining for petroleum and certain other minerals in Australia or Papua New Guinea may, in certain circumstances, be deductible in full.

Special deductions may be allowed for certain expenditure of a capital nature incurred in mining or prospecting operations conducted for the purpose of earning assessable income and in the provision of certain transport facilities necessary for and directly related to those operations. In the case of primary producers certain developmental expenditure of a capital nature may be deducted. Deductions in addition to depreciation are allowed to manufacturers (except for equipment purchased during the period 4 February 1971 to 13 February 1972 inclusive) and primary producers by way of an investment allowance for expenditure on specified plant and equipment. In addition, deductions may be allowed to primary producers for the cost of purchasing drought bonds. Subject to a maximum permissible tax saving, a special rebate is allowed for certain expenditure on export market development. The rebate is in addition to any normal deduction for the expenditure allowed as a business expense.

Residents of Zone A and Zone B, prescribed isolated areas subject to uncongenial climatic conditions and high costs of living are entitled to a zone allowance deduction. Members of the defence forces serving in certain overseas localities, are entitled to a deduction of the same amount as residents of Zone A.

Concessional deductions

Concessional allowances to residents for dependants, medical and dental expenses, life insurance, superannuation contributions, etc. are made as a deduction from income. The maximum deduction allowed for the income year 1972-73 for each dependant or for a housekeeper is shown below.

<i>Dependant, etc. (resident)</i>	<i>Maximum deduction(a)</i>
	\$
Spouse, daughter-housekeeper(b); housekeeper(c); parent or parent-in-law	364
One child under 16 years of age; invalid relative(d); student child 16 to under 25 years of age	260
Other children under 16 years of age	208

(a) If the dependant is maintained for part only of the year, a partial deduction is allowed. (b) Of a widower or widow. (c) Caring for a spouse in receipt of an invalid pension, or caring for children under 16 years of age of a widower or widow. (d) Child, step-child, brother or sister over 16 years of age.

If a dependant derives separate net income, which includes age or invalid pension but not child endowment, the deduction is reduced by the amount, by which the separate net income exceeds \$130. Scholarships are excluded except insofar as they relate to maintenance.

Medical expenses (less amounts recouped from hospital and medical funds) paid by a resident taxpayer in respect of himself, his spouse, children under 21 years of age and dependants for whom concessional deductions are allowed, are allowed as a concessional deduction. These expenses include payments to a legally qualified medical practitioner, dentist, nurse or chemist, or hospital, in respect of an illness or operation, therapeutic treatment or eye tests, expenditure on medical or surgical appliances, artificial limbs or eyes, hearing aids and spectacles, payment of an attendant of a blind or bed-ridden person or for the maintenance of a trained dog used by a blind person.

Other concessional deductions allowed to resident taxpayers include: (i) payments of life insurance premiums and contributions to superannuation funds and friendly societies, (maximum \$1,200), (ii) payments to medical or hospital funds, (iii) funeral expenses (maximum \$100 for each dependant), (iv) expenditure incurred for the full-time education of children less than twenty-five years of age (maximum \$400 for each child), (v) subscriptions to trade, business or professional associations or unions (maximum \$42 to each), and (vi) self-education expenses paid by the taxpayer for the purpose of gaining qualifications for use in carrying on a profession or business, or in the course of employment.

Effective exemption from tax

For the income years from 1963-64 to 1971-72 inclusive, the income of a taxpayer without dependants was exempt from income tax if it did not exceed \$416. For 1972-73 the income of a taxpayer without dependants was exempt from income tax if it did not exceed \$1,040. The effect of deductions for dependants was to exempt resident taxpayers up to the incomes shown in the samples hereunder.

RESIDENT TAXPAYERS: EFFECTIVE EXEMPTIONS FROM INCOME TAX
(\$)

Income years ended June—	Taxpayer with—		Wife and—			
	No dependants	Wife only	one child	two children	three children	four children
1964 to 1967	416	702	884	1,014	1,144	1,274
1968 to 1972	416	728	936	1,092	1,248	1,404
1973	1,040	1,404	1,664	1,872	2,080	2,288

Special provisions applying for the 1972-73 income year to *resident aged persons* (i.e. men aged 65 years or more or women aged 60 years or more) were:

(A) *Single Persons Age Allowance Provisions*

Taxable Income \$	
Up to 1,326	No income tax payable
	<i>Income Tax limited to:</i>
1,327-1,532	16½ per cent of taxable income over \$1,326
1,533-2,080	\$34.33 plus 18 per cent of taxable income over \$1,532
2,081-2,132	\$132.97 plus 45 per cent of taxable income over \$2,080
2,133-2,202	\$156.37 plus 66½ per cent of taxable income over \$2,132

(B) *Married Couples Age Allowance Provisions*

Combined Taxable Income(a) \$	
Up to 2,314	No income tax payable
	<i>Income Tax limited to:</i>
2,315-2,500	16½ per cent of taxable income over \$2,314
2,501-3,000	\$31.00 plus 31 per cent of taxable income over \$2,500
3,001-3,640	\$186.00 plus 40 per cent of taxable income over \$3,000
3,641-3,744	\$442.00 plus 45 per cent of taxable income over \$3,640
3,745-3,871	\$488.80 plus 66½ per cent of taxable income over \$3,744

(a) Where a spouse has no taxable income the 'combined taxable income' is regarded as equal to the taxable income of the taxpayer.

Rates of income tax on individuals

The table on page 570 shows the rates of income tax for income years 1954-55 to 1972-73 as set out in the First Schedule to the Income Tax Act.

Assessable income represents total actual income minus exempt income, Taxable income is the amount remaining after all allowable deductions have been made on assessable income.

Where the taxable income of a person does not exceed \$1,120 the amount of income tax payable is limited to two-thirds of the excess of the taxable income over \$1,040. The tax so ascertained is reduced by any rebate or credit to which the taxpayer is entitled.

The only cases in which incomes below \$1,040 attract tax are those for which special rates are payable in accordance with certain sections of the Income Tax Assessment Act.

For *primary producers* the rate of income tax for the current year is, in general, determined by the average of the taxable incomes for the five years up to and including the current year. In 1951 a taxpayer was given the right to elect not to have the averaging provisions applied but up to 1965-66 income year the election, if made under then existing legislation, was irrevocable. The *Income Tax Assessment Act* 1966 amended this and a primary producer who, prior to the 1966-67 income year, elected to withdraw from the averaging system, was able to review that decision, being permitted to return to the averaging system provided that the necessary election was made in respect of any one of the income years 1966-67 to 1969-70. In the year of re-entry the taxpayer would be treated for averaging purposes as though he had never withdrawn from the system. However, with existing legislation, he will not have the right to withdraw again. The application of the averaging provisions is limited to that part of the taxable income which does not exceed \$16,000. When the taxable income does exceed \$16,000, the balance is taxed at ordinary rates applicable to that part. When the taxable income is less than \$16,000, the rate of tax for averaging purposes is limited to the rate on a taxable income of \$16,000.

The taxable income, including abnormal receipts, of *actors, artists, inventors*, etc. is taxed at the rate appropriate to the normal taxable income plus one-third of the abnormal receipts.

Interest derived from bonds, etc. issued between 1 January 1940 and 31 October 1968 by the Commonwealth, or on certain State semi-government loans issued free of State income tax, is subject to a rebate of income tax of 10 cents for each \$1 of interest received. The rebate does not apply to interest received from bonds, etc., issued on or after 1 November 1968.

COMMONWEALTH INCOME TAX—INDIVIDUALS: GENERAL RATES, 1954-55 TO 1972-73
INCOME YEARS

Total taxable income		1954-55 to 1964-65(a)		1965-66 to 1969-70(b)		1970-71 to 1971-72(c)		1972-73	
Column 1	Column 2	Tax on amount in col. 1		Tax on each further \$ of income		Tax on amount in col. 1		Tax on each further \$ of income	
More than—	Not more than—	\$	cents	\$	cents	\$	cents	\$	cents
Nil	200	Nil	0.42	Nil	0.40	Nil	0.30	Nil	0.2
200	300	0.83	1.25	0.80	1.20	0.60	1.20	0.40	0.8
300	400	2.08	2.92	2.00	2.90	1.80	2.70	1.20	2.4
400	500	5.00	4.58	4.90	4.50	4.50	4.10	3.60	3.8
500	600	9.58	6.25	9.40	6.10	8.60	5.50	7.40	4.9
600	800	15.83	8.33	15.50	8.20	14.10	7.40	12.30	6.5
800	1,000	32.50	10.83	31.90	10.80	28.90	9.70	25.30	9.8
1,000	1,200	54.17	12.50	53.50	12.50	48.30	11.30	41.70	9.8
1,200	1,400	79.17	14.17	78.50	14.20	70.90	12.80	61.30	11.3
1,400	1,600	107.50	15.83	106.90	15.90	96.50	14.30	83.90	12.7
1,600	1,800	139.17	17.50	138.70	17.60	125.10	15.80	109.30	14.1
1,800	2,000	174.17	19.17	173.90	19.30	156.70	17.30	137.50	15.4
2,000	2,400	212.50	21.67	212.50	21.60	191.30	19.50	168.30	17.2
2,400	2,800	299.17	24.58	298.90	24.60	269.30	22.10	237.10	19.6
2,800	3,200	397.50	27.08	397.30	27.10	357.70	24.40	315.50	22.0
3,200	3,600	505.83	29.58	505.70	29.60	455.30	26.70	403.50	24.4
3,600	4,000	624.17	32.08	624.10	32.10	562.10	28.80	501.10	26.8
4,000	4,800	752.50	35.42	752.50	35.40	677.30	31.90	608.30	30.3
4,800	5,600	1,035.83	38.33	1,035.70	38.30	932.50	34.50	850.70	33.3
5,600	6,400	1,342.50	41.25	1,342.10	41.20	1,208.50	37.00	1,117.10	35.7
6,400	7,200	1,672.50	43.75	1,671.70	43.80	1,504.50	39.40	1,402.70	37.9
7,200	8,000	2,022.50	46.25	2,022.10	46.30	1,819.70	41.70	1,705.90	39.9
8,000	8,800	2,392.50	48.75	2,392.50	48.70	2,153.30	43.90	2,025.10	41.8
8,800	10,000	2,782.50	51.67	2,782.10	51.70	2,504.50	46.50	2,359.50	44.1
10,000	12,000	3,402.50	55.00	3,402.50	55.00	3,062.50	50.60	2,888.70	48.2
12,000	16,000	4,502.50	57.92	4,502.50	57.90	4,074.50	56.40	3,852.70	54.6
16,000	20,000	6,819.17	60.42	6,818.50	60.40	6,330.50	62.40	6,036.70	60.3
20,000	32,000	9,235.83	63.33	9,234.50	63.30				
32,000	40,000					8,826.50	66.70	8,448.70	64.0
40,000	upwards	16,835.83	66.67	16,830.50	66.70			21,248.70	66.7

(a) For the 1959-60 and 1961-62 to 1963-64 income years a rebate of 5 per cent was allowable on the tax calculated from this schedule. (b) Additional tax equal to 2.5 per cent of the tax calculated from this schedule was also payable. (c) Additional tax equal to 2.5 per cent and 4.375 per cent of the tax calculated from this schedule was also payable for 1970-71 and 1971-72 respectively.

Income tax payable on specified incomes

The following table shows, for the income years 1964-65 to 1972-73, the actual income tax payable by taxpayers with various incomes and numbers of dependants without regard to any rebate or refund which may apply.

**COMMONWEALTH INCOME TAX PAYABLE ON SPECIFIED INDIVIDUAL INCOMES
1964-65 TO 1972-73 INCOME YEARS**

(\$)

Income(a)	1964-65	1965-66 and 1966-67	1967-68 to 1969-70	1970-71	1971-72	1972-73
	TAXPAYER WITH NO DEPENDANTS					
\$						
1,000 . . .	54.20	54.83	54.83	49.50	50.41	..
3,000 . . .	451.70	462.78	462.78	416.66	424.28	359.50
5,000 . . .	1,112.50	1,140.10	1,140.10	1,026.53	1,045.32	917.30
7,000 . . .	1,935.00	1,982.86	1,982.86	1,784.42	1,817.06	1,630.10
10,000 . . .	3,402.50	3,487.56	3,487.56	3,139.06	3,196.48	2,888.70
15,000 . . .	6,240.00	6,395.48	6,395.48	5,910.66	6,018.78	5,490.70
20,000 . . .	9,235.80	9,465.36	9,465.36	9,047.16	9,212.66	8,448.70
TAXPAYER WITH DEPENDENT WIFE						
1,000 . . .	25.30	25.45	23.27	21.12	21.51	..
3,000 . . .	376.40	385.53	378.97	341.26	347.51	283.35
5,000 . . .	1,005.38	1,030.37	1,020.95	919.18	936.00	801.00
7,000 . . .	1,809.88	1,854.45	1,842.77	1,658.41	1,688.75	1,492.14
10,000 . . .	3,254.70	3,335.99	3,322.21	2,990.35	3,045.06	2,728.17
15,000 . . .	6,074.36	6,225.74	6,210.32	5,730.29	5,835.11	5,291.95
20,000 . . .	9,063.00	9,288.29	9,272.20	8,847.60	9,009.45	8,229.20
TAXPAYER WITH DEPENDENT WIFE AND ONE CHILD						
1,000 . . .	11.60	11.63	8.71	7.97	8.12	..
3,000 . . .	331.60	339.65	326.54	294.15	299.54	232.97
5,000 . . .	940.91	964.33	945.48	851.18	866.75	722.22
7,000 . . .	1,730.25	1,772.74	1,749.40	1,574.42	1,603.22	1,394.13
10,000 . . .	3,160.70	3,239.55	3,212.00	2,891.21	2,944.11	2,613.51
15,000 . . .	5,968.95	6,117.73	6,086.88	5,610.05	5,712.67	5,149.99
20,000 . . .	8,953.10	9,175.61	9,143.43	8,714.57	8,873.98	8,072.42
TAXPAYER WITH DEPENDENT WIFE AND TWO CHILDREN						
1,000 . . .	..	..	..	..	..	..
3,000 . . .	299.70	306.87	289.54	260.84	265.61	197.19
5,000 . . .	894.88	917.16	888.86	800.16	814.80	659.20
7,000 . . .	1,673.38	1,714.38	1,681.38	1,513.28	1,540.97	1,319.87
10,000 . . .	3,093.50	3,170.66	3,129.32	2,816.86	2,868.39	2,521.78
15,000 . . .	5,893.66	6,040.58	5,994.29	5,519.86	5,620.83	5,036.42
20,000 . . .	8,874.50	9,095.13	9,046.84	8,614.78	8,772.37	7,947.00

(a) Income remaining after allowing all deductions other than deductions for dependants.

Income tax assessments—Individuals

The following table shows for the 1970-71 income year the number of taxpayers, income, and net income tax assessed for individuals. For further information see the annual bulletin *Commonwealth Taxation Assessments*.

**COMMONWEALTH INCOME TAX ASSESSMENTS(a): TAXABLE INDIVIDUALS
BY GRADE OF ACTUAL INCOME AND BY OFFICE OF ASSESSMENT**
(Income derived in the year 1970-71)

Grade of net income(b) and office of assessment	Taxpayers			Net income(b) \$'000	Total taxable income(c) \$'000	Net income tax assessed \$'000		
	Males	Females	Total					
	\$	\$	No.	No.	No.	\$'000	\$'000	\$'000
1- 599			41,420	84,429	125,849	64,654	62,307	1,186
600- 799			53,930	111,261	165,191	115,503	107,675	3,175
800- 999			53,324	109,637	162,961	146,535	134,387	5,524
1,000- 1,199			56,056	114,376	170,432	187,232	168,898	8,629
1,200- 1,399			62,974	116,356	179,330	233,156	208,260	12,540
1,400- 1,599			68,031	122,719	190,750	286,254	255,215	17,269
1,600- 1,799			73,460	129,735	203,195	345,506	307,196	23,206
1,800- 1,999			77,374	140,134	217,508	413,151	367,739	30,922
2,000- 2,199			82,779	146,430	229,209	481,205	427,184	39,382
2,200- 2,399			91,427	135,847	227,274	522,565	460,878	46,208
2,400- 2,599			103,535	122,473	226,008	564,779	494,839	53,309
2,600- 2,799			119,507	110,504	230,011	620,581	538,419	61,509
2,800- 2,999			135,977	93,117	229,094	664,157	569,610	68,171
3,000- 3,999			844,303	244,857	1,089,160	3,798,245	3,137,296	424,318
4,000- 5,999			1,147,692	136,480	1,284,172	6,186,744	4,954,817	847,729
6,000- 7,999			349,743	35,895	385,638	2,623,436	2,077,548	448,092
8,000- 9,999			114,996	12,984	127,980	1,130,422	903,065	229,740
10,000-19,999			97,348	12,735	110,083	1,422,012	1,183,319	387,829
20,000-29,999			10,863	1,349	12,212	289,713	255,740	117,004
30,000 and over			4,101	563	4,664	208,699	192,071	138,878
New South Wales			1,301,914	736,068	2,037,982	7,634,779	6,375,730	1,137,031
Victoria			1,010,584	585,950	1,596,534	5,869,936	4,861,725	861,422
Queensland			487,609	240,963	728,572	2,531,860	2,057,700	342,279
South Australia			333,156	182,022	515,178	1,731,172	1,421,251	229,091
Western Australia			293,523	153,987	447,510	1,604,597	1,335,068	231,662
Tasmania			107,078	52,174	159,252	550,670	446,520	72,323
Northern Territory			18,018	7,637	25,655	111,572	82,912	15,069
Australian Capital Territory			36,958	23,080	60,038	269,962	225,556	45,741
Total			3,588,840	1,981,881	5,570,721	20,304,548	16,806,463	2,934,618

(a) Assessments in respect of 1970-71 incomes issued to 30 September 1972. Assessments issued after that date are not included. (b) Net income is 'Total assessable income less total deductions for expenses incurred in gaining assessable income'. (c) Taxable income is the income remaining after deducting from assessable income all allowable deductions.

Details of the number of individual taxpayers and net income tax assessed by grades of income for the income years 1967-68 to 1970-71 are shown in the following table.

COMMONWEALTH INCOME TAX ASSESSMENTS: TAXABLE INDIVIDUALS, BY GRADE OF INCOME(a) (INCOME YEARS 1967-68 TO 1970-71)

Grade of income(a)	1967-68		1968-69		1969-70		1970-71	
	Tax-payers	Net income tax assessed	Tax-payers	Net income tax assessed	Tax-payers	Net income tax assessed	Tax-payers	Net income tax assessed
\$ \$	No.	\$'000	No.	\$'000	No.	\$'000	No.	\$'000
1- 599	135,021	1,397	135,021	1,422	131,879	1,341	125,849	1,186
600- 799	169,109	3,544	170,364	3,520	171,709	3,546	165,191	3,175
800- 999	185,467	6,742	172,733	6,311	167,120	6,132	162,961	5,524
1,000- 1,199	212,005	11,675	195,344	10,737	184,271	10,152	170,432	8,629
1,200- 1,399	225,548	17,161	210,000	16,039	195,401	14,966	179,330	12,540
1,400- 1,599	251,386	25,537	228,041	23,034	209,823	20,841	190,750	17,269
1,600- 1,799	262,711	33,715	249,694	32,141	228,329	28,849	203,195	23,206
1,800- 1,999	263,493	41,094	255,753	40,486	237,698	37,139	217,508	30,922
2,000- 2,199	260,362	47,385	254,830	47,369	246,669	46,192	229,209	39,382
2,200- 2,399	264,404	54,723	252,529	53,986	243,994	53,614	227,274	46,208
2,400- 2,599	266,931	61,362	251,985	60,644	243,829	61,193	226,008	53,309
2,600- 2,799	268,879	69,100	253,345	67,750	244,652	68,720	230,011	61,509
2,800- 2,999	259,121	73,878	249,760	74,460	239,232	74,007	229,094	68,171
3,000- 3,999	1,004,411	383,916	1,071,163	422,304	1,100,359	450,391	1,089,160	424,318
4,000- 5,999	685,068	452,924	877,478	592,676	1,060,822	737,150	1,284,172	847,729
6,000- 7,999	160,107	200,027	215,538	265,415	275,544	344,938	385,638	448,092
8,000- 9,999	56,364	113,167	72,276	140,707	89,392	175,662	127,980	229,740
10,000-19,999	60,504	240,455	75,702	290,566	86,974	337,285	110,083	387,829
20,000-29,999	7,148	70,465	8,875	85,763	10,462	100,957	12,212	117,004
30,000 and over	3,135	78,576	3,611	82,652	4,342	105,895	4,664	108,878
Total	5,001,174	1,986,843	5,204,042	2,317,982	5,372,501	2,678,970	5,570,721	2,934,618

(a) Actual income for 1967-68 to 1969-70; net income for 1970-71. Actual income is 'gross income including exempt income less expenditure incurred in gaining that income'. Net income is 'Total assessable income less total deductions for expenses incurred in gaining that income'.

Partnerships and trusts

Income tax returns are required to be lodged on behalf of partnerships and trusts which, as partnerships and trusts, are not required to pay tax except in certain specified circumstances when they may be assessed as individuals. In general, the net income remaining, after allowing all deductions including expenditure incurred in gaining the income, is distributed to the partners or beneficiaries concerned and is assessable for tax in the respective individual returns.

The following table shows for the 1970-71 income year numbers, total business income and net income of partnerships and trusts. Greater detail is published in annual bulletin *Commonwealth Taxation Assessments*.

PARTNERSHIPS AND TRUSTS—INCOME YEAR 1970-71

Item	Partnerships	Trusts	Total
Number	399,434	107,685	507,119
Total business income . . . \$'000	5,970,244	79,016	6,049,260
Net income \$'000	1,959,038	215,090	2,174,128

Taxes on income—companies

For taxation purposes companies are divided into two main groups—private and public. Broadly, a private company is defined as a company in which all the issued shares are held by not more than twenty persons, or which is capable of being controlled by not more than seven persons, and which is not a company in which the public is substantially interested, or is a subsidiary of a public company. All other companies are regarded as public companies. Both private and public companies pay primary tax assessed on a taxable income ascertained on the same principles as for individuals.

Dividends received are assessable income; resident companies, however, receive a rebate at the average rate on the amount of dividends included in the taxable income, while this rebate is not allowed to non-resident companies.

A private company is liable to pay additional tax upon the amount, if any, by which the dividends paid by the company within a prescribed period fall short of sufficient distribution as defined.

Rates of tax. The rates of primary income tax for all companies and additional tax for private companies applicable to income years 1959–60 to 1971–72 are shown in the following table.

RATES OF INCOME TAX: COMPANIES, 1959-60 TO 1971-72 INCOME YEARS
(Cents per \$)

Income years ended June	Resident private company			Resident public company(a)		Non resident company			
	On taxable income		Additional tax on un- distributed income	On taxable income		On dividends income		On other income	
	Up to \$10,000	On re- mainder		Up to \$10,000	On re- mainder	Up to \$10,000	On re- mainder	Up to \$10,000	On re- mainder
1960 to 1963	25	35	50	35	40	30	40	35	40
1964 to 1967	27.5	37.5	50	37.5	42.5	32.5	42.5	37.5	42.5
1968 and 1969	30	40	50	40	45	35	45	40	45
1970	32.5	42.5	50	42.5	47.5	37.5	47.5	42.5	47.5
1971 and 1972	37.5	42.5	50	47.5	47.5	42.5	47.5	47.5	47.5

(a) Excludes co-operative, non-profit and life insurance for which the rates of tax (in cents per \$) for 1971–72 income year were:

Type of company	Taxable income	
	Up to \$10,000	On remainder
Co-operative	42.5	47.5
Non-profit—Friendly societies' dispensaries	37.5	37.5
Other	42.5	47.5
Mutual life insurance	37.5	42.5
Other life insurance—Mutual income	37.5	42.5
Other income	47.5	47.5

A non-profit company is not liable to income tax unless the taxable income exceeds \$416. Where the non-profit company is a friendly society dispensary and the taxable income does not exceed \$1,664 the maximum amount payable is one-half of the excess over \$416 less any rebate or credit to which the company is entitled. Where the taxable income of a non-profit company other than a friendly society dispensary does not exceed \$1,830, the tax payable by the company is limited to 55 per cent of the amount by which the taxable income exceeds \$416 less any rebate or credit to which the company is entitled. Other companies are assessed for income tax if the taxable income is \$1 or more.

Details in respect of company income tax assessments for the 1970-71 income year are shown in the following table.

COMMONWEALTH INCOME TAX ASSESSMENTS: RESIDENT AND NON-RESIDENT COMPANIES, BY GRADE OF INCOME AND OFFICE OF ASSESSMENT
(Income derived in the year 1970-71)

Grade of taxable income(a) (\$) and office of assessment	Taxable			Non-taxable		
	Companies	Taxable income (a)	Net income tax assessed (b)	Companies	Taxable income (a)(c)	Loss(d)
	No.	\$'000	\$'000	No.	\$'000	\$'000
Loss for year . . . . .	..	..	..	48,509	..	451,347
Nil . . . . .	..	..	..	20,693	..	..
1- 1,999	30,425	20,214	7,322	4,545	3,472	..
2,000- 9,999	36,979	204,629	72,615	5,494	27,527	..
10,000- 19,999	15,957	219,819	80,167	1,747	24,464	..
20,000- 39,999	8,423	234,632	87,718	945	25,994	..
40,000- 99,999	5,425	333,428	125,846	541	33,034	..
100,000- 199,999	2,126	294,476	109,805	205	28,412	..
200,000- 399,999	1,144	322,201	119,666	99	26,486	..
400,000- 999,999	770	474,966	166,732	57	32,266	..
1,000,000-1,999,999	263	364,427	124,442	9	12,527	..
2,000,000 and over	259	1,639,100	558,803	11	59,656	..
Total	101,771	4,107,892	1,453,116	82,855	273,838	451,347
New South Wales	44,748	1,563,830	552,212	35,419	100,508	204,857
Victoria	29,424	1,770,485	620,967	20,515	110,221	139,341
Queensland	10,215	281,762	99,355	8,277	12,616	29,988
South Australia	8,042	214,081	78,331	8,070	14,169	27,241
Western Australia	5,459	184,610	72,861	6,058	7,938	31,412
Tasmania	1,807	46,984	16,622	1,618	2,151	5,454
Northern Territory	533	9,705	3,749	409	836	3,123
Australian Capital Territory	1,543	36,437	9,021	2,489	25,398	9,931

(a) Taxable income is the income remaining after deducting from assessable income all allowable deductions.
(b) Excludes additional tax on the undistributed income of private companies. (c) Net tax assessed is nil because of rebates. (d) Not included in the figures shown for taxable income.

Yield of income taxes

Income taxes collected. The following table shows the net amounts of taxes collected and the proportions of the several components in the years 1967-68 to 1971-72.

COMMONWEALTH INCOME TAXES COLLECTED: COLLECTION YEARS 1967-68 TO 1971-72

Source of income tax	1967-68	1968-69	1969-70	1970-71	1971-72
NET AMOUNTS COLLECTED (\$'000)					
Individuals—					
Instalments—salaries and wages	1,507,456	1,727,290	2,084,219	2,432,062	2,888,547
Other payments	669,949	652,176	773,917	746,075	880,037
Companies	836,664	1,006,543	1,151,364	1,395,389	1,477,482
Withholding tax—Dividend	21,716	28,303	38,003	35,956	42,002
Interest	910	4,456	8,019	12,318	15,650
Total	3,036,695	3,418,768	4,055,523	4,621,800	5,303,717

PERCENTAGES					
Individuals—					
Instalments—salaries and wages	49.64	50.52	51.39	52.62	54.46
Other payments	22.06	19.08	19.08	16.14	16.59
Companies	27.55	29.44	28.39	30.19	27.86
Withholding tax—Dividend	0.72	0.83	0.94	0.78	0.79
Interest	0.03	0.13	0.20	0.27	0.30
Total	100.00	100.00	100.00	100.00	100.00

Income tax assessed. The amounts of income tax covered by statistical analyses of assessments for recent years are shown in the following table. The amounts are shown under the year of income of the taxpayer. Tax is usually paid by companies in the year following the year of income. Individuals pay tax in the year of income, but there is usually an adjustment in the following year. Tax assessed after the close of the normal assessing period (fifteen months after the close of the income year for individuals and eighteen months for companies) is not included.

COMMONWEALTH INCOME TAXES ASSESSED: INCOME YEARS 1966-67 TO 1970-71
(\$'000)

Tax	1966-67	1967-68	1968-69	1969-70	1970-71
Individuals—					
Residents	1,834,154	1,985,293	2,316,451	} 2,678,970	2,934,618
Non-residents	1,179	1,550	1,531		
Companies—					
Primary tax	832,582	1,010,357	1,151,375	1,425,555	1,453,116
Additional tax on undistributed income of private companies	2,934	6,648	4,384	3,699	n.a.
Superannuation Funds	573	656	677	701	934
Total	2,671,422	3,004,504	3,474,418	4,108,925	n.a.

Refunds of revenue. Income tax collections, as previously shown, are net amounts after refunds of revenue made in the course of the year. Refunds are of two types—those charged to special appropriations under authority of the Income Tax Assessment Act and those charged to special appropriations under authority of the Audit Act. Income tax instalment refunds, by far the greatest part of income tax refunds, are made when the instalments deducted during the year exceed the tax assessed on incomes for that year. Refunds made from special appropriations under section 37A of the Audit Act include refunds of moneys paid to the revenue in error, refunds of tax overpaid, refunds due to the amendment of assessments, etc. Refunds of income tax to individuals during the collection years 1967-68 to 1971-72 were: 1967-68, \$398,371,000; 1968-69, \$477,965,000; 1969-70, \$514,065,000; 1970-71, \$594,748,000, and 1971-72, \$697,057,000.

Estate duty

Under the *Estate duty Assessment Act 1914-1970* estate duty is assessed on the net value of the estate less a statutory exemption determined in accordance with the following formula: (a) where the whole of the estate passes to the widow, widower, children (including adopted children, step-children and ex-nuptial children) or grandchildren of the deceased person: (i) for qualifying estates of deceased primary producers—\$24,000; (ii) for other estates—\$20,000; decreasing by \$2 for every \$8 by which the value of the estate exceeds \$24,000 or \$20,000 as the case may be; (b) where no part of the estate passes to the relatives mentioned in (a): (i) for qualifying estates of deceased primary producers—\$12,000; (ii) for other estates—\$10,000; decreasing by \$2 for every \$8 by which the value of the estate exceeds \$12,000 or \$10,000 as the case may be; and (c) where part only of the estate passes to the relatives mentioned in (a): an amount calculated proportionately under (a) and (b) above.

As a general rule, the estate of a deceased primary producer would qualify for the higher level of statutory exemption if: (i) the death occurred on or after 25 September 1969; (ii) the deceased person was domiciled in Australia at the time of his death; (iii) during the period of five complete income tax years preceding death, more than one-half of the deceased person's gross income was derived from the carrying on by him of a primary production business in Australia; and (iv) the gross value of rural property in Australia—being land and certain other types of assets used in a primary production business such as livestock and agricultural plant—exceeded the gross value of all other property in the estate. In specified circumstances, dividends and certain other receipts from a family proprietary company in which a deceased person held shares may be treated as income derived from the carrying on by him of a primary production business and the value of the shares may be included, either wholly or in part, in the value of the estate's rural property.

Special exemptions are also allowed in respect of estates of defence personnel who die on active service or within three years of termination of their active service from injuries received or diseases contracted while on active service, and prescribed personal property held in Australia by certain United States personnel who are in Australia solely for purposes connected with projects of the United States Government.

A 'quick succession' rebate of estate duty may be allowable if the deceased was a beneficiary in an estate (upon which duty is payable or has been paid) of a person who pre-deceased him by not more than five years.

A 'rural property' rebate of part of any estate duty attributable to rural property included in the estate of a deceased primary producer may be allowable if the value of the estate (before deducting any statutory exemption) is less than \$250,000 and certain conditions are satisfied. The conditions are the same as those governing entitlements to higher levels of statutory exemptions for estates of deceased primary producers, as outlined in the explanations relating to statutory exemptions. If the value of a qualifying estate does not exceed \$140,000, the rebate is fifty per cent of any duty attributable to rural property in Australia. Rates of rebate gradually reducing from fifty per cent are applicable to estates having net values between \$140,000 and \$250,000.

The rates of duty have remained unchanged since 1941 and increase as the value of the estate for duty increases, as follows: does not exceed \$20,000, 3 per cent; \$20,001 to \$40,000, 3 per cent to 6 per cent; \$40,001 to \$240,000, 6 per cent to 26 per cent; \$240,001 to \$1,000,000, 26 per cent to 27.9 per cent; \$1,000,000 or more, 27.9 per cent.

Particulars of the number and value of dutiable estates and duty assessed, for each of the assessment years 1967-68 to 1971-72 are given in the following table.

COMMONWEALTH ESTATE DUTY ASSESSMENTS, 1967-68 TO 1971-72

		1967-68	1968-69	1969-70	1970-71	1971-72
Estates	No.	14,489	14,105	16,358	16,502	18,505
Gross value as assessed	\$'000	840,226	841,462	1,068,213	993,610	1,045,418
Deductions(a)	"	168,106	162,834	222,953	168,396	192,017
Statutory exemption	"	155,800	152,206	170,755	179,419	209,377
Dutiable value	"	516,320	526,422	674,504	645,791	644,024
Net duty assessed	"	57,711	64,045	83,379	80,551	71,750
Average dutiable value	\$	35,635	37,322	41,234	39,134	34,803
Average duty assessed per estate	\$	3,983	4,541	5,097	4,881	3,877

(a) Debts, Exempt Estate and State Probate Succession Duties.

Gift duty

The *Gift Duty Act 1941-1966* and the *Gift Duty Assessment Act 1941-1967* impose a gift duty on gifts which are defined as dispositions of property made otherwise than by will, without adequate consideration in money or money's worth. There is a liability on both the donor and the donee to furnish a return, and both are jointly and severally liable for payment of the duty. However, if a return is furnished by the donor, the donee is relieved of this obligation.

Certain exemptions from duty are provided, the more important being: payments to an employees' superannuation or like fund; retiring allowances or gratuities granted to employees; gifts to organisations not carried on for the profit of any individual; gifts to the Commonwealth or a State; and small gifts not exceeding \$100.

The rate of gift duty applicable to any particular gifts is fixed by reference to the total value of all gifts made by the same donor within the period of eighteen months before and eighteen months after the time of making that gift. Where the total value of all gifts as defined does not exceed \$4,000 no duty is payable; The present rates of duty are (a) \$4,001 to \$20,000, 3 per cent provided that the gift duty payable shall not exceed one half of the amount by which the gift exceeds \$4,000 or a proportionate amount where more than one gift is involved; (b) \$20,001 to \$40,000, 3 per cent to 6 per cent; (c) \$40,001 to \$240,000, 6 per cent to 26 per cent; (d) \$240,001 to \$1,000,000 and over, 26 per cent to 27.9 per cent.

Particulars of the number of gift duty assessments, value of gifts as assessed and duty assessed for each of the assessment years 1967-68 to 1971-72 are given in the following table.

COMMONWEALTH GIFT DUTY ASSESSMENTS, 1967-68 TO 1971-72

	1967-68	1968-69	1969-70	1970-71	1971-72
Assessments . . . No.	9,293	10,053	9,807	9,740	10,425
Value as assessed . . . \$'000	150,322	163,476	156,052	147,677	172,244
Duty assessed . . . "	8,701	9,501	8,399	7,796	9,878

Australian Capital Territory Stamp Duty and Tax

Stamp duty and tax on a range of instruments and transactions connected with the Australian Capital Territory, including Jervis Bay, came into operation on 1 July 1969.

The *Australian Capital Territory Taxation (Administration) Act 1969* provides for the administrative procedures necessary for assessment and collection of duty and tax.

Six additional Acts specify the range of dutiable instruments or transactions subject to duty or tax which are as under:

Cheques and other bills of exchange and promissory notes: Five cents on each.

Hire purchase agreements: 1½ per cent of the purchase price (if over \$100) after excluding any deposit and any terms or insurance charges.

Insurance business: Five per cent of premiums other than for life assurance, third party motor vehicles insurance or workers' compensation insurance.

Sales and purchases of marketable securities: Effected through a broker for full sale value; Up to \$100-7 cents for each \$25.00 or part thereof. Over \$100-30 cents for each \$100 or part thereof. The rate applies to the sale price and/or purchase price payable by the seller and purchaser respectively.

Transfer of marketable securities not through a broker; 15 cents for every \$25.00 of the value or part thereof.

Leases and realty: Transfer of interest in Crown lease for a period of 5 years or realty: \$1.00 for every \$100 or part thereof of its value. Transfer of other leases: \$1.00 for every \$100 or part thereof of the consideration paid.

Grant of lease (not Crown lease): 30 cents for every \$100 rent or part thereof and if any other consideration not being rent—\$1.00 for every \$100 or part thereof of that other consideration.

A general exemption is provided from all duties for public hospitals, public benevolent institutions, religious institutions and public educational institutions. The total amount collected as Australian Capital Territory Stamp Duty and Tax was \$2,475,000 in 1970-71, \$2,561,000 in 1971-72 and \$3,589,000 in 1972-73.

Customs duties

A description of the Commonwealth Customs Tariff System is given in Chapter 11, Overseas Transactions. Details of duties collected on the import of commodities classified in accordance with the "Brussels Nomenclature" are given in the following table.

CUSTOMS DUTIES ACCORDING TO BRUSSELS TARIFF DIVISIONS, 1967-68 TO 1971-72
 (\$'000)

<i>Brussels Tariff Division</i>	<i>Source of receipts</i>	<i>1967-68</i>	<i>1968-69</i>	<i>1969-70</i>	<i>1970-71</i>	<i>1971-72</i>
1	Live animals; animal products	911	1,164	1,208	1,251	1,113
2	Vegetable products	1,268	1,831	2,536	1,442	1,506
3	Animal and vegetable fats and oils and their cleavage products; prepared edible fats; animal and vegetable waxes	1,578	1,191	2,541	1,987	1,183
4	Prepared foodstuffs; beverages, spirits and vinegar; tobacco	51,278	53,742	60,572	64,215	69,961
5	Mineral products	5,688	5,606	8,992	13,715	7,720
6	Products of the chemical industry and allied industries	11,438	12,995	13,999	16,002	14,611
7	Artificial resins and plastic materials, cellulose esters and ethers, and articles thereof; rubber, synthetic rubbers, factice and articles thereof	15,457	16,838	19,719	22,388	20,946
8	Raw hides and skins, leather, furskins and articles thereof; saddlery and harness; travel goods, handbags and similar con- tainers; articles of gut (other than silk- worm gut)	2,688	2,906	3,495	3,842	4,349
9	Wood and articles of wood; wood charcoal; cork and articles of cork; manufactures of straw, of esparto and of other plaiting materials; basketware and wickerwork	8,111	7,941	8,741	9,182	9,024
10	Paper-making material; paper and paper- board and articles thereof	8,437	9,778	10,977	11,353	11,161
11	Textiles and textile articles	44,447	46,865	52,409	59,129	68,920
12	Footwear, headgear, umbrellas, sunshades, whips, riding-crops and parts therefor; prepared feathers and articles made there- with; artificial flowers; articles of human hair; fans	5,760	6,658	9,727	10,437	11,741
13	Articles of stone, of plaster, of cement, of asbestos, of mica and of similar materials; ceramic products; glass and glassware	8,343	9,418	11,379	11,193	11,975
14	Pearls, precious and semi-precious stones, precious metals, rolled precious metals, and articles thereof; imitation jewellery; coin	1,375	1,344	1,849	1,997	2,000
15	Base metals and articles of base metal	21,303	24,659	27,949	34,315	28,240
16	Machinery and mechanical appliances; elec- trical equipment; parts therefor	55,172	65,506	85,255	98,229	96,536
17	Vehicles, aircraft, and parts therefor; vessels and certain associated transport equipment	39,212	46,270	54,920	64,353	66,191
18	Optical, photographic, cinematographic measuring, checking, precision, medical and surgical instruments and apparatus; clocks and watches, musical instruments; sound recorders and reproducers; television image and sound recorders and re- producers, magnetic; parts therefor	11,141	12,246	14,440	15,786	16,174
19	Arms and ammunition; parts therefor	327	334	459	483	348
20	Miscellaneous manufactured articles	8,684	9,438	11,123	11,656	12,225
21	Works of art, collectors' pieces and antiques Miscellaneous	3	13	10	12	-31
	Primage	3,970	4,195	5,132	6,750	7,412
		5,668	5,341	6,142	6,285	5,457
	<i>Total customs duties and primage</i>	<i>312,258</i>	<i>346,281</i>	<i>413,573</i>	<i>466,003</i>	<i>468,761</i>
	<i>Less Remission of duty under special circumstances</i>	<i>38</i>	<i>17</i>	<i>14</i>	<i>15</i>	<i>29</i>
	Total	312,220	346,264	413,559	465,989	468,732

Excise duties

Details of duties collected in relation to the production of specific commodities are given in the following table.

COMMONWEALTH EXCISE REVENUE: CLASSIFICATION OF NET RECEIPTS
1967-68 TO 1971-72
(\$'000)

<i>Source of revenue</i>	1967-68	1968-69	1969-70	1970-71	1971-72
Beer	338,614	355,001	369,937	382,479	398,330
Potable spirits	26,783	24,440	26,525	25,923	27,180
Tobacco	16,460	15,711	14,799	15,450	16,976
Cigars and cigarettes	214,315	225,262	230,620	257,034	290,257
Cigarette papers	836	833	814	859	908
Petrol	234,142	253,007	266,627	328,584	422,415
Diesel fuel	18,256	21,520	23,852	30,815	38,107
Matches	2,227	2,384	2,346	2,289	2,442
Playing cards	121	127	136	134	149
Grape wine . . . . .	..	..	..	8,702	11,511
Coal	642	820	1,157	1,436	1,777
Canned fruit	1,738	1,698	315	333	303
Miscellaneous	1,121	1,625	2,168	-421	2,761
<i>All items</i>	855,255	902,428	939,295	1,053,617	1,213,118
Diesel fuel taxation	304	274	351	425	481
Less rebates	356	352	355	567	668
	-52	-78	-4	-142	-187
Other rebates	-34	-43	-7	-15	-7
Total	855,168	902,307	939,283	1,053,460	1,212,925

The quantities of commodities on which excise duty were paid are given in Chapter 11, Overseas Transactions, page 315.

Sales Tax

The general rate of tax levied on all goods other than those specified in the schedules to the *Sales Tax (Exemptions and Classifications) Act 1935-1970* is 15 per cent and goods subject to special rates are taxed at either 2.5 per cent or 27.5 per cent. Prior to 19 August 1970 these special rates were 2.5 per cent and 25 per cent.

Particulars of the net amount of sales tax payable and the sales of taxable and exempt goods in each State for 1971-72 are given in the following table. The figures relate to sales during the period 1 July to 30 June. The figures for sales tax payable differ from those for net collections shown on page 566 because the latter include some adjustments in respect of earlier tax years and relate to tax payable on returns lodged during the year, which in general cover sales for the period June to May.

COMMONWEALTH SALES TAX AND AMOUNT OF SALES: STATES AND TERRITORIES
1971-72
(\$'000)

	<i>N.S.W. (including A.C.T.)</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Tas.</i>	<i>N.T.</i>	<i>Aust.</i>
Net sales on which sales tax was payable at—								
2.5 per cent	355,981	314,156	107,604	65,366	59,489	16,585	1,014	920,195
15 per cent	981,995	630,304	279,626	150,501	166,425	34,775	5,383	2,249,010
27.5 per cent	488,817	323,458	139,179	93,209	87,280	24,129	2,143	1,158,216
<i>Total net sales</i>	<i>1,826,794</i>	<i>1,267,918</i>	<i>526,409</i>	<i>309,076</i>	<i>313,193</i>	<i>75,489</i>	<i>8,540</i>	<i>4,327,420</i>
Sales of exempt goods by registered persons	4,448,868	2,790,636	1,628,133	750,766	775,173	261,794	45,008	10,700,379
Total sales of taxable and exempt goods	6,275,662	4,058,554	2,154,542	1,059,842	1,088,367	337,283	53,548	15,027,799
Sales tax payable	290,624	191,350	82,908	49,842	50,453	12,266	1,422	678,866

Sales of taxable and exempt goods and sales tax payable for Australia are shown in the following table for the years 1967-68 to 1971-72.

COMMONWEALTH SALES TAX AND AMOUNT OF SALES
AUSTRALIA, 1967-68 TO 1971-72
(\$ million)

Year of sale	Net sales on which sales tax was payable	Sales of exempt goods by registered persons	Total sales of taxable and exempt goods	Sales tax payable
1967-68 . . .	3,095	8,394	11,489	424
1968-69 . . .	3,367	8,933	12,300	498
1969-70 . . .	3,810	9,759	13,569	577
1970-71 . . .	4,097	10,141	14,238	637
1971-72 . . .	4,327	10,700	15,028	679

In the foregoing tables, sales include goods transferred to stock for sale by retail, goods imported by persons other than registered taxpayers, and goods used in the business of the taxpayer. Exempt sales relate to goods exempted from sales tax under the *Sales Tax (Exemptions and Classifications) Act 1935-1970*. The figures shown do not represent the total sales of all commodities, as vendors trading only in exempt goods are not required to be registered, and consequently the volume of their sales is not included in the statistics above. In addition, non-taxable sales (i.e. goods sold by one registered taxpayer to another registered taxpayer) are excluded.

Primary production taxes and charges

The following section shows current rates of charges, and receipts from, primary production and other charges during the years 1967-68 to 1971-72. Further information relating to primary production charges is given in Chapter 22, Rural Industry.

Wheat export charge and wheat tax. For details see Chapter 22, Rural Industry.

Wool tax. The rate of wool tax applicable to transactions in wool in the period 1 August 1970 to 30 June 1973 was 1 per cent. On 3 April 1973 the Government announced its intention to increase the rate for the 1973-74 financial year to 2.4 per cent.

Miscellaneous export charges. These consist of charges levied on exports of apples and pears (*Apple and Pear Export Charges Act 1928-1968*), canned fruits (*Canned Fruits Export Charges Act 1926-1966*), dried fruits (*Dried Fruits Export Charges Act 1924-1970*), and eggs (*Eggs Export Charges Act 1947-1965*).

Tobacco charge. The rates of tobacco charge currently in force are as follows:

- (a) in respect of leaf grown in Australia and sold to a manufacturer:
 - (i) 1.1 cents per kilogram of leaf, payable by the grower or other persons who own the leaf immediately before sale, and
 - (ii) 2.2 cents per kilogram of leaf, payable by the manufacturer;
- (b) in respect of leaf grown and used by grower-manufacturers:
 - (i) where the manufacturer grows nine-tenths of the Australian tobacco leaf used by him—1.1 cents per kilogram of leaf,
 - (ii) in other cases—2.2 cents per kilogram of leaf.

(See also Chapter 22, Rural Industry.)

Butter fat levy. The *Butter Fat Levy Act 1965-66* provides for a maximum rate of \$0.48 per hundredweight of butterfat content of specified dairy produce and for the apportionment of the proceeds between overseas marketing (50 per cent) and local promotion (50 per cent). (See also Chapter 22, Rural Industry.)

Dairy Research Levy. The *Dairying Research Levy Act 1972* came into operation on 1 July 1972. It imposes a levy on all whole milk produced in Australia and is payable either on a butterfat or gallonage basis, according to the normal method of payment to producer by the purchaser. The present operative rates of levy are 10 cents per hundredweight butterfat or 0.033 cents per gallon milk.

Canning-fruit charge. The present rate of canning-fruit charge is \$1.00 per ton of fruit. This rate has operated since 10 December 1970.

Honey levy. The current rate of levy on honey sold for domestic consumption in Australia is 0.5 cents per pound.

Livestock slaughter levy. The present operative rate of levy for cattle is 46 cents per head of which 25 cents is for beef research, 1 cent for research into the meat processing industry and 20 cents to finance the operations of the Australian Meat Board. For sheep and lambs the levy is 3.85 cent per head and the components are 1.75 cents for sheep meat research, 0.1 cent for research into the meat processing industry and 2.00 cents for the Australian Meat Board.

Poultry industry levy. The rates of levy for each hen kept for commercial purposes (the first twenty hens being exempt) were 4.0 cents per fortnight from 1 July 1971 to 8 June 1972, nil per fortnight from 9 June 1972 to 30 June 1972 and 4.0 cents per fortnight from 1 July 1972.

Meat chicken levy. The rate of levy is 10 cents per hundred meat chickens hatched, payable by any hatchery with 20,000 chickens or more.

Pig slaughter levy. The present operative rate of levy is 5 cents for each pig slaughtered for human consumption.

Wine grapes charges. The *Wine Grapes Charges Act 1929-1969* imposes a levy, which is payable by the owner of a winery or distillery, on all grapes delivered to that winery for use in the manufacture of wine. No charge is payable unless 10 tons or more of grapes have been used in the manufacture of wine during a season. The operative rate of charge as from 25 January 1973 is \$2.40 per tonne of fresh grapes and \$7.20 in respect of dried grapes.

Dried wine fruits levy. The *Dried Vines Fruits Levy Act 1971* imposes a levy on dried vine fruits where the average return for a season exceeds by more than \$10 the amount per ton that constitutes the base price for that season, with a maximum of \$20 per ton.

Apple and pear stabilisation export duty. The *Apple and Pear Stabilisation Export Duty Act 1971* imposes an export duty on the exportation on consignment of fruit of a season where the average export return for a season exceeds the support price for that season. The maximum rate of export duty is 80 cents per reputed bushel.

Dried fruits levy. The *Dried Fruits Levy Act 1971* imposes a levy on dried fruits of a season received for packing. The rate of levy is in the case of dried vine fruits 50 cents per ton and in the case of dried tree fruits \$2.50 per ton.

**COMMONWEALTH PRIMARY PRODUCTION TAXES AND CHARGES
RECEIPTS, 1967-68 TO 1971-72
(\$'000)**

<i>Source of revenue</i>	1967-68	1968-69	1969-70	1970-71	1971-72
Apple and pear export charge	211	280	318	385	408
Butter fat levy	1,936	1,956	2,189	2,184	2,133
Canned fruit export charge	326	330	208	427	342
Canning fruit charge	123	164	99	218	171
Dried fruits export charge	143	139	82	232	267
Dried fruits levy . . . . .	..	..	..	..	46
Dried vine fruits contributory charge—					
Currants . . . . .	..	25	44	..	..
Raisins	42	..	..	..	..
Sultanas	139	..	..	..	..
Egg export charge	4	4	4	4	4
Honey levy	96	106	103	108	122
Livestock slaughter levy—					
Cattle	1,314	1,351	1,557	1,811	2,432
Pigs . . . . .	..	..	..	..	144
Sheep and lambs	1,063	1,027	1,229	1,409	1,932
Chicken meat levy . . . . .	..	..	68	114	118
Poultry industry levy	10,840	10,785	11,117	12,819	13,038
Tobacco charge	427	313	539	502	567
Wheat tax	633	1,276	788	607	712
Wine grapes charge	357	379	449	534	513
Wool tax	13,694	15,272	14,028	5,567	5,496
Other	302	265	311	377	391
Total	31,649	33,674	33,133	27,300	28,836

Pay-roll tax

Commonwealth pay-roll tax came into operation on 2 May 1941 and provided for the imposition of a tax on wages paid or payable in respect of any period of time occurring after 30 June 1941. The tax was payable by employers on all wages and salaries paid or payable in excess of a general exemption. The rate of tax, 2.5 per cent, was unchanged since its inception but the general exemption was increased over the years from \$173.33 to \$1,733.33 per month (\$2,080 per annum to \$20,800 per annum).

From 1 September 1971, in accordance with an agreement between the Commonwealth and the States following the June 1971 Premiers' Conference, the Commonwealth vacated the pay-roll tax field in favour of the States. The Commonwealth continued, however, to impose pay-roll tax in the two internal Commonwealth Territories, i.e. the Australian Capital Territory and the Northern Territory. The laws relating to pay-roll tax in the Territories are the *Pay-roll Tax (Territories) Assessment Act 1971* and the *Pay-roll Tax (Territories) Act 1971*.

The rate of tax payable in the Territories is 2.5 per cent with a statutory exemption of wages up to \$1,733.33 per month (\$20,800 per annum) or a proportion of that amount in the case of an employer who is an employer also in a State.

On vacating the pay-roll tax field in favour of the States the Commonwealth introduced an export incentive grant scheme to provide grants in respect of the 1971-72 and 1972-73 financial years equal to the rebates which would have been payable for those years if the pay-roll tax rebate scheme which had operated from the 1960-61 financial year had continued in operation until it was due to expire on 30 June 1973.

Gross collections of pay-roll tax in 1971-72 amounted to \$99,070,028. Refunds of pay-roll tax during 1971-72 under the payroll tax rebate scheme amounted to \$58,674,224 (\$50,674,224 under the export incentive grant scheme). For details of the pay-roll tax rebate scheme, see page 553 of the Official Year Book No. 57.

Other Commonwealth taxation

Stevedoring Industry Charge. The rates in operation since 10 February 1972 have been as follows:

Class of Waterside Worker			Rate
			\$
A	..	..	1.00 per man-hour
B	..	..	1.20 per man-hour
C	..	..	0.82 per man-hour

Class A waterside workers are regular waterside workers on weekly hire in permanent and non-permanent continuous ports. Class B are regular casual workers in non-permanent continuous ports and Class C are regular casual workers in non-continuous and seasonal ports and irregular workers in all ports.

Broadcasting listeners and television viewers' licences. Information relating to the various classes of licence, and the fees currently applicable to each, is given in Chapter 12, Transport, Communication and Travel, page 390.

Taxes levied in the Territories

Northern Territory. Taxes levied by the Commonwealth in the Northern Territory in the years 1967-68 to 1971-72 were as follows.

NORTHERN TERRITORY: TAXATION BY TYPE OF TAX, 1967-68 TO 1971-72
((\$'000))

Type of tax	1967-68	1968-69	1969-70	1970-71	1971-72
Rates on land	404	450	547	683	950
Vehicle registration fees	301	485	549	607	735
Drivers', etc., licences(a)	20	32	37	40	49
Liquor taxes(a)	72	89	120	366	443
Racing taxes	29	33	48	96	112
Licences and registration fees n.e.i.	22	49	32	31	37
Stamp duties	73	86	94	176	158
Other taxes, fees, fines, etc.	63	74	92	258	340
Total taxation	984	1,299	1,520	2,257	2,824

(a) Estimated.

Australian Capital Territory. Taxes levied by the Commonwealth in the Australian Capital Territory in the years 1967-68 to 1971-72 were as follows.

AUSTRALIAN CAPITAL TERRITORY: TAXATION BY TYPE OF TAX, 1967-68 TO 1971-72
(**\$'000**)

<i>Type of tax</i>	<i>1967-68</i>	<i>1968-69</i>	<i>1969-70</i>	<i>1970-71</i>	<i>1971-72</i>
Rates on land	641	619	749	1,383	4,362
Vehicle registration fees	694	747	830	937	1,090
Drivers', etc., licences	65	142	81	101	129
Liquor taxes	226	259	287	340	390
Licences and registration fees n.e.i.	89	115	137	150	181
Stamp duties . . . . .	..	..	1,969	2,475	2,561
Charges on conveyances of interests in land(a)	298	383	..	..	..
Other taxes, fees, fines, etc.	32	25	25	22	12
Total taxation	2,045	2,290	4,079	5,408	8,725

(a) These charges have been levied in the form of stamp duty from 1969-70 onwards.

Rates on land and stamp duties (*see also* page 578) are the principal taxes levied in the Australian Capital Territory.

Gross operating surplus of public enterprises

The *gross operating surplus* of public trading enterprises is the excess over working expenses of total revenue from charges before providing for capital consumption and other costs of capital (i.e. interest, debt redemption) *Financial* enterprises do not charge directly, at least not in full, for the services they render; that expenditure is largely financed by net receipts of interest and other transfer income. By convention, the output of these enterprises is valued at cost, so that no operating surplus is recorded in their production accounts. The profits of these enterprises are attributable to their property income. *Income* (including depreciation) of public financial enterprises is therefore arrived at after deducting interest paid and working expenses (i.e. net current expenditure on goods and services) from total receipts of interest and non-dwelling rent.

In the following table the revenue, working expenses and gross operating surplus of public trading enterprises are shown; public financial enterprises are reflected simply on the basis of their income (including depreciation). Further information relating to the more important of these enterprises may be found in the chapters dealing with banking, housing, railways, electric power generation, etc.

REVENUE, WORKING EXPENSES AND GROSS OPERATING SURPLUS OF COMMONWEALTH PUBLIC ENTERPRISES

(\$ million)

	1967-68	1968-69	1969-70	1970-71	1971-72p
REVENUE					
Development of resources and assistance to industry—					
Water supply, sewerage and irrigation	1.8	1.6	2.1	2.0	
Other	2.2	2.4	2.6	21.7	
Total development, etc.	4.0	4.0	4.8	23.7	
Manufacturing	8.7	12.1	11.4	11.8	
Transport and communication—					
Post office	502.7	567.2	625.2	715.6	} not available
Railways	22.2	25.4	27.6	29.0	
Other	288.3	335.6	400.6	449.5	
Total transport, etc.	813.2	928.2	1,053.5	1,194.1	
Power, fuel and light	29.6	32.8	36.1	48.6	
Housing	26.4	27.1	32.6	38.0	
Insurance	1.4	1.9	2.2	2.4	
Banks	58.8	64.6	79.6	90.5	
Other	4.8	11.6	13.2	15.7	
Total revenue	946.9	1,082.3	1,233.4	1,424.8	

WORKING EXPENSES(a)

Development of resources and assistance to industry—					
Water supply, sewerage and irrigation	1.9	1.8	1.8	2.0	
Other	2.0	2.0	2.3	17.1	
Total development, etc.	3.9	3.8	4.1	19.1	
Manufacturing	8.2	9.3	9.2	10.9	
Transport and communication—					
Post office	332.9	358.0	401.4	464.7	} not available
Railways	18.4	20.9	23.0	24.9	
Other	230.0	260.8	311.3	377.0	
Total transport, etc.	581.3	639.6	735.6	866.6	
Power, fuel and light	6.6	7.9	9.8	11.6	
Housing	23.1	24.1	28.2	30.9	
Insurance	1.4	1.5	1.6	1.6	
Other	4.9	10.1	11.1	12.5	
Total working expenses	629.4	696.4	799.7	953.2	

GROSS OPERATING SURPLUS

Development of resources and assistance to industry—					
Water supply, sewerage and irrigation	-0.1	-0.2	0.3	..	1.1
Other	0.1	0.4	0.4	4.6	-17.0
Total development, etc.	0.1	0.2	0.7	4.6	-15.9
Manufacturing	0.5	2.8	2.2	0.9	..
Transport and communication—					
Post office	169.8	209.2	223.9	250.9	338.3
Railways	3.8	4.5	4.6	4.0	1.1
Other	58.3	74.8	89.3	72.6	73.9
Total transport, etc.	231.9	288.5	317.8	327.5	413.3
Power, fuel and light	22.9	24.9	26.3	37.0	36.9
Housing	3.4	3.0	4.4	7.1	7.3
Insurance . . . . .	..	0.4	0.6	0.9	0.6
Banks	58.8	64.6	79.6	90.5	103.1
Other	-0.1	1.4	2.1	3.2	3.6
Total gross operating surplus	317.4	385.9	433.7	471.6	548.9

(a) Excludes depreciation and interest charges.

STATE AUTHORITIES

The State authorities dealt with in this section include the central government of each State, statutory bodies created by or under State legislation to carry out activities on behalf of the central government, and incorporated organisations in which individual State governments have a controlling interest.

The transactions of many of the State authorities are itemised in State Consolidated Revenue Funds or in Trust Funds, so that a satisfactory coverage of their transactions can be obtained from a detailed analysis and reclassification of the published accounts whose receipts and payments are summarised in the statement of Treasury balances for each State. The remaining statutory bodies and other publicly owned or controlled organisations maintain accounts entirely, or largely separate from the public accounts although there may be transactions between them and State governments (such as advances and capital contributions, interest and dividends, and votes for running expenses and capital works) which would affect the public accounts. The accounting reports of this group of organisations have to be collected and analysed in order to present a complete statement of the transactions of State authorities—or at least methods of analysis need to be adopted which adequately reflect their transactions so that they are, in principle, covered by the statistics. In the figures which follow in this section all expenditure by State central government authorities on certain institutions, whether direct (e.g. new building charged to Loan Fund) or indirectly by way of current or capital grants to the bodies administering them, has been treated as final expenditure on goods and services by State authorities; fees and gifts from persons or private businesses to these institutions are not included, and neither is the expenditure of the institutions from their own resources. Universities and hospitals are particular examples of organisations for which this practice has been adopted.

Many of these State authorities have been granted autonomy by State legislatures to the extent that they are largely financially independent. Some of these are funded from earmarked tax revenues and are vested with independent borrowing powers. A considerable number of others belong to the category of public enterprises, since they are able to charge for their services so as to cover their costs of operation. These bodies have usually been created to control a specific activity or provide a specific service within a State. It is often the case that in other States similar activities are carried out, or services are provided, by central government or local authorities. Details of the activities of autonomous or semi-autonomous State authorities engaged in construction and maintenance of roads and bridges, provision of water supply and sewerage services, and harbour facilities, are given in the last part of this chapter. Information on the activities of other State authorities engaged in such fields as transport, electricity and gas, housing and banking may be found in chapters relevant to those subjects.

Details of the transactions of State authorities are given in the tables which follow. These figures have been prepared on a national accounting basis, and arranged in a form of presentation which is compatible with the figures given earlier for Commonwealth authorities. The figures are generally consistent with those given for State and local authorities in *Australian National Accounts, 1971–72*. Reference should be made to the introduction of *Public Authority Finance, 1969–70*, for definitions and descriptions of items appearing in these tables, and also for further details of the organisations covered by the figures. However because of the preliminary nature of the 1971–72 information at the time of compilation of the statistics State dissections have been shown only for 1970–71.

Additional information relating to the activities of the State authorities may also be found in the Year Books of the individual States.

Receipts and outlay

The receipts and outlay of State authorities for the five year period ended 1971-72 are given in the following table.

STATE AUTHORITIES(a): RECEIPTS AND OUTLAY, 1967-68 TO 1971-72
(\$ million)

	1967-68	1968-69	1969-70	1970-71	1971-72
RECEIPTS					
Current receipts—					
Taxes, fees, fines, etc.	753.3	859.9	960.2	1,007.9	1,414.4
Income from public enterprises	328.9	348.8	391.0	362.6	366.6
Interest, etc., received	130.5	144.0	170.2	207.8	209.8
Grants from Commonwealth	1,056.8	1,150.0	1,309.0	1,652.0	1,746.6
<i>Total current receipts</i>	<i>2,269.5</i>	<i>2,507.7</i>	<i>2,830.4</i>	<i>3,230.3</i>	<i>3,737.4</i>
Capital receipts—					
Depreciation allowances	164.6	186.6	210.9	207.7	231.0
Net borrowing—					
Government securities—					
Australia	544.1	528.1	562.5	427.2	615.9
Overseas	-76.3	-24.1	-88.6	-51.7	-77.6
Public corporation securities	217.5	262.1	242.5	312.9	318.0
Advances from Commonwealth	169.8	112.7	176.3	150.9	36.5
Grants from Commonwealth	254.9	263.9	311.4	554.3	625.8
Other funds available (including errors and omissions)	29.5	23.0	30.5	43.0	23.0
<i>Total capital receipts</i>	<i>1,304.1</i>	<i>1,352.3</i>	<i>1,445.5</i>	<i>1,644.3</i>	<i>1,772.6</i>
Reduction in cash and bank balances	-77.2	-53.2	-33.3	-66.1	-44.1
Total receipts	3,496.4	3,806.8	4,242.6	4,808.5	5,465.9
OUTLAY					
Current outlay—					
Net current expenditure on goods and services	1,322.7	1,483.7	1,717.5	2,070.5	2,451.3
Interest, etc., paid	554.6	604.0	664.2	721.4	804.1
Cash benefits to persons	28.7	35.2	40.6	46.7	57.5
Subsidies	14.9	15.5	20.8	15.9	16.0
Grants for private capital purposes	18.3	14.3	18.4	14.9	15.7
Grants to local authorities	57.5	59.9	57.0	68.7	81.0
<i>Total current outlay</i>	<i>1,996.7</i>	<i>2,212.6</i>	<i>2,518.5</i>	<i>2,938.1</i>	<i>3,425.6</i>
Capital outlay—					
Expenditure on new fixed assets	1,369.4	1,505.7	1,604.3	1,697.1	1,881.3
Expenditure on existing assets	7.7	-3.2	14.3	29.8	29.6
Increase in stocks	-11.1	4.9	6.3	15.8	10.3
Advances to local authorities	6.7	6.7	9.3	5.3	7.0
Advances to other sectors	127.1	80.0	90.0	122.4	112.1
<i>Total capital outlay</i>	<i>1,499.8</i>	<i>1,594.1</i>	<i>1,724.2</i>	<i>1,870.4</i>	<i>2,040.3</i>
Total outlay	3,496.4	3,806.8	4,242.6	4,808.5	5,465.9

(a) Excluding financial enterprises.

The following table provides details of the receipts and outlay of State authorities in each of the six States for the year 1970-71.

STATE AUTHORITIES(a): RECEIPTS AND OUTLAY, BY STATE, 1970-71
(\$ million)

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
RECEIPTS							
Current receipts—							
Taxes, fees, fines, etc.	410.7	304.3	122.7	71.1	76.8	22.4	1,007.9
Income from public enterprises	125.4	113.6	42.0	42.6	24.3	14.9	362.6
Interest, etc., received.	63.9	46.7	28.4	19.1	40.1	9.7	207.8
Grants from Commonwealth	543.4	407.7	253.8	177.7	181.9	87.5	1,652.0
<i>Total current receipts</i>	<i>1,143.3</i>	<i>872.2</i>	<i>446.8</i>	<i>310.5</i>	<i>323.0</i>	<i>134.5</i>	<i>3,230.3</i>
Capital receipts—							
Depreciation allowances	88.7	55.5	23.3	16.0	18.2	5.9	207.7
Net borrowing—							
Government securities—							
Australia	163.3	91.6	51.8	46.7	44.4	29.5	427.2
Overseas	-33.0	-5.2	-2.4	-6.5	-3.2	-1.3	-51.7
Public corporation securities	77.0	129.7	66.0	16.6	15.3	8.4	312.9
Advances from Commonwealth	44.7	39.2	12.7	26.5	16.6	11.3	150.9
Grants from Commonwealth	170.5	122.9	94.9	65.6	72.8	27.6	554.3
Other funds available (including errors and omissions)	7.5	12.4	21.7	-5.2	5.6	1.1	43.0
<i>Total capital receipts</i>	<i>518.6</i>	<i>446.1</i>	<i>267.9</i>	<i>159.7</i>	<i>169.7</i>	<i>82.4</i>	<i>1,644.3</i>
Reduction in cash and bank balances	-13.8	-25.9	-25.4	-2.4	2.3	-1.0	-66.1
Total receipts	1,648.1	1,292.4	689.4	467.8	495.0	216.0	4,808.5
OUTLAY							
Current outlay—							
Net current expenditure on goods and services							
Interest, etc., paid	216.1	220.3	96.7	85.9	61.3	41.0	721.4
Cash benefits to persons	23.5	6.0	7.0	4.3	4.7	1.2	46.7
Subsidies	7.5	1.7	5.1	0.2	1.0	0.3	15.9
Grants for private capital purposes	4.1	5.2	2.3	2.2	0.7	0.4	14.9
Grants to local authorities	27.2	2.7	26.8	4.8	7.7	-0.4	68.7
<i>Total current outlay</i>	<i>1,051.5</i>	<i>774.5</i>	<i>422.7</i>	<i>279.7</i>	<i>280.6</i>	<i>129.2</i>	<i>2,938.1</i>
Capital outlay—							
Expenditure on new fixed assets	533.4	481.4	246.1	160.9	198.2	77.2	1,697.1
Expenditure on existing assets	10.0	8.2	0.8	5.3	5.5	..	29.8
Increase in stocks	8.8	-1.8	2.5	5.1	0.2	1.0	15.8
Advances to local authorities	0.3	0.5	3.2	-0.3	..	1.6	5.3
Advances to other sectors	44.0	29.6	14.1	17.1	10.6	7.0	122.4
<i>Total capital outlay</i>	<i>596.5</i>	<i>518.0</i>	<i>266.7</i>	<i>188.1</i>	<i>214.4</i>	<i>86.8</i>	<i>1,870.4</i>
Total outlay	1,648.1	1,292.4	689.3	467.8	495.0	216.0	4,808.5

(a) Excluding financial enterprises.

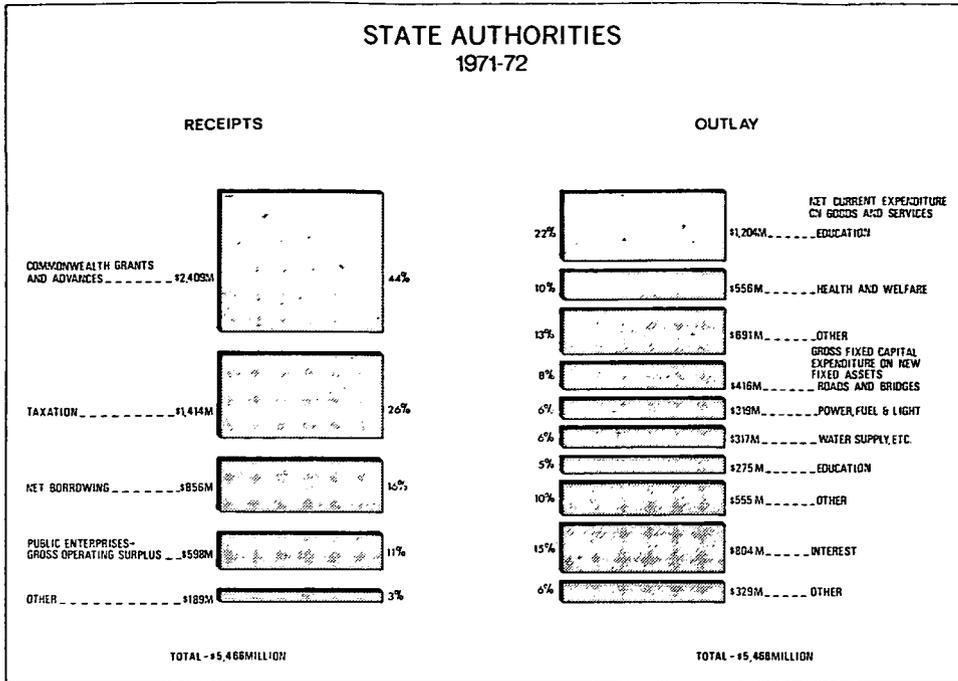


PLATE 35

Main components of outlay

The main component of the outlay of State authorities is expenditure on goods and services. As in the case of Commonwealth authorities, this expenditure (as shown here) consists of purchases of goods and services for current consumption, less any charges made by the authorities, together with expenditure on acquisition of fixed assets and changes in stocks, and may be regarded as a measure of demand for goods and services. The following tables show functional dissections of net current expenditure on goods and services and expenditure on new fixed assets as an indication of the range of programs in which the State authorities are involved.

**STATE AUTHORITIES: NET CURRENT EXPENDITURE ON GOODS AND SERVICES
CLASSIFIED BY FUNCTION, 1967-68 TO 1971-72
(\$ million)**

	1967-68	1968-69	1969-70	1970-71	1971-72 ^p
Law, order and public safety	161.5	179.2	202.2	234.8	273.8
Education	625.2	707.1	838.0	1,012.0	1,204.4
Cultural and recreational facilities	17.0	19.2	20.6	25.6	n.a.
Health	265.9	301.1	347.6	427.0	488.5
Welfare	37.7	40.0	44.4	53.0	67.4
Development of resources and assistance to industry	91.9	100.0	110.9	130.0	152.2
Transport and communication	0.7	1.5	0.2	1.2	} n.a.
Legislature	11.1	11.8	13.6	15.5	
General administration	56.6	63.8	69.9	84.8	
Regulation of trade and industry	12.5	13.9	15.6	18.1	
Other	4.4	4.3	5.7	7.0	
Not allocated to function	38.1	41.8	48.7	61.5	
Total	1,322.7	1,483.7	1,717.5	2,070.5	2,451.3

**STATE AUTHORITIES: NET CURRENT EXPENDITURE ON GOODS AND SERVICES
CLASSIFIED BY FUNCTION, BY STATE, 1970-71**
(\$ million)

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
Law, order and public safety	93.2	53.3	38.5	18.2	22.8	8.3	234.8
Education	367.6	303.8	118.9	99.1	85.6	37.1	1,012.0
Cultural and recreational facilities	10.4	5.6	2.0	3.3	2.4	2.0	25.6
Health	159.7	106.5	64.3	35.0	45.9	15.5	427.0
Welfare	13.3	15.5	8.4	5.5	7.3	3.1	53.0
Development of resources and assistance to industry	45.9	23.6	24.8	6.7	20.5	8.3	130.0
Transport and communication	-0.2	0.2	-0.2	0.1	0.8	0.5	1.2
Legislature	4.5	3.6	1.9	2.2	2.1	1.2	15.5
General administration	38.1	9.3	11.4	9.6	8.6	7.8	84.8
Regulation of trade and industry	5.7	5.4	3.8	1.5	1.0	0.6	18.1
Other	1.7	-0.6	4.8	0.4	-0.1	0.7	7.0
Not allocated to function	33.2	11.9	6.1	0.8	8.2	1.2	61.5
Total	773.1	538.5	284.8	182.3	205.2	86.6	2,070.5

**STATE AUTHORITIES: EXPENDITURE ON NEW FIXED ASSETS
CLASSIFIED BY FUNCTION, 1967-68 TO 1971-72**
(\$ million)

	1967-68	1968-69	1969-70	1970-71	1971-72p
Law, order and public safety	15.7	21.8	21.9	24.2	26.3
Education	165.1	190.9	208.5	235.9	274.9
Cultural and recreational facilities	8.4	7.6	11.3	16.2	23.9
Health	64.8	74.2	81.1	85.4	97.3
Welfare	4.5	4.7	4.8	5.0	7.4
Water supply, sewerage, irrigation	196.5	211.1	250.2	276.1	317.3
Other development of resources and assistance to industry	57.7	60.3	59.0	50.0	51.5
Manufacturing	4.0	2.7	3.6	7.8	8.0
Railways	107.8	114.2	120.2	122.4	141.6
Harbours	47.4	60.0	50.7	52.9	66.4
Roads and bridges	278.2	306.1	341.3	367.6	415.8
Other transport and communication	16.7	40.6	13.3	13.7	13.4
Power, fuel and light	311.2	327.0	341.5	321.3	318.6
Housing	61.2	57.3	69.6	81.1	75.4
Public financial enterprises	10.2	13.0	24.6	35.8	33.0
Other	30.2	27.5	27.3	37.4	43.4
Total	1,379.6	1,518.7	1,628.9	1,732.9	1,914.3
<i>of which</i>					
General government	618.8	684.2	750.6	824.8	944.3
Public enterprises	760.8	834.5	878.2	908.1	970.1

**STATE AUTHORITIES: EXPENDITURE ON NEW FIXED ASSETS, CLASSIFIED BY
FUNCTION, BY STATE, 1970-71**
(\$ million)

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
Law, order and public safety	10.6	3.9	4.4	1.7	1.8	1.8	24.2
Education	80.9	72.6	28.5	26.6	19.4	7.9	235.9
Cultural and recreational facilities	12.3	1.5	0.1	..	0.8	1.5	16.2
Health	27.7	19.1	6.8	13.2	13.3	5.4	85.4
Welfare	2.5	1.3	0.7	0.3	..	0.1	5.0
Water supply, sewerage, irrigation	116.3	85.9	15.1	27.4	30.3	1.1	276.1
Other development of resources and assistance to industry	14.2	12.1	13.2	1.5	5.4	3.5	50.0
Manufacturing	3.0	0.2	..	1.1	3.4	..	7.8
Railways	35.7	17.4	40.1	9.7	18.3	1.1	122.4
Harbours	14.2	11.6	11.0	5.0	5.5	5.5	52.9
Roads and bridges	99.6	108.9	69.5	34.3	42.2	13.1	367.6
Other transport and communication	4.2	3.0	..	4.8	1.5	0.2	13.7
Power, fuel and light	82.2	117.3	40.8	20.5	27.3	33.0	321.3
Housing	22.0	17.7	10.9	5.0	24.5	1.0	81.1
Public financial enterprises	11.4	2.5	19.7	0.5	1.7	..	35.8
Other	7.7	8.8	4.9	9.7	4.7	1.9	37.4
Total	544.7	483.9	265.8	161.4	199.9	77.2	1,732.9

Main components of receipts

The major source of funds available to State authorities is in the form of financial assistance by way of grants and advances from the Commonwealth. Taxation is also an important source of revenue, and central government borrowing by way of Commonwealth securities issued on behalf of the States as well as borrowing by statutory bodies accounted for a significant proportion of the total funds available, in marked contrast to the relatively minor role played by borrowing in financing the activities of Commonwealth authorities.

Details of Commonwealth financial assistance to the States have already been given in the section dealing with Commonwealth authorities, and government borrowing activities are dealt with later in this chapter.

The following tables provide details of the taxes collected by State authorities classified by type of tax. Further information relating to State taxes may be found in *Public Authority Finance: Taxation, 1971-72*.

STATE AUTHORITIES: TAXATION, BY TYPE OF TAX, 1967-68 TO 1971-72
(\$ million)

	1967-68	1968-69	1969-70	1970-71	1971-72
Estate, gift, probate and succession duties	119.2	134.4	137.3	149.4	144.6
Property taxes—					
Land tax	76.1	75.1	77.0	91.5	102.8
Metropolitan improvement rates	6.6	7.3	8.4	8.9	9.4
Other	2.2	2.3	2.6	1.7	1.5
<i>Total property</i>	<i>84.9</i>	<i>84.8</i>	<i>88.0</i>	<i>102.2</i>	<i>113.7</i>
Liquor taxes	34.4	38.4	41.0	44.5	47.9
Taxes on gambling—					
Lotteries	29.8	30.7	32.4	33.3	35.4
Poker machines	23.1	26.3	30.4	34.8	38.3
Racing	44.4	50.1	57.0	63.0	75.6
<i>Total gambling</i>	<i>97.3</i>	<i>107.0</i>	<i>119.9</i>	<i>131.1</i>	<i>149.3</i>
Taxes on ownership and operation of motor vehicles—					
Vehicle registration fees and taxes	124.4	136.8	150.6	159.6	189.9
Drivers', etc., licences and fees	14.9	16.1	16.7	19.4	25.1
Stamp duty on vehicle registration	14.8	16.7	19.2	20.3	24.3
Road transport taxes	13.7	14.5	15.8	16.4	17.1
Road maintenance contributions	28.9	32.7	35.6	37.4	38.8
Motor car third party insurance surcharge and duties	3.5	4.1	4.8	5.1	5.9
<i>Total motor vehicles</i>	<i>200.1</i>	<i>220.8</i>	<i>242.8</i>	<i>258.2</i>	<i>301.1</i>
Payroll tax . . . . .	..	..	..	..	306.0
Fire brigades contributions from insurance companies, etc.	19.3	22.2	25.2	28.1	34.9
Stamp duties, n.e.i.	157.9	206.6	256.9	239.9	249.3
Licences and registration fees, n.e.i.	5.0	5.6	6.1	6.8	8.2
Other taxes, fees, fines, etc.	35.2	40.1	42.9	47.6	59.3
<i>Total taxation</i>	<i>753.3</i>	<i>859.9</i>	<i>960.2</i>	<i>1,007.9</i>	<i>1,414.4</i>

STATE AUTHORITIES: PROPORTION OF EACH TYPE OF TAX TO TOTAL TAXATION
1967-68 TO 1971-72

(per cent)

	1967-68	1968-69	1969-70	1970-71	1971-72
Estate, gift, probate and succession duties	15.8	15.6	14.3	14.8	10.2
Property taxes	11.3	9.9	9.2	10.1	8.0
Liquor taxes	4.6	4.5	4.3	4.4	3.4
Taxes on gambling	12.9	12.4	12.5	13.0	10.6
Taxes on ownership and operation of motor vehicles	26.6	25.7	25.3	25.6	21.3
Payroll tax . . . . .	..	..	..	..	21.6
Fire brigades contribution from insurance companies, etc.	2.6	2.6	2.6	2.8	2.5
Stamp duties n.e.i.	21.0	24.0	26.8	23.8	17.6
Licences and registration fees n.e.i.	0.7	0.7	0.6	0.7	0.6
Other taxes, fees, fines, etc.	4.7	4.7	4.5	4.7	4.2
Total taxation	100.0	100.0	100.0	100.0	100.0

STATE AUTHORITIES: TAXATION BY TYPE OF TAX, BY STATE, 1970-71

(\$ million)

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
Estate, gift, probate and succession duties	60.9	49.9	17.5	9.8	8.3	3.1	149.4
Property taxes—							
Land tax	40.4	28.4	5.1	7.6	7.2	2.9	91.5
Metropolitan improvement rates . . . . .	..	7.7	..	..	1.3	..	8.9
Other	0.4	..	1.1	0.1	0.2	..	1.7
<i>Total property</i>	<i>40.8</i>	<i>36.1</i>	<i>6.2</i>	<i>7.6</i>	<i>8.6</i>	<i>2.9</i>	<i>102.2</i>
Liquor taxes	18.2	11.8	6.2	3.3	3.8	1.3	44.5
Taxes on gambling—							
Lotteries	18.8	6.4	4.5	1.9	1.7	..	33.3
Poker machines	34.8	..	..	..	..	..	34.8
Racing	23.9	21.2	8.3	3.4	4.8	1.5	63.0
<i>Total gambling</i>	<i>77.5</i>	<i>27.7</i>	<i>12.7</i>	<i>5.3</i>	<i>6.5</i>	<i>1.5</i>	<i>131.1</i>
Taxes on ownership and operation of motor vehicles—							
Vehicle registration fees and taxes	49.4	51.9	24.9	14.2	13.8	5.5	159.6
Drivers' etc., licences and fees	9.0	5.1	1.6	1.5	1.6	0.7	19.4
Stamp duty on vehicle registration	5.0	7.0	3.4	2.5	2.1	0.4	20.3
Road transport taxes	5.9	1.9	6.7	..	1.4	0.4	16.4
Road maintenance contributions	16.8	8.9	4.7	3.0	4.0	..	37.4
Motor car third party insurance surcharge and duties . . . . .	..	2.9	..	1.0	0.9	0.3	5.1
<i>Total motor vehicles</i>	<i>86.1</i>	<i>77.7</i>	<i>41.3</i>	<i>22.0</i>	<i>23.8</i>	<i>7.4</i>	<i>258.2</i>
Fire brigades contribution from insurance companies, etc.	9.8	8.8	5.5	1.1	2.2	0.7	28.1
Stamp duties n.e.i.	98.3	73.5	23.9	18.3	20.8	5.1	239.9
Licences and registration fees n.e.i.	2.2	2.2	0.7	0.9	0.7	0.1	6.8
Other taxes, fees, fines, etc.	16.9	16.7	8.7	2.8	2.1	0.4	47.6
Total taxation	410.7	304.3	122.7	71.1	76.8	22.4	1,007.9

LOCAL AUTHORITIES

In each State of the Commonwealth there exists a system of local government whose powers and responsibilities are in general similar, and cover such matters as the construction and maintenance of roads, streets and bridges, water, sewerage and drainage systems, and health and sanitary services, the supervision of building, and the administration of regulations relating to items such as weights and measures, slaughtering, the registration of dogs, etc. In addition to these obligatory functions, there are also many which may be performed by a local authority either with or without the consent of the ratepayers or the Governor-in-Council. These include transport facilities, electricity, gas, and other business undertakings, hospitals, charitable institutions, recreation grounds, parks, baths, libraries, museums, etc.

The system is based on the principle of a grant of specific powers by the State legislatures to the local authorities, their autonomy, however, being more or less limited by the provision for general supervision by a department of the central government or by the Governor-in-Council. Otherwise, within the scope of the Acts under which they are constituted or which they have to administer, they are responsible only to the ratepayers. While the broad pattern of local government throughout the States of Australia is similar, the range of activities, election of officers, methods of valuation and rating powers, etc. vary considerably from State to State, and even within States.

The areas over which local government bodies, numbering in excess of 900, exercise general control, are known in New South Wales as cities, municipalities and shires; in Victoria as cities, towns, boroughs and shires; in Queensland as cities, towns and shires; in South Australia as cities, corporate towns and district council areas; in Western Australia as cities, towns and shires; and in Tasmania as cities and municipalities. In New South Wales some local authorities in an area have combined to provide services such as electricity, water, sewerage and drainage—e.g. the county councils. Within shires there are also some municipal units known as urban areas. Apart from the more thinly populated parts of New South Wales and South Australia, and the Commonwealth Territories (except for the City of Darwin and Alice Springs), practically the whole of Australia comes within local government jurisdiction. For further details *see* State Year Books.

Area, population, dwellings, and value of rateable property

The area, population, dwellings, and the value of rateable property in the incorporated areas of each State are shown in the following table. The valuations relate to rateable property only and exclude government and other non-rateable property, whose value in the aggregate is considerable. In some cases councils rate on annual value, or unimproved capital value, or improved capital value, or partly on each of these bases of valuation. The amounts stated are the totals for the areas rated according to each basis of valuation. Particulars of dwellings are in accordance with the definition used in the 1966 census, and are compiled from information collected on the census schedules. For the purpose of the census a dwelling was defined as any habitation occupied by a household group living together as a domestic unit, whether comprising the whole or only part of a building. The term has, therefore, a very wide reference and includes, in addition to houses and flats, a great variety of dwellings ranging from a single-roomed shack to a multi-roomed hotel or institution. Unoccupied dwellings include vacant dwellings available for sale and renting, 'week-end' and holiday dwellings, and other dwellings temporarily unoccupied on the night of the Census. Dwellings being built are not included.

In the following table particulars of number, area, and value of rateable property refer to estimates made, where practicable, for the capital city statistical division and outside this division. Wherever the statistical boundary cuts across a local government area the estimates have involved either the inclusion or exclusion of the whole of the local government authority concerned in, or from, the capital city statistical division. Particulars of population refer to estimates made for capital city statistical division and outside this division in accordance with the definition of boundaries used in the 1966 census and exclude migratory population and population in unincorporated areas.

**LOCAL GOVERNMENT AUTHORITIES: AREA, POPULATION, DWELLINGS, AND
VALUE OF RATEABLE PROPERTY, STATES**

Location	Number	Area '000 acres	Popula- tion '000	Dwellings		Value of rateable property		
				Occupied	Un- occupied	Unim- proved capital value \$'000	Improved capital value \$'000	Annual value \$'000
				No.	No.			
New South Wales(a)—								
Sydney Statistical Division	40	1,007	(c)2,851	(d)845,725	(e)53,293	6,227,147	13,462,419	986,562
Other(b)	185	173,363	(c)1,803	(d)510,315	(e)71,093	2,638,401	n.a.	n.a.
<i>Total New South Wales</i>	<i>225</i>	<i>174,370</i>	<i>(c)4,654</i>	<i>(d)1,356,040</i>	<i>(e)124,386</i>	<i>8,865,548</i>	<i>n.a.</i>	<i>n.a.</i>
Victoria(e)—								
Melbourne Statistical Division	55	1,933	2,518	787,481		n.a.	11,069,096	610,851
Other(f)	155	54,177	979	310,128		n.a.	5,428,026	278,744
<i>Total Victoria</i>	<i>210</i>	<i>56,110</i>	<i>3,497</i>	<i>1,097,609</i>		<i>n.a.</i>	<i>16,497,122</i>	<i>889,595</i>
Queensland(g)—								
Brisbane Statistical Division	9	2,428	903	278,774		967,828	n.a.	n.a.
Other	122	423,830	915	291,068		892,185	n.a.	n.a.
<i>Total Queensland</i>	<i>131</i>	<i>426,258</i>	<i>1,818</i>	<i>569,842</i>		<i>1,860,013</i>	<i>n.a.</i>	<i>n.a.</i>
South Australia(h)—								
Adelaide Statistical Division	21	573	827	254,960		n.a.	2,587,000	129,338
Other	10	36,679	331	105,910		n.a.	1,319,000	65,953
<i>Total South Australia</i>	<i>138</i>	<i>37,252</i>	<i>1,158</i>	<i>360,870</i>		<i>n.a.</i>	<i>3,906,000</i>	<i>195,291</i>
Western Australia(g)—								
Perth Statistical Division	26	1,327	703	203,007	13,696	821,506	n.a.	45,299
Other	114	623,262	324	83,838	14,578	323,745	n.a.	9,163
<i>Total Western Australia</i>	<i>140</i>	<i>624,589</i>	<i>1,028</i>	<i>286,845</i>	<i>28,274</i>	<i>1,145,251</i>	<i>n.a.</i>	<i>54,462</i>
Tasmania(c)—								
Hobart Statistical Division	7	238	155	43,121	3,614	213,240	742,541	46,457
Other(i)	4	16,647	237	67,299	9,745	241,822	1,037,404	59,280
<i>Total Tasmania</i>	<i>11</i>	<i>16,885</i>	<i>392</i>	<i>110,420</i>	<i>13,359</i>	<i>455,062</i>	<i>1,779,946</i>	<i>105,736</i>

(a) Based on year ended 31 December 1971. (b) Excludes Lord Howe Island, unincorporated areas and migratory population. (c) As at 30 June 1972. (d) Estimated on basis of Census 30 June 1971. (e) Based on year ended 30 September 1971. (f) Excludes Yallourn Works Area, under the jurisdiction of the State Electricity Commission, and other unincorporated areas. (g) Year ended 30 June 1971. Total population less migratory and unincorporated. (h) Year ended 30 June 1970. (i) Includes parts only of four L.G.A.s.

Receipts and outlay

The following tables show details of the receipts and outlay of all local authorities for the years 1967-68 to 1971-72, and of local authorities in each of the six States in 1970-71. The figures up to 1967-68 are based upon detailed analyses of the accounting reports of local authorities; however, as complete information was not available at the time of their preparation, the figures for 1970-71 have been estimated, and should therefore be regarded as approximate only. Figures shown for 1971-72 are based on very limited data, but may be taken as rough indicators of orders of magnitude.

LOCAL AUTHORITIES: RECEIPTS AND OUTLAY, 1967-68 TO 1971-72

(\$ million)

	1967-68	1968-69	1969-70	1970-71	1971-72 ^p
RECEIPTS					
Current receipts—					
Taxes, fees, fines, etc.—					
Rates on land	319.4	345.5	372.7	400.5	434.3
Licences, etc.	11.7	13.0	9.4	10.1	10.6
<i>Total</i>	<i>331.1</i>	<i>358.4</i>	<i>382.1</i>	<i>410.6</i>	<i>444.9</i>
Income from public enterprises	65.0	71.0	83.1	78.8	86.1
Interest, etc., received	3.1	3.3	3.4	4.2	4.5
Grants from State	57.5	59.9	57.0	68.7	81.0
<i>Total current receipts</i>	<i>456.7</i>	<i>492.6</i>	<i>525.6</i>	<i>562.3</i>	<i>616.5</i>
Capital receipts—					
Depreciation allowances	21.9	23.7	26.2	28.1	30.3
Net borrowing—					
Local authority securities	95.1	106.3	82.0	80.6	106.0
Advances from State	6.6	6.7	9.3	5.3	7.0
Other funds available (including errors and omissions)	52.1	55.0	61.1	65.6	72.0
<i>Total capital receipts</i>	<i>175.7</i>	<i>191.7</i>	<i>178.6</i>	<i>179.6</i>	<i>215.3</i>
Reduction in cash and bank balances	-8.6	-11.8	10.5	23.6	0.1
Total receipts	623.8	672.5	714.7	765.5	831.8
OUTLAY					
Current outlay—					
Net current expenditure on goods and services—					
Cultural and recreational facilities	41.3	42.2	46.5	52.2	n.a.
Health	26.0	29.2	30.2	33.8	36.1
Development of resources and assistance to industry	4.2	4.6	4.4	5.0	5.8
General administration	49.7	57.2	62.4	67.7	n.a.
Other	31.0	27.6	30.1	39.7	n.a.
<i>Total</i>	<i>152.2</i>	<i>160.8</i>	<i>173.5</i>	<i>198.4</i>	<i>223.8</i>
Interest, etc., paid	65.8	72.9	79.8	84.7	90.2
<i>Total current outlay</i>	<i>218.0</i>	<i>233.7</i>	<i>253.3</i>	<i>283.1</i>	<i>314.0</i>
Capital outlay—					
Expenditure on new fixed assets—					
Cultural and recreational facilities	13.2	16.8	16.2	18.1	n.a.
Water supply, sewerage	55.2	60.2	65.8	65.4	n.a.
Other development of resources and assistance to industry	1.7	4.6	4.3	2.2	n.a.
Manufacturing	2.3	0.8	1.0	1.1	n.a.
Roads and bridges	246.5	255.7	264.1	281.7	308.9
Other transport	1.8	1.9	2.9	3.1	2.4
Power, fuel and light	62.8	62.2	67.3	75.9	75.6
Other	24.3	35.9	38.5	34.1	n.a.
<i>Total</i>	<i>407.8</i>	<i>438.2</i>	<i>460.0</i>	<i>481.7</i>	<i>516.9</i>
Expenditure on existing assets and stocks	-2.9	-0.3	0.4	-0.2	-0.1
Advances to other sectors	0.9	0.9	1.0	0.9	1.0
<i>Total capital outlay</i>	<i>405.8</i>	<i>438.8</i>	<i>461.4</i>	<i>482.4</i>	<i>517.8</i>
Total outlay	623.8	672.5	714.7	765.5	831.8

LOCAL AUTHORITIES: RECEIPTS AND OUTLAY, BY STATE, 1970-71
(\$ million)

	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Tas.</i>	<i>Total</i>
RECEIPTS							
Current receipts—							
Taxes, fees, fines, etc.—							
Rates on land	171.6	112.0	50.3	29.0	25.7	12.0	400.5
Licences, etc.	4.4	2.6	1.2	0.3	1.6	0.2	10.1
<i>Total</i>	<i>176.0</i>	<i>114.6</i>	<i>51.5</i>	<i>29.3</i>	<i>27.2</i>	<i>12.1</i>	<i>410.6</i>
Income from public enterprises	36.1	4.1	32.8	0.1	1.6	4.2	78.8
Interest, etc., received	0.8	3.2	..	0.2	0.1	..	4.2
Grants from State	27.2	2.7	26.8	4.8	7.7	-0.4	68.7
<i>Total current receipts</i>	<i>240.1</i>	<i>124.5</i>	<i>111.1</i>	<i>34.3</i>	<i>36.5</i>	<i>15.9</i>	<i>562.3</i>
Capital receipts—							
Depreciation allowances	28.1	..	..	..	..	..	28.1
Net borrowing—							
Local authority securities	33.9	3.3	23.4	7.3	8.8	3.9	80.6
Advances from State	0.3	0.5	3.2	-0.3	..	1.6	5.3
Other funds available (including errors and omissions)	27.2	19.2	1.4	3.1	14.0	0.7	65.6
<i>Total capital receipts</i>	<i>89.5</i>	<i>23.0</i>	<i>28.0</i>	<i>10.1</i>	<i>22.8</i>	<i>6.2</i>	<i>179.6</i>
Reduction in cash and bank balances	5.0	5.1	15.1	1.7	-1.3	-2.0	23.6
<i>Total receipts</i>	<i>334.5</i>	<i>152.6</i>	<i>154.2</i>	<i>46.1</i>	<i>58.0</i>	<i>20.1</i>	<i>765.5</i>
OUTLAY							
Current outlay—							
Net current expenditure on goods and services—							
Cultural and recreational facilities	21.1	16.4	3.7	3.3	6.3	1.4	52.2
Health	13.4	11.7	2.5	3.0	2.2	1.0	33.8
Development of resources and assistance to industry	2.2	1.5	1.0	0.1	0.1	..	5.0
General administration	20.7	22.9	12.1	4.8	4.8	2.5	67.7
Other	14.6	5.0	17.0	1.7	2.8	-1.4	39.7
<i>Total</i>	<i>72.0</i>	<i>57.6</i>	<i>36.2</i>	<i>12.9</i>	<i>16.2</i>	<i>3.6</i>	<i>198.4</i>
Interest, etc., paid	36.5	12.5	23.5	3.6	4.6	4.1	84.7
<i>Total current outlay</i>	<i>108.5</i>	<i>70.0</i>	<i>59.7</i>	<i>16.6</i>	<i>20.7</i>	<i>7.6</i>	<i>283.1</i>
Capital outlay—							
Expenditure on new fixed assets—							
Cultural and recreational facilities	2.5	5.2	6.5	..	3.0	0.8	18.1
Water supply, sewerage	19.3	0.1	41.3	..	0.1	4.6	65.4
Other development of resources and assistance to industry	2.2	..	..	..	..	..	2.2
Manufacturing	1.1	..	..	..	..	..	1.1
Roads and bridges	125.2	60.8	40.0	23.5	24.7	7.4	281.7
Other transport . . . . .	..	..	3.1	..	..	..	3.1
Power, fuel and light	62.8	3.2	9.0	0.1	1.0	..	75.9
Other	12.1	10.4	-2.4	5.9	8.5	-0.4	34.1
<i>Total</i>	<i>225.2</i>	<i>79.8</i>	<i>97.5</i>	<i>29.5</i>	<i>37.3</i>	<i>12.5</i>	<i>481.7</i>
Expenditure on existing assets and stocks . . . . .	..	2.8	-3.0	..	..	..	-0.2
Advances to other sectors	0.9	..	..	..	..	..	0.9
<i>Total capital outlay</i>	<i>226.1</i>	<i>82.6</i>	<i>94.5</i>	<i>29.5</i>	<i>37.3</i>	<i>12.5</i>	<i>482.4</i>
<i>Total outlay</i>	<i>334.5</i>	<i>152.6</i>	<i>154.2</i>	<i>46.1</i>	<i>58.0</i>	<i>20.1</i>	<i>765.5</i>

ALL PUBLIC AUTHORITIES

In the following tables the transactions of the Commonwealth, State and Local authorities have been brought together and consolidated to provide details of the receipts and outlay of the public authority sector as a whole.

Summary of receipts and outlay

The receipts and outlay of all public authorities for the five year period ended 1971-72 are set out in the following table.

ALL PUBLIC AUTHORITIES^(a): RECEIPTS AND OUTLAY, 1967-68 TO 1971-72
(\$ million)

	1967-68	1968-69	1969-70	1970-71	1971-72
RECEIPTS					
Current receipts—					
Taxes, fees, fines, etc.	6,035	6,745	7,720	8,600	9,796
Income from public enterprises	542	615	682	676	741
Interest, etc., received	181	197	230	277	275
<i>Total current receipts</i>	<i>6,758</i>	<i>7,557</i>	<i>8,632</i>	<i>9,553</i>	<i>10,812</i>
Capital receipts—					
Depreciation allowances	323	368	415	429	471
Net sale of securities—					
Government securities—					
Australia	538	163	280	260	758
Overseas	133	142	-131	-46	-97
Local authority and public corporation securities	314	368	337	384	423
Other funds available (including errors and omissions)	125	115	199	122	72
<i>Total capital receipts</i>	<i>1,434</i>	<i>1,157</i>	<i>1,100</i>	<i>1,149</i>	<i>1,627</i>
Reduction in cash and bank balances	-87	-81	-56	-143	-618
Total receipts	8,104	8,633	9,676	10,560	11,822
OUTLAY					
Current outlay—					
Net current expenditure on goods and services	3,082	3,364	3,677	4,258	4,831
Interest, etc., paid	655	703	767	818	880
Cash benefits to persons	1,323	1,442	1,638	1,818	2,113
Subsidies	193	223	262	278	372
Transfers overseas	154	160	180	185	205
Grants for private capital purposes	76	46	52	52	58
<i>Total current outlay</i>	<i>5,482</i>	<i>5,938</i>	<i>6,576</i>	<i>7,410</i>	<i>8,459</i>
Capital outlay—					
Expenditure on new fixed assets	2,346	2,508	2,715	2,882	3,230
Expenditure on existing assets	11	4	13	23	28
Increase in stocks	-14	2	5	63	-22
Advances to other sectors	279	180	367	181	127
<i>Total capital outlay</i>	<i>2,622</i>	<i>2,695</i>	<i>3,100</i>	<i>3,150</i>	<i>3,363</i>
Total outlay	8,104	8,633	9,676	10,560	11,822

(a) Excluding financial enterprises.

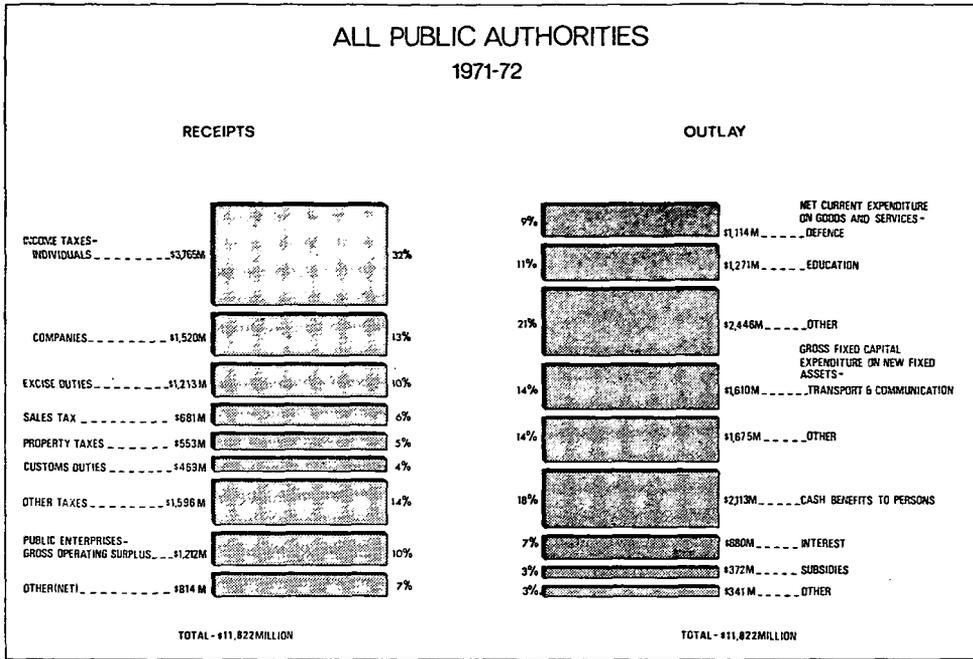


PLATE 36

Main components of outlay

The following tables provide functional dissections for the years 1967-68 to 1971-72 of the net current expenditure on goods and services and expenditure on new fixed assets of all public authorities as an indication of the purposes being served by the various programs of government.

**ALL PUBLIC AUTHORITIES: NET CURRENT EXPENDITURE ON GOODS AND SERVICES
CLASSIFIED BY FUNCTION, 1967-68 TO 1971-72**

(\$ million)

	1967-68	1968-69	1969-70	1970-71	1971-72
Law, order and public safety	174	193	219	255	299
Education	656	744	880	1,071	1,271
Cultural and recreational facilities	114	124	141	156	175
Health	318	360	413	505	577
Welfare	60	65	76	89	111
Defence	984	1,018	990	1,074	1,114
Repatriation	71	76	83	92	108
Development of resources and assistance to industry	229	252	277	318	356
Transport and communication	34	36	40	47	56
Legislature	23	24	28	32	39
General administration	236	264	298	352	427
Foreign affairs	23	26	31	35	41
Immigration	39	54	60	61	52
Regulation of trade and industry	24	27	30	35	43
Housing	6	6	6	7	8
Other	28	26	28	38	41
Not allocated to function	62	70	77	91	113
Total	3,082	3,364	3,677	4,258	4,831

**ALL PUBLIC AUTHORITIES: EXPENDITURE ON NEW FIXED ASSETS, CLASSIFIED
BY FUNCTION, 1967-68 TO 1971-72**
(\$ million)

	1967-68	1968-69	1969-70	1970-71	1971-72
Law, order and public safety	17	23	23	26	29
Education	179	204	226	256	300
Cultural and recreational facilities	34	35	37	46	58
Health	69	77	86	99	118
Welfare	6	7	7	9	10
Repatriation	3	3	3	5	3
Development of resources and assistance to industry	335	357	404	424	475
Manufacturing	7	4	6	10	11
Transport and communication	1,119	1,192	1,282	1,368	1,610
Power, fuel and light	418	425	451	436	420
Housing	75	77	88	98	83
Other	99	119	126	140	151
Not allocated to function	11	11	16	15	18
Total	2,372	2,536	2,755	2,932	3,285

Main components of receipts

Taxes and net borrowing constitute the main sources of financing of the activities of the public authorities. Details of the debt of public authorities are given in the next section of this chapter. Taxation, by type of tax, for the years 1967-68 to 1971-72 was as follows.

ALL PUBLIC AUTHORITIES: TAXATION, BY TYPE OF TAX, 1967-68 TO 1971-72
(\$ million)

	1967-68	1968-69	1969-70	1970-71	1971-72
Income tax—					
Individuals	2,175	2,377	2,855	3,175	3,765
Companies ^(a)	853	1,031	1,187	1,428	1,520
Estate, gift, probate and succession duties	182	204	217	227	220
Customs duties	312	346	414	466	469
Excise duties	855	902	939	1,053	1,213
Sales tax	417	494	569	633	681
Primary production taxes	32	34	33	27	29
Payroll tax	184	206	230	248	397
Property taxes	405	431	462	505	553
Liquor taxes	35	39	41	45	49
Taxes on gambling	97	107	120	131	149
Taxes on ownership and operation of motor vehicles	206	227	245	260	303
Stamp duties, n.e.i.	158	207	259	243	252
Licences and registration fees, n.e.i.	51	59	63	66	81
Other taxes, fees, fines, etc.	72	80	86	93	115
Total	6,035	6,745	7,720	8,600	9,796

^(a) Taxes paid by Commonwealth public enterprises have been offset. Includes dividend and interest (withholding) taxes.

Level of government

In the following tables details are given for 1970-71 of the receipts and outlay of all public authorities, broken down by level of government in order to show their relative contributions to various expenditure programs, and their roles in financing these programs through taxes and transfers.

**ALL PUBLIC AUTHORITIES(a): RECEIPTS AND OUTLAY, BY LEVEL OF
GOVERNMENT, 1970-71**

I. RECEIPTS

(\$ million)

	<i>Common- wealth authorities</i>	<i>State authorities</i>	<i>Local authorities</i>	<i>All public authorities</i>
Current Receipts—				
Taxes, fees, fines, etc.—				
Income tax—				
Individuals	3,175	..	..	3,175
Companies(b)	1,428	..	..	1,428
Estate, gift, probate and succession duties	78	149	..	227
Customs duties	466	..	..	466
Excise duties	1,053	..	..	1,053
Sales tax	633	..	..	633
Payroll tax	248	..	..	248
Primary production taxes and charges	27	..	..	27
Property taxes	2	102	401	505
Liquor taxes	1	45	..	45
Taxes on gambling . . . . .	..	131	..	131
Taxes on ownership and operation of motor vehicles	2	258	..	260
Stamp duties, n.e.i.	3	240	..	243
Broadcasting listeners' and television viewers' licences	50	..	..	50
Licences and registration fees, n.e.i.	3	7	7	17
Other taxes, fees, fines, etc.	14	76	3	93
<i>Total taxes, etc.</i>	<i>7,181</i>	<i>1,008</i>	<i>411</i>	<i>8,600</i>
Income from public enterprises	235	363	79	676
Interest, etc., received	65	208	4	277
Grants—				
from Commonwealth	-1,652	1,652	..	..
from State . . . . .	..	-69	69	..
<i>Total current receipts available for own functions</i>	<i>5,829</i>	<i>3,162</i>	<i>562</i>	<i>9,553</i>
Capital receipts—				
Depreciation allowances	193	208	28	429
Net sale of securities—				
Government securities—				
Australia	-167	427	..	260
Overseas	6	-52	..	-46
Local authority and public corporation securities	-10	313	81	384
Net advances—				
from Commonwealth	-151	151	..	..
from States . . . . .	..	-5	5	..
Grants from Commonwealth	-554	554	..	..
Other funds available (including errors and omissions)	13	43	66	122
<i>Total capital receipts available for own functions</i>	<i>-669</i>	<i>1,639</i>	<i>180</i>	<i>1,149</i>
Reduction in cash and bank balances	-101	-66	24	-143
Total funds available for own factories	5,059	4,735	766	10,560

(a) Excluding financial enterprises. (b) Taxes paid by Commonwealth public enterprises have been offset. Includes dividend and interest (withholding) taxes.

ALL PUBLIC AUTHORITIES(a): RECEIPTS AND OUTLAY, BY LEVEL OF GOVERNMENT
1970-71—continued

II. OUTLAY

(\$ million)

	Common- wealth authorities	State authorities	Local authorities	All public authorities
<i>Expenditure on goods and services—</i>				
Law, order and public safety	22	259	..	281
Education	79	1,248	..	1,327
Cultural and recreational facilities	90	42	70	202
Health	57	512	35	604
Welfare	40	58	1	98
Defence	1,073	1	..	1,074
Repatriation	98	..	..	98
Development of resources and assistance to industry	214	456	73	742
Manufacturing	1	8	1	10
Transport and communication	572	558	285	1,414
Power, fuel and light	39	323	76	438
Housing	23	82	..	105
Other	386	221	140	746
<i>Total</i>	<i>2,693</i>	<i>3,768</i>	<i>680</i>	<i>7,140</i>
<i>of which—</i>				
Net current expenditure on goods and services	1,990	2,071	198	4,258
Expenditure on new fixed assets	703	1,697	482	2,882
Expenditure on existing assets and stocks	41	46	..	86
<i>Current transfers—</i>				
Interest	12	721	85	818
Cash benefits to persons	1,772	47	..	1,818
Subsidies	262	16	..	278
Transfers overseas	185	..	..	185
Grants for private capital purposes	37	15	..	52
<i>Total</i>	<i>2,268</i>	<i>799</i>	<i>85</i>	<i>3,152</i>
<i>Capital transfers—</i>				
Net advances to other sectors	58	122	1	181
<i>Total outlay</i>	<i>5,059</i>	<i>4,735</i>	<i>766</i>	<i>10,560</i>

(a) Excluding financial enterprises.

PUBLIC SECTOR BORROWING

Figures given in this section do not purport to show either 'public debt' or 'net public debt', but are designed to provide details of securities issued on behalf of the Commonwealth and the States, together with details of securities issued and other forms of debt outstanding in respect of local authorities and State authorities with independent borrowing powers.

This information cannot be aggregated, without adjustment, to provide a measure of the 'debt' of public authorities for a number of reasons. There are forms of debt not evidenced by the issue of securities, such as Commonwealth advances to the States for specific capital purposes—of which the advances made under the Commonwealth-State Housing Agreements would be the most important example. Governments themselves maintain significant holdings of their own securities: for example, the Commonwealth Government, in the National Debt Sinking Fund, the Loan Consolidation and Investment Reserve, and in other Trust Funds, holds large investments in securities issued either directly by itself or on behalf of the States. Some of the securities issued on behalf of the States and held by the Commonwealth represent the proceeds of overseas loans, securities for which were issued

directly by the Commonwealth—the Australian currency counterpart proceeds of the loans being invested in special loans to finance State works programs. A number of State public corporations and local authorities also maintain significant investments in government securities (including their own securities). Aggregation of the figures for securities on issue which follow would clearly involve a substantial degree of duplication; the sum of securities on issue therefore cannot be regarded as representing 'net public debt'.

Commonwealth and States: Loan transactions and Government securities on issue

Under the 1927 Financial Agreement between the Commonwealth and the States, the Commonwealth Government accepted responsibility for the securities of State governments then on issue, and was empowered to arrange for all future borrowings on behalf of the Commonwealth and the States and to issue Commonwealth securities for all money borrowed. The Commonwealth is reimbursed by the States for interest, exchange, etc., paid on their behalf, and the securities are redeemed from the National Debt Sinking Fund to which both the Commonwealth and State Governments make contributions.

In the tables which follow, details are given of transactions in Commonwealth securities issued on account of the Commonwealth and the States, together with details of securities on issue, annual interest liability and average rate of interest liability. Amounts relating to overseas loans are shown in the currencies in which the loans are repayable, and in Australian currency equivalent calculated on the basis of the International Monetary Fund par rates of exchange (and the calculated equivalent for Swiss francs) ruling at 30 June in each year shown. All amounts shown are at face value.

For further information relating to securities issued by the governments of the Commonwealth and the States reference should be made to the Commonwealth Budget paper *Government Securities on Issue*.

Net movement in securities on issue

Summary details of the net movement in securities issued for Commonwealth purposes and on account of the States during the period 1967–68 to 1971–72, are given in the following group of tables. Also provided is a table (page 604) which sets out the balance of securities on issue at 30 June 1971 and 1972, and the composition of the change in these balances.

NET MOVEMENT IN GOVERNMENT SECURITIES ON ISSUE, 1967-68 TO 1971-72 (\$ million)

	1967-68	1968-69	1969-70	1970-71	1971-72
NEW SECURITIES ISSUED					
Securities repayable in Australian currency—					
Inscribed stock and bonds	717.4	633.7	902.1	808.3	814.8
Special bonds	78.7	73.4	134.0	233.1	139.2
Drought bonds . . . . .	..	..	1.7	0.4	0.2
Advance loan subscriptions	0.9	7.6	..	8.2	0.4
Overdue securities . . . . .	..	..	..	..	..
Tax-free stock . . . . .	..	..	..	..	..
Debentures . . . . .	..	..	..	..	..
Stock issued to Government Savings banks under special agreements(a)	18.0	13.4	16.1	15.0	24.5
Treasury notes	185.3	..	46.5	17.9	(c) -9.7
Treasury bills—					
Internal	5.5	174.2	172.1	8.2	(c) -5.3
Public	140.0	..	..	..	..
Total	1,145.7	902.3	1,272.5	1,091.1	964.0
Securities repayable in overseas currencies(b)	271.7	273.6	111.0	125.0	161.0
Total new securities issued	1,417.4	1,175.9	1,383.6	1,216.1	1,125.0

For footnotes see next page.

NET MOVEMENT IN GOVERNMENT SECURITIES ON ISSUE, 1967-68 TO 1971-72—*continued*
(\$ million)

	1967-68	1968-69	1969-70	1970-71	1971-72
REDEMPTIONS, REPURCHASES, CANCELLATIONS(d)					
Securities repayable in Australian currency—					
Inscribed stock and bonds	333.7	191.8	341.9	612.4	225.4
Special bonds	37.2	46.3	80.6	148.8	83.8
Drought bonds . . . . .	..	..	0.7	0.7	0.3
Advance loan subscriptions . . . . .	..	..	21.1	..	..
Overdue securities	-1.5	6.3	-2.4	1.2	1.4
Tax-free stock	0.1	..	0.5	..	0.1
Debentures	2.4	2.5	2.6	2.7	2.8
Stock issued to Government Savings banks under special agreements(a)	3.5	3.4	3.7	4.0	4.1
Treasury notes . . . . .	..	68.3	..	..	..
Treasury bills—					
Internal . . . . .	..	..	..	..	..
Public	89.0	127.0	14.0	..	..
Total	464.3	445.8	462.8	769.8	317.8
Securities repayable in overseas currencies(b)	245.7	134.3	228.5	159.3	264.4
Total redemptions, etc.	710.0	580.1	691.2	929.1	582.2

NET MOVEMENT

Securities repayable in Australian currency—					
Inscribed stock and bonds	383.7	441.9	560.1	195.9	589.4
Special bonds	41.5	27.1	53.4	84.4	55.4
Drought bonds . . . . .	..	..	0.9	-0.3	-0.1
Advance loan subscriptions	0.9	7.6	-21.2	8.2	0.4
Overdue securities	1.5	-6.5	2.4	-1.2	-1.4
Tax-free stock	-0.1	..	-0.5	..	-0.1
Debentures	-2.4	-2.5	-2.6	-2.7	-2.8
Stock issued to Government Savings banks under special agreements(a)	14.5	10.0	12.4	11.0	20.4
Treasury notes	185.3	-68.3	46.5	17.9	-9.7
Treasury bills—					
Internal—	5.5	174.2	172.1	8.2	-5.3
Public	51.0	-127.0	-14.0	..	..
Total	681.4	456.5	809.7	321.3	646.2
Securities repayable in overseas currencies(b)	26.0	139.3	-117.4	-34.3	-103.4
Net movement in securities on issue	707.4	595.8	692.3	287.0	542.7

(a) Recorded in Commonwealth Loan Fund as State domestic raisings. (b) Australian currency equivalent at rates of exchange ruling at 30 June in each of the years shown. (c) Net issue. (d) Includes conversions from one type of security to another, which affect the net movements of individual loan categories, but do not affect the overall net movement.

The net movement in securities on issue may be reconciled with the Budget deficit, as shown in the following table. For details relating to the financing of the budget deficit see page 547.

RECONCILIATION OF DEFICIT WITH NET MOVEMENT IN SECURITIES ON ISSUE
(\$ million)

(Source: Supplement to the Treasury Information Bulletin, August 1972)

	1967-68	1968-69	1969-70	1970-71	1971-72
Net movement in securities on issue	707	596	692	287	543
Less net increase in securities on issue held by Trust Fund(a)	-146	-268	-512	-88	58
	561	328	180	199	601
Adjustment from face value to cash basis	(b)103	..	(c)-18	(c)-21	(c)64
	664	328	163	179	665
Less increases in net assets of Commonwealth—					
Cash balances . . . . .	..	..	-19	-157	-567
International Monetary Fund	-59	-5	..	-37	..
Other(a)	37	62	(d)-137	(d)91	(d)89
Deficit	642	385	7	75	187

(a) Excludes investment of other than Commonwealth balances in the Trust Fund. (b) Includes adjustment of Australian currency equivalent of Sterling debt, following devaluation of Sterling. See page 19 of the white paper, *Government Securities on Issue at 30 June 1968*. (c) Includes adjustment of Australian currency equivalent of overseas debt, following variations in the rates of exchange. See page 20 of *Government Securities on Issue at 30 June 1970, 1971 and 1972*. (d) Includes net advances to Australian Wheat Board, \$184 million in 1969-70, - \$65 million in 1970-71 and - \$53 million in 1971-72.

NET MOVEMENT IN GOVERNMENT SECURITIES ON ISSUE, 1971-72
(\$ million)

	Securities on issue at 30 June 1970	Change during 1971-72		Securities on issue at 30 June 1972	Net movement
		New securities issued	Redemptions, repurchases, cancellations (a)		
Securities repayable in Australian currency—					
Commonwealth—					
Inscribed stock and bonds	1,147.6	151.7	-133.6	1,165.7	+18.1
Special bonds	238.6	46.4	-32.8	252.5	+13.7
Drought bonds	0.7	0.2	-0.3	0.6	-0.1
Advance loan subscriptions	13.6	0.4	..	14.0	+0.4
Overdue securities	5.4	..	-1.4	4.0	-1.4
Treasury notes	269.8	(d)-9.7	..	260.1	-9.7
Treasury bills—Internal	1,039.5	(d)-5.3	..	1,034.2	-5.3
Total	2,715.5	183.6	-168.0	2,731.0	+15.6
States—					
Inscribed stock and bonds	8,316.5	663.1	-91.8	8,887.6	+571.3
Special bonds	578.9	92.8	-51.0	620.8	+41.8
Tax-free stock	16.0	..	-0.1	15.8	-0.1
Stock issued to Government Savings banks under special agreement(b)	277.0	24.5	-4.1	297.4	+20.4
Debentures	42.4	..	-2.8	39.6	-2.8
Overdue securities . . . . .	..	..	..	..	..
Total	9,230.6	780.4	-149.8	9,861.2	+630.6
Total securities repayable in Australian currency	11,946.1	964.0	-317.8	12,592.2	+646.2
Securities repayable in overseas currencies(c)—					
Commonwealth—					
Public loans	438.4	38.9	-20.1	457.2	+18.8
Export-Import Bank loans—					
Defence equipment	266.6	48.4	-81.3	233.7	-32.9
Aircraft	53.2	n.a.	n.a.	64.8	+11.6
Other	41.0	..	-4.8	36.2	-4.8
International Bank Loans	115.3	..	-20.9	94.4	-20.9
Private loans—					
Aircraft	79.3	n.a.	n.a.	96.9	+17.6
Other purposes	91.6	..	+2.1	93.7	+2.1
Total	1,085.4	161.0	-169.5	1,076.9	-8.5
States	460.5	..	-94.9	365.6	-94.9
Total securities repayable in overseas currencies	1,545.9	161.0	-264.4	1,442.5	-103.4

(a) Including conversions from one type of security to another. (b) i.e. State domestic raisings. (c) Australian currency equivalents at rates of exchange ruling at 30 June 1972. (d) Not issue.

Government securities on issue, annual interest payable, and average rate of interest

The following tables provide details of government securities on issue on account of the Commonwealth and the States, repayable in Australian and in overseas currencies, and show, for recent years, the securities on issue maturing in Australia classified by holder. Also shown are details of annual interest payable on securities on issue in Australia and overseas, and the average rate of interest liability.

GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATES
30 JUNE 1968 TO 1972
(\$ million)

	30 June—				
	1968	1969	1970	1971	1972
For Commonwealth purposes—					
Repayable in Australian currency—					
Inscribed stock and bonds	1,347.6	1,279.9	1,284.2	1,147.6	1,165.7
Special bonds	198.1	201.8	238.3	238.9	252.5
Drought bonds . . . . .	..	..	0.9	0.7	0.6
Advance loan subscriptions	18.8	26.5	5.4	13.6	14.0
Overdue securities	10.7	4.1	6.6	5.4	4.0
Treasury notes	273.7	205.4	252.0	269.8	260.1
Treasury bills—					
Internal	685.0	859.2	1,031.2	1,039.5	1,034.2
Public	141.0	14.0	..	..	..
<i>Total</i>	<i>2,675.0</i>	<i>2,591.0</i>	<i>2,818.6</i>	<i>2,715.5</i>	<i>2,731.0</i>
Repayable in overseas currencies(a)	925.3	1,091.2	1,066.3	1,085.4	1,076.9
<i>Total Commonwealth</i>	<i>3,600.3</i>	<i>3,682.1</i>	<i>3,884.9</i>	<i>3,800.9</i>	<i>3,807.9</i>
On account of States—					
Repayable in Australian currency—					
Inscribed stock and bonds	6,918.3	7,427.9	7,983.8	8,316.3	8,887.6
Special bonds	454.9	478.3	495.2	578.9	620.8
Tax-free stock	16.5	16.5	16.0	16.0	15.8
Stock issued to Government Savings banks					
under special agreements	243.6	253.6	266.0	277.0	297.4
Debentures	50.2	47.7	45.1	42.4	39.6
Overdue securities . . . . .	..	..	..	..	..
<i>Total</i>	<i>7,683.5</i>	<i>8,224.0</i>	<i>8,806.1</i>	<i>9,230.6</i>	<i>9,861.2</i>
Repayable in overseas currencies(a)	633.0	606.5	514.0	460.5	365.6
<i>Total States</i>	<i>8,316.5</i>	<i>8,830.5</i>	<i>9,320.1</i>	<i>9,691.1</i>	<i>10,226.8</i>
<i>of which—</i>					
New South Wales	2,772.8	2,931.3	3,078.7	3,192.9	3,359.4
Victoria	1,998.6	2,130.3	2,254.4	2,347.8	2,488.3
Queensland	1,094.9	1,164.9	1,236.0	1,289.5	1,355.7
South Australia	1,077.0	1,145.8	1,211.3	1,256.9	1,332.0
Western Australia	804.9	851.5	896.0	932.6	981.4
Tasmania	568.3	606.7	643.8	671.3	709.9
<i>Total Commonwealth and States</i>	<i>11,916.8</i>	<i>12,512.6</i>	<i>13,205.0</i>	<i>13,492.0</i>	<i>14,034.7</i>

(a) Australian currency equivalent.

**GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATE
MATURING IN AUSTRALIA, BY HOLDER(a), 30 JUNE 1968 TO 1972**

(\$ million)

(Source: Reserve Bank of Australia Statistical Bulletin)

Holder	30 June—				
	1968	1969	1970	1971	1972
Reserve Bank of Australia	1,041	846	1,190	910	501
Trading banks	1,194	1,367	1,279	1,412	1,788
Savings banks	2,258	2,285	2,229	2,337	2,380
Other banking institutions	7	12	1	1	3
Life assurance offices	1,093	1,150	1,195	1,325	1,483
Fire, marine and general insurance offices	123	126	128	120	117
Other private financial institutions—					
Pension and provident funds	174	192	222	249	290
Friendly societies, hospital and medical funds	25	29	29	31	34
Trustee companies	122	115	113	108	109
Pastoral finance companies	35	37	25	16	14
Money market dealers	494	524	597	694	983
Miscellaneous	80	104	61	74	111
Government financial institutions—					
Insurance offices and funds	121	137	149	154	163
Pension and provident funds	173	195	204	238	271
Public trustees	28	26	24	26	24
All other(b)	4	3	3	3	3
Public authorities (excluding finance)—					
Commonwealth Government (including Commonwealth semi-government)	1,789	2,066	2,577	2,661	2,586
State Government	58	57	40	39	42
Local government and State semi-government	245	233	218	191	177
Companies (excluding finance)	145	183	174	118	253
Other holders—					
Marketing boards	6	3	3	3	2
Farmers	87	83	80	76	73
Non-profit organisations	52	48	51	50	50
All other	1,003	993	1,032	1,107	1,135
Total	10,358	10,815	11,625	11,946	12,592

(a) Total stock inscribed, bonds in circulation, amounts paid up on outstanding applications, in transit claims and advance applications, Commonwealth Treasury Bills and Treasury Notes, debentures, and Savings Certificates. (b) Includes securities held by Commonwealth Development Bank of Australia.

**GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATES
REPAYABLE IN OVERSEAS CURRENCIES, 30 JUNE 1968 TO 1972**

		30 June—				
		1968	1969	1970	1971	1972
For Commonwealth purposes—						
Sterling	£stg m	80.4	80.0	69.9	69.2	58.3
United States dollars	US\$ m	705.1	748.1	687.2	691.9	689.1
Canadian dollars	Can\$ m	39.9	29.7	24.8	12.3	5.2
Swiss francs	Sw F m	239.7	239.7	249.6	249.6	249.6
Netherlands guilders	f. m	6.7	6.2	5.7	65.2	64.8
Deutsche marks	DM m	178.2	791.7	938.7	931.2	1,026.1
European units of account	EuA m	..	..	..	..	15.0
Total—Australian currency equivalent(a)		925.3	1,091.2	1,066.3	1,085.4	1,076.9
On account of States—						
Sterling	£stg m	206.6	200.3	164.7	149.7	120.9
United States dollars	US\$ m	181.1	167.3	149.8	126.2	107.4
Canadian dollars	Can\$ m	13.0	12.8	12.2	11.6	10.9
Swiss francs	Sw F m	50.3	50.3	50.3	50.3	50.3
Netherlands guilders	f. m	30.7	28.5	26.3	24.1	21.9
Total—Australian currency equivalent(a)		633.0	606.5	514.0	460.5	365.6
Total—Commonwealth and States—Australian currency equivalent(a)		1,558.4	1,697.7	1,580.2	1,545.9	1,442.5

(a) Australian currency equivalent at rates of exchange ruling at 30 June in each of the years shown.

**GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATES
REPAYABLE IN OVERSEAS CURRENCIES
30 JUNE 1972**

	Currency in which repayable							Total— Australian currency equivalent (a)
	Sterling	United States dollars	Canadian dollars	Swiss francs	Netherlands guilders	Deutsche marks	European units of account	
	£stg m	US\$ m	Can\$ m	Sw F m	f m	DM m	Eu A. m	\$A m
For Commonwealth purposes—								
Public loans	68.3	91.9	2.1	239.7	4.8	650.0	15.0	457.2
Export-Import Bank loans—								
Defence equipment . . . . .	..	278.3	..	..	..	..	..	233.7
Aircraft . . . . .	..	77.2	..	..	..	..	..	64.8
Other . . . . .	..	43.1	..	..	..	..	..	36.2
International Bank loans . . . . .	..	88.0	2.2	..	..	71.6	..	94.4
Private loans—								
Aircraft . . . . .	..	110.5	0.9	9.9	..	4.5	..	96.9
Other purposes . . . . .	..	..	..	..	60.0	300.0	..	93.7
Total	68.3	689.1	5.2	249.6	64.8	1,026.1	15.0	1,076.9
On account of States—								
New South Wales	57.8	42.3	3.4	15.8	6.9	..	..	162.9
Victoria	18.8	21.7	2.8	12.7	5.6	..	..	63.7
Queensland	10.9	16.5	1.4	6.4	2.8	..	..	39.6
South Australia	12.2	12.1	1.5	6.8	2.8	..	..	38.8
Western Australia	18.3	6.8	1.1	4.9	2.2	..	..	46.0
Tasmania	3.0	8.0	0.8	3.7	1.6	..	..	14.8
Total	120.9	107.4	10.9	50.3	21.9	..	..	365.6
Total Commonwealth and States	189.3	796.5	16.1	299.9	86.7	1,026.1	15.0	1,442.5

(a) At rates of exchange ruling at 30 June 1972.

**GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATES
ANNUAL INTEREST PAYABLE, 30 JUNE 1968 TO 1972**

		30 June—				
		1968	1969	1970	1971	1972
AMOUNT						
For Commonwealth purposes—						
Australian currency	\$A m	96.1	91.5	101.5	99.5	99.4
Sterling	£Stg m	4.3	4.2	3.9	3.9	3.8
United States dollars	US\$ m	36.8	39.1	35.9	38.1	40.1
Canadian dollars	Can\$ m	1.9	1.4	1.2	0.6	0.3
Swiss francs	SwF m	10.5	11.4	13.6	13.6	13.6
Netherlands guilders	f m	0.3	0.3	0.3	4.9	4.9
Deutsche marks	DM m	11.0	50.4	61.1	60.6	67.3
European units of account	EuA m	..	..	..	..	1.2
Total Commonwealth—Australian currency equivalent(a)	\$A m	144.3	150.3	160.6	162.0	164.1
On account of States—						
Australian currency	\$A m	373.1	404.9	449.3	496.1	546.2
Sterling	£Stg m	8.9	8.7	7.5	6.9	5.7
United States dollars	US\$ m	9.5	8.7	7.9	6.8	5.8
Canadian dollars	Can\$ m	0.7	0.7	0.7	0.7	0.6
Swiss francs	SwF m	2.3	2.3	2.3	2.3	2.3
Netherlands guilders	f m	1.5	1.4	1.3	1.2	1.1
Total States—Australian currency equivalent(a)	\$A m	402.2	432.8	473.9	518.3	564.0
Total Commonwealth and States—Australian currency equivalent(a)	\$A m	546.5	583.1	634.5	680.2	728.2

**AVERAGE RATE OF INTEREST LIABILITY
(Per cent)**

For Commonwealth purposes—						
Australian currency		3.60	3.53	3.60	3.66	3.64
Sterling		5.29	5.29	5.57	5.57	5.59
United States dollars		5.23	5.23	5.22	5.50	5.82
Canadian dollars		4.70	4.72	4.69	5.18	5.51
Swiss francs		4.40	4.77	5.44	5.44	5.44
Netherlands guilders		5.00	5.00	5.00	7.53	7.55
Deutsche marks		6.17	6.37	6.51	6.51	6.56
European units of account . . . . .		..	..	..	..	8.00
Total Commonwealth—Australian currency equivalent(a)		4.02	4.08	4.13	4.26	4.31
On account of States—						
Australian currency		4.86	4.92	5.10	5.37	5.54
Sterling		4.32	4.35	4.56	4.59	4.68
United States dollars		5.25	5.21	5.29	5.36	5.39
Canadian dollars		5.75	5.75	5.75	5.75	5.75
Swiss francs		4.50	4.50	4.50	4.50	4.50
Netherlands guilders		5.00	5.00	5.00	5.00	5.00
Total States—Australian currency equivalent(a)		4.84	4.90	5.08	5.35	5.51
Total Commonwealth and States—Australian currency equivalent(a)		4.59	4.66	4.80	5.04	5.19

(a) At rates of exchange ruling at 30 June in each of the years shown.

**GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATES
ANNUAL INTEREST PAYABLE, 30 JUNE 1972**

	Currency in which payable								Total— Australian currency equivalent(a)
	Australian currency	Sterling	United States dollars	Canadian dollars	Swiss francs	Nether- lands guilders	Deutsche marks	European units of account	
	\$A m	£Stg m	US\$ m	Can\$ m	Sw F m	f m	DM m	Eu A m	\$A m
For Commonwealth purposes	99.4	3.8	40.1	0.3	13.6	4.9	67.3	1.2	164.1
On account of States—									
New South Wales	178.5	2.8	2.3	0.2	0.7	0.3	..	..	186.7
Victoria	134.6	1.0	1.2	0.2	0.6	0.3	..	..	138.1
Queensland	70.6	0.5	0.9	0.1	0.3	0.1	..	..	72.6
South Australia	72.0	0.5	0.6	0.1	0.3	0.1	..	..	73.6
Western Australia	52.0	0.7	0.4	0.1	0.2	0.1	..	..	53.8
Tasmania	38.5	0.1	0.4	..	0.2	0.1	..	..	39.2
<i>Total States</i>	<i>546.2</i>	<i>5.7</i>	<i>5.8</i>	<i>0.6</i>	<i>2.3</i>	<i>1.1</i>	<i>..</i>	<i>..</i>	<i>564.0</i>
Total—									
Currencies in which repayable	645.6	9.5	45.9	0.9	15.8	6.0	67.3	1.2	..
Australian currency equivalent(a) \$A m	645.6	19.6	38.5	0.8	3.5	1.5	17.5	1.1	728.2

AVERAGE RATE OF INTEREST LIABILITY

(Per cent)

For Commonwealth purposes	3.64	5.59	5.82	5.51	5.44	7.55	6.56	8.00	4.31
On account of States—									
New South Wales	5.58	4.89	5.38	5.75	4.50	5.00	..	..	5.56
Victoria	5.55	5.52	5.35	5.75	4.50	5.00	..	..	5.55
Queensland	5.36	4.78	5.47	5.75	4.50	5.00	..	..	5.35
South Australia	5.56	3.85	5.38	5.75	4.50	5.00	..	..	5.53
Western Australia	5.56	3.63	5.28	5.75	4.50	5.00	..	..	5.48
Tasmania	5.53	4.99	5.45	5.75	4.50	5.00	..	..	5.53
<i>Total States</i>	<i>5.54</i>	<i>4.68</i>	<i>5.39</i>	<i>5.75</i>	<i>4.50</i>	<i>5.00</i>	<i>..</i>	<i>..</i>	<i>5.51</i>
Grand total	5.13	5.01	5.76	5.67	5.28	6.90	6.56	8.00	5.19

(a) At rates of exchange ruling at 30 June 1972.

National Debt Sinking Fund

Securities on issue on behalf of the Commonwealth

The National Debt Sinking Fund was established by the *National Debt Sinking Fund Act 1923-1959* and came into operation on 11 August 1923. Particulars of the creation and operation of sinking funds by that Act are included in issues of the Year Book prior to No. 23. The *National Debt Sinking Fund Act 1966* repealed all previous legislation on sinking funds relating to securities on issue on behalf of the Commonwealth. Under the Act of 1966 the period of redemption is 25 years from 1 July 1966 for debt outstanding at 30 June 1966 and 25 years for net debt created in subsequent years.

Broadly, the amounts payable to the National Debt Sinking Fund each year are made up of contributions from the Consolidated Revenue Fund of the Commonwealth as follows:

- (a) an amount of \$30.94 million each year for a period of 25 years;
- (b) an amount equal to 4 per cent of the amount of net debt created (if any) in any year for a period of 25 years.

In addition, an amount equal to specified receipts by the Commonwealth in repayment of loans or advances made out of moneys in the Loan Fund will be paid to the Sinking Fund.

The amounts payable to the Fund in any year from Consolidated Revenue Fund are to be reduced by the following:

(a) the net income from investments in any year; and

(b) an amount equal to 4 per cent of the amount of the net reduction of debt in any year.

Particulars of receipts and expenditure of the Commonwealth Account for the years 1967-68 to 1971-72 are as follows.

NATIONAL DEBT SINKING FUND: COMMONWEALTH ACCOUNT, 1967-68 TO 1971-72
(\$'000)

	1967-68	1968-69	1969-70	1970-71	1971-72
Receipts—					
From Consolidated Revenue	25,421	32,832	26,351	21,061	17,812
Loans and advances repaid	13,772	14,909	84,069	272,483	157,376
War Service Homes money repaid	(a)	(a)	(a)	(a)	(a)
Interest on investments	7,665	5,502	3,786	2,968	1,359
Total receipts	46,859	53,243	114,206	296,512	176,547
Expenditure (net cost)—					
Securities repurchased and redeemed in—					
Australia	68,019	33,340	113,083	293,179	149,373
London	5,983	693	21,386	1,230	1,737
New York(b)	26,145	28,253	28,319	22,941	26,207
Canada	122	28	83	90	93
Netherlands	118	119	119	119	124
Total expenditure	100,386	62,434	162,990	317,558	117,534
Balance at 30 June	140,587	131,396	82,612	61,565	60,578
Face value of securities repurchased and redeemed in—					
Australia	68,287	33,473	114,333	294,367	149,513
London	6,043	876	21,678	1,436	1,887
New York(b)	26,569	29,624	29,514	23,771	26,438
Canada	135	32	108	101	108
Netherlands	118	118	118	119	123
Total face value	101,151	64,123	165,751	319,794	178,069

(a) In the years 1967-68 to 1971-72 principal repayments were credited to Consolidated Revenue Fund. (b) Includes instalment repayments of loans from International Bank for Reconstruction and Development: 1967-68—face value, \$20.8m, net cost, \$20.2m; 1968-69—face value, \$21.8m, net cost, \$21.1m; 1969-70—face value, \$17.6m, net cost, \$17.4m; 1970-71—face value, \$13.2m, net cost, \$13.1m; 1971-72—face value, \$12.9m, net cost, \$13.1m.

Securities on issue on behalf of States

A sinking fund for the redemption of the securities on issue on behalf of States was established under the Financial Agreement. Particulars of the transactions of the National Debt Sinking Fund (States' Account) for each State during the year 1971-72 and for all States during the years 1967-68 to 1971-72 are shown in the following tables.

NATIONAL DEBT SINKING FUND: STATES' ACCOUNT, 1971-72
 (\$'000)

	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Tas.</i>	<i>Total</i>
Receipts—							
Contributions under Financial Agreement—							
Commonwealth	8,673	6,378	3,431	3,458	2,557	1,825	26,323
States	32,123	23,816	12,228	12,526	10,302	5,579	96,572
Interest from States on cancelled securities	52	30	17	16	16	7	139
Special contributions by States	63	25	13	..	6	..	107
Interest on investments, etc.	51	44	12	18	9	7	140
Total receipts	40,961	30,293	15,701	16,018	12,890	7,417	123,280
Expenditure (net cost)—							
Securities repurchased and redeemed in—							
Australia	30,746	22,236	13,412	12,193	9,256	6,532	94,374
London	6,179	1,911	558	1,020	1,672	234	11,574
New York	3,837	3,978	2,906	2,134	1,224	919	14,999
Canada	154	123	62	65	47	36	486
Netherlands	180	145	74	73	57	42	571
Total expenditure	41,096	28,393	17,011	15,485	12,256	7,763	122,005
Balance at 30 June 1971	4,219	5,065	415	2,012	1,216	209	13,137
Face value of securities repurchased and redeemed in—							
Australia	30,754	22,240	13,412	12,197	9,256	6,532	94,392
London(a)	5,994	1,980	580	1,039	1,663	240	11,496
New York(a)	2,051	2,017	1,480	1,083	620	477	7,728
Canada(a)	85	69	34	37	26	20	271
Netherlands(a)	114	92	47	46	36	27	362
Total face value	39,000	26,399	15,553	14,402	11,601	7,295	114,250

(a) Converted in accordance with the Financial Agreement at the equivalent of the mint par of exchange prevailing on 1 July 1927.

NATIONAL DEBT SINKING FUND: STATES' ACCOUNT, 1967-68 TO 1971-72
(\$'000)

	1967-68	1968-69	1969-70	1970-71	1971-72
Receipts—					
Contributions under Financial Agreement—					
Commonwealth	20,387	21,619	23,271	24,550	26,323
States	73,486	78,807	83,484	90,162	96,572
Interest from States on cancelled securities	93	126	173	162	139
Special contributions by States	143	138	138	123	107
Interest on investments, etc.	48	-220	828	70	140
Total receipts	94,157	100,469	107,895	115,067	123,280
Expenditure (net cost)—					
Securities repurchased and redeemed in—					
Australia	50,568	45,120	81,284	87,693	94,374
London	31,815	12,333	40,526	10,824	11,574
New York	11,330	11,126	10,584	11,841	14,999
Canada	631	145	433	462	486
Netherlands	543	546	545	547	571
Total expenditure	94,886	69,270	133,372	111,367	122,005
Balance at 30 June	2,440	33,639	8,162	11,862	13,137
Face value of securities repurchased and redeemed in—					
Australia	50,586	45,127	81,367	87,705	94,392
London(a)	28,953	13,543	40,565	11,438	11,496
New York(a)	5,629	12,318	5,582	5,995	7,728
Canada(a)	348	167	266	245	271
Netherlands(a)	677	540	362	362	362
Total face value	86,193	71,695	128,142	105,745	114,250

(a) Converted in accordance with the Financial Agreement at the equivalent of the mint par of exchange prevailing on 1 July 1927.

State and Local Authorities' Indebtedness

The statistics of indebtedness of State and local authorities set out in the two following tables have been compiled from returns supplied by all local authorities (including New South Wales County Councils), and by autonomous and semi-autonomous State authorities which have independent borrowing powers, i.e. the power to borrow other than by having Commonwealth securities issued on their behalf—and which have in fact exercised these powers in borrowing from the public under the provisions of the Loan Council's 'Gentleman's Agreement.'

The State authorities covered by these statistics include the authorities responsible for providing the following services.

New South Wales. Water Supply, Sewerage and Drainage, Electricity and Gas Supply, Fire Brigades, Banking, Housing, Harbours, Grain Elevators, Roads and Bridges, Marketing, Industry Assistance, and Miscellaneous

Victoria. Water Supply and Sewerage, Irrigation and Drainage, Harbours, Transport, Electricity and Gas Supply, Roads and Bridges, Fire Brigades, Marketing (Buying and Selling), Industry Assistance, Grain Elevators, and Housing.

Queensland. Water Supply and Sewerage, Irrigation and Drainage, Harbours, Transport, Electricity Supply, Fire Brigades, University, Hospitals and Ambulances, Marketing (Buying and Selling and Agency), and Industry Assistance.

South Australia. Irrigation and Drainage, Transport, Electricity Supply, Fire Brigades, Hospitals and Ambulances, Marketing (Agency), Industry Assistance, Banking, Housing, University and Miscellaneous.

Western Australia. Water Supply and Sewerage, Harbours, Transport, Electricity Supply, Fire Brigades, Hospitals, Marketing (Agency), Housing, University, and Miscellaneous.

Tasmania. Harbours, Electricity Supply, Fire Brigades, Transport, Housing, Industry Assistance and Water Supply.

In the tables which follow, debt includes all liabilities for which arrangements have been made for repayment over a period of one year or more, and net overdrafts. Interest capitalised and amounts due for the capital cost of assets or for services rendered which are to be repaid over a period of one year or more are included. Current liabilities, such as interest accrued (but not capitalised), trade creditors, amounts held in trust, and other debts which are to be repaid in less than one year are not included. Net overdraft is the gross overdraft of all funds less all bank credit balances (including fixed deposits) which do not form part of a sinking fund to repay a loan. New loans raised during the year include new loan liabilities incurred during the year, loans raised from the public to repay indebtedness to the Government, and interest capitalised. Loans raised and redeemed within the year, increases in overdrafts, and loans raised for conversion or redemption of existing debt are excluded. Funds provided for redemption include instalments of principal repaid and amounts credited to sinking funds established for the purpose of repaying the debt on maturity. Amounts provided for redemption from loans raised for that purpose are excluded.

**STATE AND LOCAL AUTHORITIES: NEW MONEY LOAN RAISINGS, REDEMPTION AND DEBT
1966-67 TO 1970-71**

(\$ million)

	1966-67	1967-68	1968-69	1969-70	1970-71
STATE AUTHORITIES					
New money loan raisings—					
From government	149.1	171.3	187.5	200.1	191.7
From public	221.4	246.5	293.6	275.2	319.3
Total loan raisings	370.5	417.8	481.0	475.3	511.0
Funds provided for redemption—					
Government loans	26.2	29.0	28.4	31.1	36.5
Loans due to public	43.1	63.3	66.0	67.5	74.6
Total funds for redemption	69.3	92.3	94.4	98.6	111.1
Accumulated sinking fund balance	178.6	196.5	214.8	233.3	240.7
Debt—					
Due to government	2,299.0	2,441.2	2,600.7	2,769.8	2,930.8
Due to banks (net overdraft)	7.5	7.0	9.4	9.0	7.4
Due to public(a)	2,677.0	2,878.5	3,130.2	3,357.9	3,614.0
Total debt	4,983.5	5,326.7	5,740.3	6,136.8	6,552.2
<i>of which—</i>					
Maturing overseas(a)	11.8	5.8	1.6	..	1.4
LOCAL AUTHORITIES					
New money loan raisings—					
From government	5.2	5.6	8.6	8.2	6.6
From public	157.6	178.4	184.3	179.5	191.0
Total loan raisings	162.8	184.0	192.9	187.7	197.6
Funds provided for redemption—					
Government loans	3.9	3.7	3.5	3.4	3.4
Loans due to public	66.6	71.9	79.0	85.4	89.0
Total funds for redemption	70.5	75.6	82.5	88.8	92.4
Accumulated sinking fund balance	73.8	81.3	91.5	97.7	107.9
Debt—					
Due to government	58.3	60.2	65.0	69.9	72.9
Due to banks (net overdraft)	9.2	4.3	4.8	3.8	3.3
Due to public(a)	1,215.4	1,328.0	1,443.2	1,545.2	1,654.3
Total debt	1,282.9	1,392.5	1,513.0	1,618.8	1,730.5
<i>of which—</i>					
Maturing overseas(a)	4.3	3.6	3.2	2.8	2.5

(a) Includes debt payable in London and New York, converted to Australian currency equivalent at the I.M.F. rates of exchange applying as at 30 June in each of the years shown.

**STATE AND LOCAL AUTHORITIES: NEW MONEY LOAN RAISINGS, REDEMPTION
DEBT AND INTEREST PAYABLE, 1970-71**

(\$ million)

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
STATE AUTHORITIES							
New money loan raisings—							
From government	34.8	52.4	3.2	34.5	35.9	30.8	191.7
From public	84.8	142.8	42.9	20.2	18.7	9.9	319.3
Total loan raisings	119.5	195.2	46.1	54.8	54.6	40.7	511.0
Funds provided for redemption—							
Government loans	11.0	8.9	3.6	7.2	2.2	3.6	36.5
Loans due to public	21.1	35.2	12.0	1.2	2.6	2.5	74.6
Total funds for redemption	32.1	44.1	15.6	8.4	4.8	6.1	111.1
Accumulated sinking fund balance	132.7	70.6	22.7	0.1	8.0	6.5	240.7
Debt—							
Due to government	637.3	862.6	84.0	504.3	446.5	396.1	2,930.8
Due to banks (net overdraft)	2.6	0.7	..	0.1	3.9	..	7.4
Due to public creditor (a)	872.3	1,872.7	410.5	219.6	152.4	86.5	3,614.0
Total debt(a)	1,512.1	2,736.1	494.5	724.1	602.8	482.6	6,552.2
<i>of which—</i>							
Maturing overseas(a) . . . . .	..	1.4	..	..	..	..	1.4
Annual interest payable(a)	81.6	146.6	28.3	37.6	32.8	24.7	351.6
LOCAL AUTHORITIES							
New money loan raisings—							
From government	0.2	0.5	4.9	0.9	..	..	6.6
From public	83.2	26.1	48.7	10.3	15.7	6.9	191.0
Total loan raisings	83.5	26.6	53.6	11.3	15.7	7.0	197.6
Funds provided for redemption—							
Government loans	0.6	0.2	1.8	0.7	..	..	3.4
Loans due to public	39.7	16.3	20.5	2.9	6.4	3.4	89.0
Total funds for redemption	40.3	16.5	22.3	3.5	6.4	3.4	92.4
Accumulated sinking fund balance	50.2	16.4	38.8	0.3	..	2.2	107.9
Debt—							
Due to government	6.2	8.0	50.8	6.9	..	0.9	72.9
Due to banks (net overdraft)	1.8	1.4	..	0.1	..	..	3.3
Due to public creditor(a)	763.4	237.3	434.1	62.1	82.6	74.8	1,654.3
Total debt(a)	771.4	246.7	484.9	69.1	82.6	75.8	1,730.5
<i>of which—</i>							
Maturing overseas(a) . . . . .	..	..	2.5	..	5.0	..	2.5
Annual interest payable(a)	43.5	14.4	28.2	4.0	5.0	4.4	99.5

(a) Includes debt or interest payable in London and New York, converted to Australian currency equivalent at the I.M.F. rates of exchange applying as at 30 June 1971.

Aggregate debt of State and local authorities

The following table brings together figures of Commonwealth securities on issue on account of the States, debt outstanding of State authorities which have borrowed directly, and debt outstanding of local authorities, to provide an indication of the level of indebtedness of the public authorities in each State. It should be noted, however, that for the kinds of reasons outlined on page 601, this aggregation of figures for securities on issue and debt outstanding cannot be taken as a measure of the 'net public debt' of the State and local authorities. In order to measure this latter magnitude it would be necessary to identify and deduct the substantial holdings of Commonwealth, State and local securities which represent the investment by these authorities of reserve funds and trust and other funds which they administer. In addition, it would be necessary to include the indebtedness of the State authorities to the Commonwealth in respect of advances made for specific capital purposes (such as those made under the Commonwealth-State Housing Agreements). For some purposes too it might be necessary to identify and deduct any loans outstanding from governments to other sectors.

STATE AND LOCAL AUTHORITIES' INDEBTEDNESS, 30 JUNE 1967 TO 1971

<i>State authorities</i>				
	<i>Commonwealth securities issued on account of States</i>	<i>State authorities' own borrowings(a)</i>	<i>Local authorities(a)</i>	<i>Total</i>
AMOUNT OUTSTANDING				
(\$ million)(b)				
30 June 1971—				
New South Wales	3,192.9	874.8	765.2	4,832.9
Victoria	2,347.8	1,873.5	238.7	4,460.0
Queensland	1,289.5	410.5	434.1	2,134.1
South Australia	1,256.9	219.8	62.2	1,538.9
Western Australia	932.6	156.3	82.6	1,171.5
Tasmania	671.3	86.5	74.9	832.7
All States, 30 June 1971	9,691.1	3,621.4	1,657.6	14,970.1
1970	9,320.1	3,365.2	1,548.9	14,234.3
1969	8,830.5	3,139.6	1,447.9	13,418.0
1968	8,316.5	2,885.5	1,332.3	12,534.3
1967	7,934.1	2,684.5	1,224.6	11,843.2
PER HEAD OF POPULATION				
(\$)(b)				
30 June 1971—				
New South Wales	693.9	190.1	166.3	1,050.4
Victoria	670.3	534.9	68.2	1,273.4
Queensland	705.8	224.7	237.6	1,168.0
South Australia	1,070.9	187.3	53.0	1,311.2
Western Australia	905.0	151.7	80.2	1,136.8
Tasmania	1,719.5	221.6	191.9	2,132.9
All States, 30 June 1971	773.7	289.1	132.3	1,195.2
1970	763.8	275.8	126.9	1,165.6
1969	738.5	262.6	121.1	1,122.2
1968	708.5	245.8	113.5	1,067.9
1967	687.3	232.5	106.1	1,025.9

(a) Amounts due to central government have been excluded. (b) Debts repayable overseas have been converted to the Australian currency equivalent.

ROADS AND BRIDGES: WATER SUPPLY AND SEWERAGE: HARBOURS

As indicated elsewhere in this chapter, further details of the activities of public authorities engaged in particular fields of activity such as defence, transport and communication, health and welfare, education, electricity supply, banking, etc., may be found in other chapters of this Year Book which deal specifically with those subjects. However, it has been convenient for the time being to include in this chapter an account of the activities of authorities engaged in the fields of construction and maintenance of roads and bridges, provision of water supply and sewerage services and provision of harbour facilities. Particular attention is given to the activities of State authorities engaged in these fields.

Roads and Bridges

Primary responsibility for the construction and maintenance of roads and bridges rests with State and local authorities. In each State there exists a central road authority or a government department which undertakes construction, reconstruction and maintenance of declared 'main' and 'developmental' roads, and which administers the distribution of funds to local authorities and supervises and co-ordinates road construction throughout the State. Provision of roads and bridges has always

been one of the principal functions of local authorities, and these authorities still account for a significant proportion of construction and maintenance activity, as is shown by figures given earlier in this chapter. However the relative importance of the contribution of local authorities has tended to decline in recent years, reflecting in part a reassessment of priorities in allocations of road finance. The Commonwealth Government is concerned with construction and maintenance of roads and bridges in the Northern Territory and Australian Capital Territory and roads of access to Commonwealth property in the various States; but the Commonwealth's most significant contribution to government activity in this field is in the provision of specific purpose capital grants to the States under the Commonwealth Aid Roads Acts, which constituted about 30 per cent of the total outlay by State and local authorities on roads and bridges in 1970-71.

In what follows, figures are provided of expenditure on roads and bridges by all public authorities, Commonwealth grants for road purposes, and an account is given of the activities of the principal State authorities concerned with roads and bridges in each State. For details of mileages of roads open to traffic, classified according to class of road and road surface, see Chapter 12, Transport, Communication and Travel.

All public authorities

The figures given in the following table provide an approximate measure of the aggregate net expenditure on roads and bridges by Commonwealth, State and local authorities in recent years. Expenditure on roads by those authorities whose primary activity is directed towards functions other than roads, e.g. electricity, forestry, housing, etc., is not included. The figures cover expenditure on the construction, reconstruction and maintenance of roads and bridges, and direct administration. Debt charges are not normally classified by function and are therefore excluded. Because a satisfactory and consistent distinction between new construction and maintenance cannot be made with existing data, all expenditure on roads and bridges is treated as capital expenditure.

ALL PUBLIC AUTHORITIES: GROSS FIXED CAPITAL EXPENDITURE, ROADS AND BRIDGES, 1967-68 TO 1971-72 (\$ million)

Year	Commonwealth authorities	State and local authorities					All public authorities	
		N.S.W.	Vic.	Qld	S.A.	W.A.		
1967-68	20	174	145	91	47	49	18	545
1968-69	23	190	160	93	49	51	18	585
1969-70	23	196	170	104	57	60	19	628
1970-71	30	225	170	109	58	67	21	680
1971-72(a)	29	247	198	119	69	74	18	754

(a) Estimated.

Commonwealth grants

The following table shows the allocations to the States under the several Commonwealth Aid Roads Acts for road construction, maintenance, repair and other works connected with transport for each of the years 1967-68 to 1971-72. After 1 July 1959, when the *Commonwealth Aid Roads Act 1959* came into operation, the Commonwealth made separate provision for expenditure on strategic roads and the promotion of road safety practices.

ROAD CONSTRUCTION, MAINTENANCE, ETC: GRANTS UNDER THE COMMONWEALTH AID ROADS ACTS, STATES, 1967-68 TO 1971-72 (\$'000)

Year	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
1967-68	44,467	31,286	29,266	18,384	28,597	8,000	160,000
1968-69	47,319	33,113	31,098	19,433	30,537	8,500	170,000
1969-70	57,060	38,160	34,740	21,000	32,940	9,100	193,000
1970-71	64,980	43,460	39,560	23,500	36,270	10,230	218,000
1971-72	74,500	49,820	45,360	25,500	39,250	10,820	245,250

New South Wales

Main roads administration is organised as a separate department under the control of a Commissioner. The activities of the Department of Main Roads include works on main, secondary, developmental and tourist roads throughout the State, all roads in the unincorporated portion of the Western Division, and certain associated works, principally bridges and vehicular ferries, constructed and maintained from government funds. The Department of Main Roads co-operates with the municipal and shire councils in the work of constructing and maintaining the main roads system.

During 1971-72 changes were made in the method of financing road construction. The New South Wales Government decided that as from 1 January 1972, the full cost of works carried out by the Department of Main Roads was to be met from the Department's own funds. Prior to this date, local councils, in the County of Cumberland were required to meet half the cost of secondary roads construction and a proportion of the cost of tourist roads; and in country districts, councils were required to meet a proportion of the cost of road and bridge construction and maintenance on roads other than State highways. The financial burden was therefore removed from councils in respect of works under the control of the Department of Main Roads. Councils continued to perform work on those roads for which they were responsible in the past.

The funds of the Department of Main Roads are derived principally from motor vehicle taxation, charges on heavy commercial goods vehicles under the Road Maintenance (Contribution) Act, 1958, grants under Commonwealth Aid Roads Acts (see page 616), other grants from the State or Commonwealth Governments, and proceeds of a levy on municipal and shire councils in the County of Cumberland in accordance with the Main Roads Act, 1924. The State Government also makes repayable advances for Main Roads Department works, and since 1963 the Commissioner for Main Roads has had the power (with the approval of the Governor on the recommendation of the Treasurer) to borrow moneys. The figures shown below represent the aggregate revenue and expenditure of the following funds: the County of Cumberland Main Roads General and Special Purposes Funds, the Country Main Roads General and Special Purposes Funds, and the Aid Roads Fund.

**DEPARTMENT OF MAIN ROADS, NEW SOUTH WALES: REVENUE
AND EXPENDITURE, 1967-68 TO 1971-72**
(\$'000)

	1967-68	1968-69	1969-70	1970-71	1971-72
REVENUE(a)					
Motor vehicle taxation, registration and licence fees	45,248	49,636	52,519	55,237	73,637
Commonwealth Aid Roads Acts	28,013	29,814	40,207	47,279	55,917
State and Commonwealth grants . . . . .	..	..	..	2,400	655
Contributions by other departments and bodies	516	350	1,194	1,154	776
Local authorities' contributions—					
Under section 11 of Mains Roads Act	8,241	7,538	9,820	11,407	5,890
Other	385	262	30	275	645
Sydney-Newcastle Expressway Toll	892	1,530	2,096	2,271	2,564
Other	652	859	776	1,047	1,020
Total	83,947	89,989	106,642	121,070	141,104
EXPENDITURE(b)					
Roads and bridges—					
Construction	64,534	67,950	79,999	92,154	98,055
Maintenance	17,352	19,719	22,114	22,661	25,815
Administration	4,816	5,379	6,133	7,373	9,413
Interest, exchange, etc., on debt	2,094	2,541	3,126	3,802	4,331
Other(c)	1,705	2,229	3,185	3,294	2,849
Total	90,501	97,819	114,555	129,283	140,464

(a) Excludes repayable advances by the State Government and private loans (\$8,750,000 in 1967-68, \$12,900,000 in 1968-69, \$10,600,000 in 1969-70, \$11,250,000 in 1970-71, and \$8,800,000 in 1971-72), and transfers from Sydney Harbour Bridge Account for Expressway construction (\$4,775,000 in 1967-68, \$900,000 in 1968-69, \$224,000 in 1969-70, \$70,000 in 1970-71, and \$57,000 in 1971-72). Expenditure from these amounts is fully reflected in expenditure. (b) Excludes debt redemption (\$477,000 in 1967-68, \$812,000 in 1968-69, \$984,000 in 1969-70, \$1,365,000 in 1970-71, and \$1,674,000 in 1971-72) and repayment of government advances (\$200,000 in 1967-68 and later years). (c) Mainly purchase of assets not subject to annual depreciation charge. The purchase of other assets is omitted here because the depreciation charge for them is reflected each year in 'Roads and bridges'.

Toll facilities operated by the Department of Main Roads include the Sydney Harbour Bridge and completed sections of the Sydney-Newcastle Expressway.

The Sydney Harbour Bridge was opened for traffic on 19 March 1932, and has a main span of 1,650 feet with clearance for shipping of 170 feet. The deck, 160 feet wide, carries eight road traffic lanes, two railway tracks, one cycleway and one footway. During 1971-72, approximately 50.2 million private road vehicles, 25.4 million rail passengers and 9.6 million bus passengers crossed the bridge. Income from tolls during 1971-72 amounted to \$5,001,000, including road tolls of \$4,707,000, rail passenger tolls \$272,000 and bus passenger tolls \$22,000.

The sections of the Sydney-Newcastle Expressway now open to traffic extend approximately six miles between Berowra and the Hawkesbury River and approximately ten miles north of the river to Calga. The Department is currently constructing a bridge on the Hawkesbury River to link these two sections of the Expressway. Total cost of the project to 30 June 1972 was \$32 million. Toll collections during the year ended 30 June 1972 amounted to \$2,563,562.

Victoria

With the object of improving the main roads of the State, the Country Roads Board was established by legislation passed in 1912. The principal duties of the Board are to determine which roads should be declared in the various classifications; to supervise the construction, reconstruction and maintenance of these roads; to inquire into the State's resources in road materials and the most effective methods of road construction and maintenance; and to recommend deviations in existing roads or the construction of new roads in order to facilitate communications or to improve the conditions of traffic.

The funds of the Country Roads Board are derived principally from motor registration fees, two-thirds of additional registration fees (charged on initial registration or transfer), a proportion of drivers' licence fees, payments by the Commonwealth Government under the Commonwealth Aid Roads Acts, roads charges under the Commercial Goods Vehicles Act, repayments by municipalities and, since 1965, a share of the addition to registration fees paid to the Roads (Special Projects) Fund and a grant under the Public Works Loan Application Act. In addition, loans have been authorised from time to time under the Country Roads Acts for permanent works on main and developmental roads, State highways, tourists' roads and forest roads, while the State Government has provided, free of repayment, loan moneys for restoration of flood and bush fire damage. Finance for the elimination of level crossings and for improved approaches, signs, lighting and other work to reduce danger at level crossings is derived mainly from the one third of additional registration fees paid into the Level Crossings Fund, maintained by the Board.

COUNTRY ROADS BOARD, VICTORIA: RECEIPTS AND PAYMENTS 1967-68 TO 1971-72

(\$'000)

	1967-68	1968-69	1969-70	1970-71	1971-72
RECEIPTS					
Motor Car Act—registration and licence fees (less cost of collection)	26,805	28,889	30,868	32,895	34,296
Municipalities' payments	1,845	1,931	1,904	2,018	2,190
Commonwealth Aid Roads Acts	30,895	32,723	38,160	41,425	45,300
Roads (Special Projects) Fund	2,652	3,055	3,533	7,761	6,721
Road charges, Commercial Goods Vehicles Act	7,248	7,842	8,555	8,903	9,136
Loans from State Government	987	3,389	900	388	400
Grants from State Government	700	784	849	783	983
Other	380	520	498	543	713
Total	71,513	79,132	85,267	94,715	99,739

COUNTRY ROADS BOARD, VICTORIA: RECEIPTS AND PAYMENTS
1967-68 TO 1971-72—*continued*
(\$'000)

	1967-68	1968-69	1969-70	1970-71	1971-72
PAYMENTS					
Construction and maintenance of roads and bridges—					
State highways	19,003	18,349	22,078	20,465	22,113
Main roads	16,769	16,940	17,783	19,373	20,372
Freeways	7,969	11,682	13,439	18,869	18,345
Tourist roads	2,857	2,793	3,112	2,665	2,284
Forest roads	658	678	798	902	858
Unclassified roads	13,739	14,248	16,356	17,217	16,846
Other	82	86	112	69	120
Plant purchase	1,234	1,583	1,818	1,956	2,060
Buildings, workshops, etc.	746	611	618	599	331
Interest, debt redemption, etc.	2,190	2,306	2,443	2,504	2,584
Statutory payment to—					
Tourist Fund	517	536	578	617	658
Transport Regulation Board	404	435	471	513	534
Administration and other	6,274	7,205	7,509	10,089	12,579
Total	72,443	77,452	87,115	95,838	99,685

The Melbourne and Metropolitan Board of Works bears the responsibility for carrying-out planning scheme proposals relating to metropolitan highways and bridges, and is now carrying out a program of urgent highway works throughout the metropolitan area of Melbourne. The extension of the South-Eastern Freeway from Burnley to Tooronga, the Tullamarine Freeway to serve the new Tullamarine airport and the St. Kilda Road Underpass connecting Alexandra Avenue and Sturt Street have been completed. The Eastern Freeway from Collingwood to Bulleen is now under construction. Widening of High Street, St. Kilda, is in progress. Expenditure on road projects up to 30 June 1972 was \$76.1 million. Of this amount, \$26.1 million was financed from the proceeds of the Board's Metropolitan Improvement Rate, \$45.5 million was contributed by the Treasurer of Victoria from the Roads (Special Projects) Fund and \$4.5 million from the Commonwealth Aid Roads Account during 1971-72.

The Lower Yarra Crossing Authority was incorporated in October 1965 as a company limited by guarantee and given powers under the *Lower Yarra Crossing Authority Act 1965* to construct, operate and maintain a toll crossing over the lower reaches of the River Yarra.

Queensland

The Department of Main Roads was constituted in February 1951 with the Commissioner of Main Roads as its permanent head. The duties of the Commissioner are to carry out surveys and investigations necessary to determine State highways, main developmental, and secondary roads; and the responsibility for building and maintaining these declared roads is largely that of the Commissioner. Roads of purely local importance are constructed and maintained by local authorities. In many cases construction is financed by the State Government by means of Treasury loans. Other roads may be built by the Public Estate Improvement Branch of the Lands Department in order to open up areas of previously inaccessible or undeveloped country.

The funds of the Department of Main Roads are obtained chiefly from motor vehicle registration and collections, fees, etc, under the Transport Acts, contributions under the Commonwealth Aid Roads Acts, and loans, grants and advances from the State Government. The total receipts and payments during each of the years 1967-68 to 1971-72 are shown in the following table.

DEPARTMENT OF MAIN ROADS, QUEENSLAND: RECEIPTS AND PAYMENTS
1967-68 TO 1971-72
(\$'000)

	1967-68	1968-69	1969-70	1970-71	1971-72
RECEIPTS					
Motor vehicle registration, Transport Acts collections, fees, etc.	20,664	22,048	23,454	25,000	26,886
Loans from State Government	1,717	2,330	400	50	500
Grants from State Government	120	746	550	378	183
Roads (Contribution to Maintenance) Act	3,918	4,297	4,754	4,689	4,862
Commonwealth Aid Roads and Works Act	33,075	35,296	40,021	47,285	55,298
Maintenance repayments—local authorities	1,400	1,471	1,515	1,116	1,137
Hire, rent, sales of plant, etc.	5,669	5,853	6,465	6,074	6,517
Other	802	649	601	773	750
Total	67,366	72,689	77,761	85,366	96,132
PAYMENTS					
Permanent road works and surveys(a)	44,899	46,799	53,035	56,802	62,942
Maintenance of roads	9,095	8,929	10,150	10,911	13,189
Plant, machinery, buildings, etc. (including plant maintenance)	3,656	4,060	4,496	3,348	4,797
Loans—					
Interest	338	276	236	59	-108
Redemption	954	934	925	895	847
Administration and other	9,497	10,194	11,697	12,870	14,947
Total	68,439	71,193	80,538	84,883	96,614

(a) Includes grants to local authorities for road purposes.

South Australia

The Highways Department is administered by the Commissioner of Highways, who is empowered, subject to the approval of the Minister of Roads and Transport, to undertake the construction, maintenance and protection of the principal roads of the State, allocate grants to councils for road-works and supervise the expenditure of these grants, and assist Councils to purchase road-making plant and to defray the cost of road-works. In addition, the Commissioner advises Councils on technical questions concerning the construction, maintenance or repair of roads. Funds of the Department are derived mainly from the Highways Fund, into which are paid the proceeds from motor vehicle registration and drivers' licences (less cost of collection) appropriations from loan funds, repayments of advances made to Councils, and contributions by the Municipal Tramways Trust, and from contributions under the Commonwealth Aid Roads Acts.

The following table shows particulars of receipts and payments, during the years 1967-68 to 1971-72, of funds controlled by the Highways Department.

HIGHWAYS DEPARTMENT, SOUTH AUSTRALIA
RECEIPTS AND PAYMENTS, 1967-68 TO 1971-72
(\\$'000)

	1967-68	1968-69	1969-70	1970-71	1971-72
RECEIPTS					
Motor vehicle registration, licences, fees	11,858	12,536	13,250	14,212	18,000
Commonwealth Aid Roads Acts	18,384	19,433	21,000	23,500	25,500
Other(a)	3,693	3,799	5,161	4,022	4,088
Total	33,934	35,767	39,412	41,733	47,589
PAYMENTS					
Construction and reconstruction of roads and bridges(b)	20,799	23,837	30,200	27,056	31,699
Maintenance(a)(b)	7,128	8,211	10,271	11,575	13,303
Recoups to Consolidated Revenue Fund—interest, debt redemption and exchange	518	522	544	556	580
Advances to local and semi-government authorities	1,386	1,253	402	251	305
Repayments to Revenue under Section 31(a), Highways Act	240	..	..	..	..
Stores, plant, machinery, suspense accounts, etc.(c)	2,866	-105	581	859	3,816
Total	32,936	33,718	41,998	40,298	49,703

(a) Includes reimbursement works for Commonwealth Government. (b) Includes administration expenses.
(c) Represents gross repayments less recoveries by charges to works on account of depreciation and materials used.

Western Australia

Work connected with road construction and maintenance and associated projects in Western Australia is undertaken by the State Government, through the Main Roads Department, and by local government authorities throughout the State. The Department operates under the *Main Roads Act, 1930-1972*, and is administered by a Commissioner of Main Roads responsible to the Minister for Works. The Act makes provision for the construction and maintenance of public roads in the categories of main roads, controlled-access roads and developmental roads. An additional category, that of important secondary roads, is used by the Department in determining its works program. Within its own district each local government authority is responsible for the provision and upkeep of roads other than those provided by the Main Roads Department. In addition, the local authority is required by the Main Roads Act to maintain any developmental road situated in its district.

The funds of the Main Roads Department are derived principally from allocations made under the *Commonwealth Aid Roads Act 1969* under which Western Australia has been allotted grants totalling \$200,400,000 for the five-year period commencing 1 July 1969. In the seven-year period to 30 June 1974 grants totalling a maximum of \$9,500,000 are to be received from the Commonwealth for the improvement of roads used for the transport of beef cattle in the Kimberley District. Other sources of income include a portion of vehicle licence fees collected by local government authorities and the Commissioner of Police, overload permit fees and an allocation from drivers' licence fees. Further moneys for expenditure on road maintenance are available under the *Road Maintenance (Contribution) Act, 1965-1972* administered by the Commissioner of Transport. Since 1 July 1969 the Main Roads Department, through changes to legislation, has administered funds not previously included in receipt and payments of the Department. Receipts and payments for the years 1967-68 to 1971-72 are shown in the following table.

**MAIN ROADS DEPARTMENT, WESTERN AUSTRALIA: RECEIPTS AND
PAYMENTS, 1967-68 TO 1971-72**
(\$'000)

	1967-68	1968-69	1969-70	1970-71	1971-72
RECEIPTS					
Motor vehicle registration, licence fees, etc.—					
Police Department	3,868	4,435	7,958	8,881	9,351
Local Authorities . . . . .	..	..	3,367	4,440	4,493
Commonwealth Aid Roads Acts	24,307	25,148	32,940	36,270	39,250
Commonwealth Aid Roads Acts —Matching grants	1,202	2,040	..	..	..
State Grants (Beef Cattle Roads) Act	1,400	1,451	1,168	1,000	1,600
Road Maintenance (Contribution) Act	3,100	3,086	3,557	4,131	3,879
Recoups from other authorities	1,469	2,488	2,433	2,416	2,293
Other	272	299	307	420	870
Total	35,618	38,946	51,730	57,558	61,737
PAYMENTS					
Construction and reconstruction of roads and bridges(a)	24,846	27,456	28,921	30,536	41,775
Maintenance of roads and bridges(a)	3,294	4,452	4,820	5,815	6,612
Recoups to local authorities(b)	4,307	..	..	..	..
Grants to local authorities . . . . .	..	..	10,997	13,315	12,435
Transfer to State Consolidated Revenue	258	258	267	281	280
Plant, machinery, etc.	2,046	516	950	1,617	2,785
Other(a)	1,642	3,760	3,809	5,053	2,805
Total	36,393	36,442	49,764	56,616	66,693

(a) Includes administration and expenditure on hire and maintenance of road construction plant, etc., and on purchase of materials. (b) Consists of payments to local authorities for work carried out on behalf of the Main Roads Department. From 1968-69 these payments have been included in 'Construction and reconstruction of roads and bridges' and 'Maintenance of roads and bridges'.

Tasmania

Under the *Roads and Jetties Act 1935*, the control of the construction and maintenance of roads and certain road making plant was vested in the Minister for Lands and Works. Works authorised by the Minister in respect of roads classified as State highways, main roads, secondary roads and tourist and developmental roads are constructed by the Department of Public Works and financed from the State Highways Trust Fund, into which are paid Commonwealth Aid Roads grants, motor vehicle taxes and public vehicle fees. Loan funds are also authorised by Parliament for road purposes. Municipal councils contribute towards the cost of maintaining main and secondary roads in the classified system. The maintenance of roads not included in the classified system is the responsibility of municipal councils, but they are assisted with grants made available under the Commonwealth Aid Roads Act for expenditure on Rural Roads.

The table following shows particulars of receipts and payments for the years 1967-68 to 1971-72 (municipal council receipts from rates and loans for road purposes are excluded).

ROAD FUNDS; TASMANIA: RECEIPTS AND PAYMENTS 1967-68 TO 1971-72
(\\$'000)

	1967-68	1968-69	1969-70	1970-71	1971-72
RECEIPTS					
Motor vehicle taxation, registration, licences, fees, fines, etc.	4,396	4,587	4,827	5,033	5,758
Commonwealth Aid Roads Acts	8,000	8,500	9,100	10,230	10,820
State Loan Fund	1,188	739	1,100	1,020	930
Contributions by Local Authorities	18	17	18	17	17
Other	438	102	128	93	307
Total	14,040	13,945	15,173	16,393	17,831
PAYMENTS					
Construction and reconstruction of roads and bridges	10,848	10,180	11,322	12,320	12,960
Maintenance of roads and bridges	3,159	3,263	3,662	4,297	4,475
Planning and research . . . . .	..	..	120	185	189
Total	14,007	13,442	15,105	16,802	17,624

Water supply, sewerage and drainage

The information in this section relates primarily to the metropolitan areas and provincial cities and towns. For information on water supply and irrigation in rural areas *see* Chapter 23, Water Conservation and Irrigation.

New South Wales

The two largest domestic water supply and sewerage systems are controlled by statutory boards each consisting of a president and a vice-president appointed by the State Government, and five members elected by local councils. These are (a) the Metropolitan Water, Sewerage and Drainage Board, which administers the systems in the County of Cumberland, i.e. in Sydney and in the surrounding districts, and, in addition, has jurisdiction over territory extending along the South Coast beyond Wollongong to Lake Illawarra, Shellharbour and Kiama, and (b) the Hunter District Water Board serving the Newcastle-Maitland-Cessnock areas. At Broken Hill and Cobar similar boards include representatives of the mining companies. Other systems, apart from irrigation projects and water storage systems administered by the State Government, are controlled by county, municipal or shire councils.

Metropolitan and Hunter District water supply. The storage reservoirs of the *metropolitan water supply system* with a combined available capacity of 577,112 million gallons, drain catchment areas of 3,890 square miles (including Warragamba, 3,480 square miles, Upper Nepean, 347 square miles, and Woronora, 29 square miles). The development of a water supply system on the Warragamba River was completed with the official opening of the Warragamba Dam in October 1960. This dam, constructed in concrete, has a storage capacity of 452,505 million gallons. Its safe net draught is estimated to be 274 million gallons a day. At 30 June 1972 there were 190 service reservoirs in use with a combined capacity of 839 million gallons. Fluoridation of the metropolitan water supply commenced in April 1968.

The following table shows, for the Metropolitan system, the number of properties, the estimated population supplied, and other details.

METROPOLITAN WATER SUPPLY(a), NEW SOUTH WALES: SERVICES, 1967-68 TO 1971-72

Year	Improved properties for which water mains available	Estimated population supplied	Average daily consumption	Total consumption for the year	Average daily consumption		Length of mains	Number of meters
					Per property	Per head of population		
		'000	mil. gal	mil. gal	gallons	gallons	miles	
1967-68	756,063	2,816	270	98,981	357	96	8,325	532,859
1968-69	775,548	2,885	302	110,347	389	106	8,534	550,017
1969-70	795,918	2,968	285	104,017	358	97	8,805	583,818
1970-71	817,655	3,042	293	106,860	358	97	8,973	608,851
1971-72	839,984	3,040	295	107,838	351	97	9,195	634,211

(a) County of Cumberland, City of Greater Wollongong, Shellharbour and Kiama Municipalities, and parts of Colo and Wollondilly Shires.

The water supply of the *Hunter District system* is drawn principally from three sources; the Chichester Reservoir, with a storage capacity of about 3,742 million gallons and draining a catchment of 76 square miles, the Tomago Sandbeds, which extend northerly along the coast towards Port Stephens, and the Grahamstown Water Supply Scheme which is still being developed. Another source of supply is provided by the Nelson Bay-Anna Bay Scheme. Service reservoirs and tanks distributed throughout the water supply district have a total storage capacity of 137 million gallons.

Metropolitan and Hunter District sewerage and drainage system. The metropolitan sewerage and drainage system serving Sydney and suburbs comprises 4 major sewerage systems and 7 minor systems, consisting of 6 outfalls discharging directly into the Pacific Ocean and 5 treatment works. There are also 8 centres outside the metropolitan area of which 5 (Camden, Campbelltown, St Mary's, Richmond and Warragamba township) are served by local treatment works and 3 (Bellambi, Port Kembla and Wollongong) discharge directly into the Pacific Ocean. Stormwater drainage channels under the control of the Metropolitan Water, Sewerage and Drainage Board at 30 June 1972 were 192 miles long.

The following table gives details of sewerage services and stormwater drains of the Metropolitan system.

**METROPOLITAN SEWERAGE AND DRAINAGE(a)
NEW SOUTH WALES: SERVICES, 1968 TO 1972**

30 June—	Improved properties for which sewerage available	Estimated population served	Length of sewers	Length of stormwater channels
		'000	miles	miles
1968	574,847	2,135	6,166	184
1969	602,312	2,235	6,504	186
1970	637,258	2,374	6,804	190
1971	659,035	2,477	7,109	191
1972	696,342	2,531	7,435	192

(a) County of Cumberland, City of Greater Wollongong, Shellharbour and Kiama Municipalities, and parts of Colo and Wollondilly Shires.

The main sewerage system of the *Hunter District* serves the City of Newcastle and discharges into the Pacific Ocean at Burwood Beach. There are also local treatment works at Maitland, Cessnock and some of the outlying districts.

Metropolitan system finances The following table shows the debt, revenue and expenditure of the Metropolitan Water, Sewerage and Drainage Board for each of the services of water supply, sewerage and drainage during 1971-72, and for the three services combined for the years 1967-68 to 1971-72.

**METROPOLITAN(a) WATER SUPPLY, SEWERAGE AND DRAINAGE
NEW SOUTH WALES: FINANCES, 1967-68 TO 1971-72
(\$'000)**

Year	Capital debt at 30 June	Revenue	Expenditure			Total	Surplus
			Working expenses (b)	Interest and exchange	Debt redemp- tion		
1971-72—							
Water	355,031	59,159	34,190	18,188	6,779	59,157	2
Sewerage	345,258	57,385	31,664	18,673	7,041	57,378	7
Drainage	15,689	3,307	2,229	874	198	3,301	6
Total—							
1971-72	715,978	119,851	68,083	37,736	14,017	119,836	14
1970-71	654,420	97,694	52,289	33,259	12,135	97,683	11
1969-70	627,475	88,343	47,112	30,213	11,004	88,328	15
1968-69	590,869	80,206	41,865	28,216	10,105	80,185	21
1967-68	550,793	68,917	31,765	26,389	10,754	68,908	9

(a) County of Cumberland, City of Greater Wollongong, Shellharbour and Kiama Municipalities, and parts of Colo and Wollondilly Shires. (b) Includes provision for renewals, long service leave, etc.

Local government country water supply and sewerage systems. At 31 December 1970, country water supply services were conducted or under construction by 49 municipalities, 95 shires and 6 county councils, and country sewerage services by 54 municipalities and 75 shires. The capital indebtedness of these schemes was \$140,931,000 at 31 December 1970. Debt of the municipalities amounted to \$59,487,000, shires to \$64,436,000 and county councils to \$17,008,000. Government advances amounting to \$699,000 are included in these figures. Aggregate income and expenditure amounted to \$28,333,000 and \$21,416,000 respectively, in 1970.

Other country water supply and sewerage systems. The water supply and sewerage services for Broken Hill are operated by a statutory board, the Broken Hill Water Board. Its capital indebtedness at 31 December 1971 was \$5,133,000. In 1971, income (excluding subsidies, State Government \$246,000 and mining companies \$689,000) amounted to \$808,000 and expenditure (excluding debt redemption \$335,000) amounted to \$1,396,000. The Cobar Water Board was constituted in February 1964. At 31 December 1971 its capital indebtedness was \$2,134,000. The following country water supply systems—South-West Tablelands, Junee, and Fish River—are administered by the Department of Public Works. These supply water in bulk to municipalities and shires, the Electricity Commission of New South Wales, and other large consumers. Only a small quantity is sold direct to private consumers. The capital indebtedness of these systems was \$15,049,000 at 31 December 1971. The Mulwala Water Supply and Sewerage Service was constructed as an urgent war-time work for the Commonwealth, and the Bethungra Water Supply System is administered by the Department of Public Works in conjunction with the Junee supply.

Victoria

Melbourne and Metropolitan Board of Works. The Board consists of a Chairman and fifty-three Commissioners elected to represent the municipalities which lie wholly or partly within the metropolitan area. The principal functions of the Board are: to control and manage the metropolitan water supply system; to provide the metropolitan area with an efficient main and general sewerage system; to deal with main drains and main drainage works; to control and manage the rivers, creeks and watercourses within the metropolitan area; and to carry out the functions of a permanent planning authority.

Metropolitan water supply. There are 6 storage reservoirs serving the metropolitan area—Yan Yean, 7,233 million gallons; Maroondah, 6,289 million gallons; O'Shannassy, 930 million gallons; Silvan, 8,853 million gallons; Upper Yarra, 45,400 million gallons; and Greenvale, 6,048 million gallons; total 74,753 million gallons. Service reservoirs number 57, with a total capacity of 409 million gallons. The following table shows particulars of Melbourne metropolitan water supply services for the years 1967-68 to 1971-72.

MELBOURNE WATER SUPPLY: SERVICES, 1967-68 TO 1971-72

Year	Number of houses supplied	Estimated population supplied	Average daily consumption	Total consumption for the year	Average daily consumption		Length of aqueducts, etc., mains and reticulation	Number of meters
					Per house	Per head of estimated population		
		'000	mil. gal.	mil. gal	gallons	gallons	miles	
1967-68	642,039	2,170	139.0	50,876	216	64.1	6,791	577,713
1968-69	658,944	2,227	173.4	63,288	263	77.9	7,034	595,560
1969-70	676,111	2,285	183.7	67,063	272	80.4	7,176	612,074
1970-71	698,024	2,359	200.4	73,141	287	84.9	7,337	630,020
1971-72	724,071	2,447	199.2	72,912	275	81.4	7,464	644,904

Metropolitan sewerage and drainage. Particulars of sewerage and drainage services for 1967-68 to 1971-72 are shown below.

MELBOURNE SEWERAGE AND DRAINAGE: SERVICES, 1967-68 TO 1971-72

Year	Number of houses for which sewers are provided	Estimated population for which sewers are provided	Average daily pumping	Total sewage pumped for the year	Average daily pumping		Length of sewers, etc.	Length of main drains
					Per house	Per head of estimated population		
		'000	mil. gal	mil. gal	gallons	gallons	miles	miles
1967-68	509,185	1,685	86.1	31,514	169.1	51.1	4,739	240
1968-69	528,983	1,741	96.7	35,300	182.8	55.5	4,906	250
1969-70	543,870	1,786	109.5	39,972	201.3	61.3	5,073	255
1970-71	559,000	1,827	111.5	40,695	199.5	61.0	5,213	260
1971-72	575,221	1,885	115.8	42,399	201.3	61.4	5,282	265

The metropolitan sewerage system consists of the main system (serving an area of 123,536 acres) and 7 subsidiary systems—the Braeside system (serving an area of 6,849 acres), the Kew system (serving an area of 113 acres), the Maribyrnong system (serving an area of 182 acres), the Lower Plenty system (serving an area of 2,180 acres), the Heatherton system (serving an area of 2,049 acres), the Altona system (serving an area of 369 acres) and the Chelsea system (serving an area of 670 acres). The Board of Works Farm, 26,809 acres in extent and situated about twenty-four miles south west of Melbourne beyond the township Werribee, serves to purify and dispose of approximately ninety-five per cent of the sewerage flow of the metropolis before its discharge into Port Phillip Bay.

Melbourne and Metropolitan Board of Works' finances. The following table provides for the year 1971-72 a summary of the financial operations of the water supply, sewerage and drainage services conducted by the Melbourne and Metropolitan Board of Works, and of the combined services for the years 1967-68 to 1971-72. The financial operations of the Board as the Authority responsible for metropolitan highways and bridges are referred to on page 619.

MELBOURNE AND METROPOLITAN BOARD OF WORKS: FINANCES
1967-68 TO 1971-72
(\$'000)

Service, etc.	Capital cost of works and buildings at 30 June(a)	Revenue	Expenditure				Surplus (+) or deficit (-)	
			Working expenses	Works	Interest and exchange	Debt redemp- tion		Total
Water . . .	247,138	26,934	9,427	1,400	12,290	..	23,117	+ 3,817
Sewerage . . .	330,443	34,666	9,054	2,600	16,617	..	28,271	+6,395
Drainage . . .	41,657	6,157	2,248	1,000	1,793	..	5,041	+1,116
General(b) . . .	26,816	..	5,318	..	..	4,517	9,835	-9,835
Total 1971-72 . . .	646,054	67,757	26,047	5,000	30,700	4,517	66,264	+1,493
1970-71 . . .	562,980	57,364	22,542	3,550	26,700	3,854	56,645	+ 719
1969-70 . . .	505,957	49,097	18,685	3,600	23,668	3,443	49,396	- 299
1968-69 . . .	449,333	41,981	15,427	2,334	21,184	3,239	42,183	- 202
1967-68 . . .	411,221	35,587	13,213	1,776	19,258	2,685	36,932	-1,345

(a) Total loan indebtedness—1971-72, \$569,255.

(b) Statutory and general expenditure not distributed over services.

State Rivers and Water Supply Commission. Water supply and conservation throughout Victoria, (except for the area controlled by the Melbourne and Metropolitan Board of Works) is under the jurisdiction of the State Rivers and Water Supply Commission. The events leading to the establishment of the Commission, and its various works are described in the chapter, Water Conservation and Irrigation.

Queensland

The *Brisbane City Council* operates the water supply and sewerage systems of the City of Brisbane and also supplies, in bulk, the whole of the water used by the City of Ipswich and a portion of that used by the City of Redcliffe and Albert Shire Council. Redcliffe supplements its supply from that of the Pine Rivers Shire Council, while Albert also draws on its own reservoirs. The total number of service reservoirs for Brisbane Water Supply is 30, with a capacity of 110.9 million gallons. The Somerset reservoir is a dual purpose project with a designed total holding capacity of 200,000 million gallons, 67,500 million gallons to be for water storage and 132,500 million gallons for flood mitigation. The following table is a summary of operations of the complete Brisbane City Council system (Brisbane, Ipswich, and portion of Redcliffe and Albert Shires) for the years 1967-68 to 1971-72.

BRISBANE WATER SUPPLY(a): SERVICES, 1967-68 TO 1971-72

Year	Services connected	Estimated population supplied	Average daily con- sumption	Total con- sumption for the year	Average daily consumption		Length of trunk and reticu- lation mains
					Per service	Per head of estimated population	
1967-68 . . .	207,657	759,434	mil. gal 76.7	mil. gal 27,984	gallons 369	gallons 101.0	miles 2,823
1968-69 . . .	213,445	772,356	85.4	31,170	400	110.6	2,834
1969-70 . . .	218,798	799,276	81.9	29,888	374	102.4	2,972
1970-71 . . .	223,911	807,168	85.5	31,221	382	106.0	3,062
1971-72 . . .	235,343	828,088	91.8	33,603	390	110.9	3,279

(a) Includes Ipswich and a portion of Redcliffe and Albert Shires.

The sewerage treatment works of the *Brisbane sewerage scheme* is situated at Luggage Point at the entrance to the Brisbane River. The following table is a summary of operations of the Brisbane sewerage scheme for the years 1967-68 to 1971-72.

BRISBANE SEWERAGE: SERVICES, 1967-68 TO 1971-72

Year	Premises connected	Estimated population served	Total sewage pumped for the year	Length of main, branch, reticulation, etc., sewers
			mil. gal	miles
1967-68 . . .	109,364	404,647	8,358	1,607
1968-69 . . .	122,690	453,953	8,619	1,824
1969-70 . . .	143,245	530,007	9,313	2,048
1970-71 . . .	152,803	565,371	9,333	2,273
1971-72 . . .	167,585	596,603	8,940	2,506

Brisbane City Council water supply and sewerage systems—finances. The following table shows particulars of the finances of the water supply and sewerage undertakings of the Brisbane City Council for the years 1967-68 to 1971-72.

BRISBANE WATER SUPPLY AND SEWERAGE: FINANCES, 1967-68 TO 1971-72

(\$'000)

Service and year	Gross capital cost to 30 June	Revenue	Expenditure		Total(a)	Surplus (+) or deficit (-)	
			Working expenses	Interest, redemption etc., charges			
Water supply—							
1967-68 . . .	64,626	9,808	3,661	2,760	9,132	+	676
1968-69 . . .	69,719	10,214	4,057	2,835	9,334	+	880
1969-70 . . .	77,255	10,697	4,134	2,995	10,145	+	552
1970-71 . . .	85,157	11,769	4,687	3,246	11,816	-	47
1971-72 . . .	95,135	13,604	5,436	3,081	10,748	+	2,856
Sewerage—							
1967-68 . . .	69,264	7,237	1,105	2,225	6,619	+	618
1968-69 . . .	72,123	8,404	1,250	2,443	7,696	+	708
1969-70 . . .	74,489	8,848	1,481	2,677	7,881	+	967
1970-71 . . .	77,802	10,524	1,961	3,064	9,261	+	1,263
1971-72 . . .	77,876	11,171	2,531	2,697	6,979	+	4,192

(a) Total, including other expenditure.

Other areas. At 30 June 1971, of the 130 local authorities in addition to the City of Brisbane, 126 had water supply schemes and 75 operated sewerage systems. The receipts (other than loan and loan subsidy) of water undertakings controlled by the cities and towns referred to above amounted to \$13,089,000 in 1970-71. Expenditure amounted to \$12,983,000, including \$5,400,000 for debt charges. In addition, expenditure from loans and loan subsidy amounted to \$10,186,000. Finances of sewerage undertakings are incorporated with cleansing and sanitary services and are not available separately.

South Australia

The water supply and sewerage systems in this State were constructed mainly, and are maintained by the Engineering and Water Supply Department, under the control of the Minister of Works. Works controlled by the Department are the Adelaide, Barossa, Beetaloo, Bundaleer, Moorook, Tod River, Warren, Yorke Peninsula, and other country water districts systems, the Morgan-Whyalla water supply system, the metropolitan and country sewerage systems, the Metropolitan Flood Waters Scheme, and works on the River Murray constructed under the River Murray Waters Agreement. Several water supply schemes on the Murray River are administered by the Department of Lands in conjunction with irrigation works, and supplies to Woomera and Leigh Creek coalfield are controlled by the operating authorities.

Adelaide waterworks. At 30 June 1972 the Adelaide waterworks supplied districts covering 385 square miles of the metropolis and extending to near country areas. The capacity of the principal reservoirs was 41,438 million gallons and there were 3,795 miles of metropolitan mains. The Mannum-Adelaide pipeline conveys water from the River Murray. Water is delivered to a terminal storage near Adelaide and thence to the metropolitan distribution system or alternatively it can be delivered into metropolitan reservoirs on the River Torrens or to reservoirs on the River Onkaparinga by further pumping. The pipeline also supplies various country areas along and extending from its route. A second River Murray pipeline extending from Murray Bridge to the River Onkaparinga is under construction.

ADELAIDE WATERWORKS: FINANCES, 1967-68 TO 1971-72
($\$000$)

Year	Invested capital at 30 June (a)	Revenue	Expenditure			Surplus(+) or deficit(-)
			Working expenses (b)	Interest	Total	
1967-68	108,936	10,267	6,746	4,730	11,476	- 1,209
1968-69	114,121	10,793	5,552	4,919	10,471	+ 322
1969-70	123,817	12,722	6,236	5,399	11,636	+ 1,086
1970-71	133,509	14,513	6,787	5,887	12,674	+ 1,839
1971-72	143,880	15,772	7,130	6,414	13,544	+ 2,229

(a) After deduction of depreciation. (b) Includes debt redemption.

Adelaide metropolitan sewerage system. The Adelaide metropolitan sewerage system, comprising the Adelaide, Glenelg, Port Adelaide, Christies Beach, and Salisbury-Elizabeth areas of 207 square miles in all, includes treatment works at Glenelg, Port Adelaide, Bolivar, and Christies Beach. Financial and other particulars for 1967-68 to 1971-72 are shown hereunder.

ADELAIDE METROPOLITAN SEWERAGE: SUMMARY, 1967-68 TO 1971-72

Year	Length of sewers	Number of connections	Invested capital at 30 June(a)	Expenditure				Surplus
				Revenue	Working expenses (b)	Interest	Total	
	miles		$\$000$	$\$000$	$\$000$	$\$000$	$\$000$	$\$000$
1967-68	2,125	227,489	74,808	7,156	3,375	2,822	6,197	959
1968-69	2,193	234,818	78,141	7,601	3,463	3,073	6,536	1,065
1969-70	2,276	244,239	84,080	8,644	3,716	3,601	7,317	1,327
1970-71	2,347	254,816	90,169	10,477	4,270	3,910	8,180	2,297
1971-72	2,415	265,755	96,431	11,977	4,909	4,500	9,409	2,568

(a) After deduction of depreciation. (b) Includes debt redemption.

Country sewerage schemes. Sewerage schemes are operating at Port Lincoln, Naracoorte, Mount Gambier, Millicent, Lobethal, Gumeracha, Nangwarry, Mount Burr, Myponga, Mannum, Whyalla and Angaston. At Port Lincoln and Mount Gambier the sewers discharge to ocean outfalls, and treatment works are used on the other systems. There are 331 miles of sewers and 19,222 connections in the country systems. Sewerage schemes for Port Pirie, Murray Bridge and Gawler are under construction and operating in part.

Country water supply. Water districts systems at 30 June 1972 comprised an area of 15,867,000 acres. Supply came from major reservoirs having a capacity of 20,439 million gallons, from minor reservoirs, from the River Murray, and from underground sources. Apart from local supplies, water from the River Murray is distributed over wide areas through the Mannum-Adelaide, Morgan-Whyalla, Swan Reach-Stockwell and Taillem Bend-Keith pipelines and branches of these pipelines. The principal areas of underground supplies are in the south-east of the State, where water from the Murray Basin can be had at moderate depths or from lakes, and from sand beds on Eyre Peninsula.

In the year 1971-72 supplies made to Mount Gambier, Naracoorte and other towns in the south-east amounted to 1,333 million gallons, and the Unley-Wanilla, Lincoln and Poldas Basins contributed 764 million gallons to the Tod River Water District.

Morgan-Whyalla water supply scheme. This scheme, which has 223 miles of main via Port Augusta and 176 miles of main via the Spencer Gulf undersea crossing, was officially opened on 31 March 1944, the capital invested to 30 June 1972 being \$38,000,000. Apart from supplying Whyalla, the mains have been used to allow expansion of reservoir supplies in the northern agricultural area of the State, and to meet new demands caused by industrial growth at Whyalla, Port Pirie and Port Augusta. During 1971-72 water used from the scheme amounted to 4,379 million gallons.

Western Australia

The principal water supply systems of Western Australia are under the control of two State authorities, the Metropolitan Water Supply, Sewerage and Drainage Board and the Public Works Department. The area which constitutes the territory administered by the Board encompasses approximately 1,600 square miles and extends from Perth southward to Rockingham and Serpentine, northward to Mullaloo, and eastward to Sawyers Valley and Kalamunda. The Public Works Department controls the Goldfields and Agricultural Water Supply and the Great Southern Towns Water Supply as well as 125 local water supplies (*see also* Chapter 23, Water Conservation and Irrigation). Four independent town schemes are controlled by local Water Boards in country areas, and individual water supplies serve railways, timber mill towns, isolated mines, pastoral properties, stock routes, and agricultural areas, mainly from dams, tanks, wells and bores.

Metropolitan water supply, sewerage and drainage. The sources of the metropolitan water supply are Serpentine Reservoir and Serpentine Pipehead Reservoir, Canning Reservoir, Churchman Brook Reservoir, Victoria Reservoir, Wungong Brook Diversion Weir and North Dandalup Pipehead Dam. The largest of these sources are the Serpentine Reservoir and the Canning Reservoir, which have a capacity of 39,000 million gallons and 20,550 million gallons respectively. Water from storages on the Darling Range is conveyed to service reservoirs to serve the City of Perth and the metropolitan area. A limited quantity of water is drawn from Mundaring Weir to serve sections of Greenmount, and to meet the peak demands of summer consumption supplies are supplemented from artesian bores, which can provide a daily maximum of 21 million gallons. The amount of bore water used is rarely more than 10 per cent of the metropolitan consumption and is usually considerably less.

The following table shows particulars of the *metropolitan water supply services* for 1967-68 to 1971-72.

METROPOLITAN WATER SUPPLY, WESTERN AUSTRALIA: SERVICES
1967-68 TO 1971-72

Year	Number of services (a)	Average daily consumption mil. gal	Total consumption for year mil. gal	Average daily consumption per service (b) gallons	Length of mains miles	Number of meters
1967-68 . . .	173,068	68.2	24,958	403	2,923	152,603
1968-69 . . .	185,340	76.7	28,015	429	3,144	161,859
1969-70 . . .	193,359	87.2	31,820	458	3,317	171,346
1970-71 . . .	200,597	89.2	32,573	452	3,505	178,857
1971-72 . . .	210,465	93.4	34,099	455	3,687	187,313

(a) Figures relate to 30 June.

(b) Calculated from averages for the year.

Some particulars of the *metropolitan sewerage and main drainage services* for 1967-68 to 1971-72 are shown in the following table.

**METROPOLITAN SEWERAGE AND MAIN DRAINAGE
WESTERN AUSTRALIA: SERVICES 1967-68 TO 1971-72**

Year	Services	Length of	Length of
		sewers	main drains
		miles	miles
1967-68	72,177	886	118
1968-69	74,018	931	126
1969-70	76,638	988	141
1970-71	81,940	1,136	157
1971-72	87,318	1,237	157

Metropolitan Water Supply, Sewerage and Drainage Board—finances. The following table shows particulars of the finances of the Western Australian Metropolitan Water Supply, Sewerage and Drainage Board.

**METROPOLITAN WATER SUPPLY, SEWERAGE AND MAIN DRAINAGE
WESTERN AUSTRALIA: FINANCES, 1967-68 TO 1971-72
(\$'000)**

Service and year	Capital cost to 30 June	Revenue	Expenditure		Total	Surplus
			Working expenses	Interest and debt redemption		
Water supply—						
1967-68	66,217	5,782	2,292	3,243	5,535	247
1968-69	74,078	7,162	2,322	3,510	5,832	1,331
1969-70	82,482	7,915	2,808	3,949	6,757	1,159
1970-71	92,284	8,371	3,389	4,460	7,850	521
1971-72	101,509	10,956	3,953	4,931	8,884	2,073
Sewerage—						
1967-68	29,286	3,198	1,689	1,474	3,164	34
1968-69	34,027	3,809	1,771	1,637	3,408	401
1969-70	40,821	4,162	1,983	1,867	3,850	313
1970-71	48,500	4,508	2,255	2,214	4,470	38
1971-72	57,479	6,097	2,693	2,573	5,267	831
Main drainage—						
1967-68	7,433	721	314	349	663	58
1968-69	8,657	872	327	375	702	170
1969-70	9,838	951	353	407	760	192
1970-71	10,699	1,144	448	467	915	228
1971-72	11,259	1,357	492	503	995	362

Country water supplies. Information relating to country water supplies is included in Chapter 23, Water Conservation and Irrigation.

Tasmania

Waterworks. During the year 1971-72, water was supplied to over 104,000 properties which consumed approximately 15,900 million gallons.

In Tasmania, water supply was once the exclusive responsibility of the city and municipal councils. In recent years, two semi-government authorities have been set up to operate bulk supply schemes for distribution by the local government authorities in the Hobart and Launceston areas, and directly to some industrial consumers. The North Esk Regional Water Supply Scheme is operated by the Rivers and Water Supply Commission as a State concern, supplying bulk water to the municipalities of St Leonards, George Town, Lilydale, and portion of Westbury. This scheme supplies water to

industries situated near the Tamar River. Also vested in the Commission is the West Tamar Water Supply Scheme which serves the Municipality of Beaconsfield, and is operated by the Beaconsfield Council as the agent of the Commission. The over-all control of water supply in the greater Hobart area, comprising the municipalities of Hobart, Clarence, Glenorchy, and Kingborough, is vested in the Metropolitan Water Board, but the municipalities retain primary responsibility for reticulation. The Board has constructed a large pumping station at Bryn Estyn, near New Norfolk, which supplies bulk water from the Derwent River to the metropolitan area and has a pipeline capacity of 20 million gallons a day. In addition, the Board also controls the Southern Regional Water Supply Scheme with a pipeline capacity of 6.9 million gallons a day which supplies water to Hobart's eastern shore and nearby towns.

Sewerage. At the end of 1971-72 the number of tenements connected to sewerage services was about 83,000. Approximately 60 per cent of sewerage discharge is subject to treatment.

Northern Territory

Information relating to water supply in the Northern Territory may be found in Chapter 23, Water Conservation and Irrigation.

Australian Capital Territory

The water supply, sewerage and drainage systems in the Australian Capital Territory are under the control of the Commonwealth Department of Works. The sources of the water supply are: Cotter Dam (capacity 1,034 million gallons), Bendora Dam (2,360 million gallons) and Corin Dam (16,600 million gallons). Water is fed from Bendora Dam by gravity to 22 major reservoirs. The maximum daily supply is 57 million gallons. An alternative supply is available from 9 pumps at the Cotter Dam at a rate of 38 million gallons per day.

The total population served in the Australian Capital Territory, which during 1971-72 consumed 7,173 million gallons of water, was 158,417 (at 30 June 1972.) In addition, the Canberra water supply system supplied 454 million gallons of water to Queenbeyan, New South Wales. The total number of water meters at 30 June 1972 was 41,421 and the total length of water lines was 809 miles.

The sewerage system for Canberra suburbs has three treatment works: the Weston Creek works provide for 132,000 persons, the Fyshwick works provide for 20,000 persons and the Belconnen works provide for 25,000 persons. There were 816 miles of sewerage, and 9 miles of sewer rising mains (at 30 June 1972). There were also 813 miles of storm-water drains.

Harbour boards and trusts

The number and net tonnage of vessels which entered the major ports in each State during the years 1970-71 and 1971-72 are shown in Chapter 12, Transport, Communication and Travel (*see page 339*). Particulars of overseas and interstate cargo discharged and shipped are shown on pages 339-43 of the same chapter.

New South Wales

The Maritime Services Board of New South Wales exercises general control over intra-state shipping, including the survey and certification of vessels, the licensing of harbour craft and the examination and issue of certificates to officers. It is responsible for the provision of pilotage services, lights, beacons, buoys and other port facilities, imposes and collects rates and charges on goods and vessels, and is vested with the general control and management of the navigable waters and ports within the State. At the ports of Sydney, Newcastle and Botany Bay the Board is also responsible for the provision of adequate wharfage and channels and carries out all construction, maintenance and dredging work. Since 1 February 1936 the State enactments on port charges, including the Navigation Act of New South Wales, the Harbour and Tonnage Rates Act and the Sydney Harbour Trust Act, have been administered by the Maritime Services Board. The total revenue collections by the Maritime Services Board amounted to \$39,302,000 in 1971-72. This figure includes the revenue for the ports of Sydney, Newcastle and Botany Bay.

Financial details relating to these three ports are shown in the following table.

**MARITIME SERVICES BOARD FUND: FINANCES OF THE PORTS OF SYDNEY
NEWCASTLE AND BOTANY BAY, 1967-68 TO 1971-72**
(\$'000)

Year	Revenue			Total	Expenditure(a)			Surplus (+) or Total deficit(-)
	Wharfage and tranship- ment rates	Tonnage rates and berthing charges	Other charges		Adminis- tration and main- tenance	Interest, debt redemp- tion, exchange, etc.	Total	
1967-68	12,664	2,024	5,645	20,333	10,830	9,451	20,280	+ 53
1968-69	13,580	2,085	7,294	22,959	12,150	10,716	22,866	+ 93
1969-70	14,854	2,271	7,875	25,000	12,816	12,120	24,937	+ 64
1970-71	15,105	2,150	13,042	30,297	15,885	14,642	30,527	-229
1971-72	17,160	2,296	10,915	30,371	17,073	13,059	30,132	+239

(a) Excludes capital expenditure but includes transfers to the Renewals Fund Reserve Account (\$4,940,000 in 1967-68, \$5,800,000 in 1968-69, \$6,760,000 in 1969-70, \$9,140,000 in 1970-71, and \$6,600,000 in 1971-72).

Port of Sydney. The wharves are situated close to the business centre of the city, about 4 or 5 miles from the Heads. At 30 June 1972 there were 5 dolphin berths, 3,550 feet long, and 76 effective commercial cargo berths, with a total length of 36,792 feet, controlled by the Board. Accommodation for harbour craft amounts to 2,245 feet, while the length of other berths, including oil and private wharves, totals 11,791 feet. Depth of water at wharves is up to 43 feet. Special facilities for the storage and handling of products such as wheat, wool, coal, etc. are provided. Docking facilities are available for large vessels at the Captain Cook Graving Dock. Container facilities became available in March 1969 with the opening of the eastern section of the Balmain container terminals to cellular container vessels.

Port of Newcastle. Shipping at Newcastle is concerned primarily with the coal, iron and steel and other heavy industries located in the district. However, facilities are available for the shipment of wool, wheat and frozen meat, and a wharf is available for timber.

Botany Bay. The port is primarily a discharging centre for the oil refinery at Kurnell, near Sydney, and one jetty with a tanker berth each side of the jetty is available as well as three tanker offshore moorings with submarine pipelines.

Port Kembla is the port of the southern coalfields and for the major industrial areas in and about Wollongong.

Other ports. In addition to the port of Sydney, Newcastle, Port Kembla, and Botany Bay, the Board controls 29 outports along the coastline of 609 miles. The shipping trade of these outports is relatively small.

Victoria

The *Port of Melbourne* comes under the control of the Melbourne Harbor Trust Commissioners, a financially independent statutory organisation, with a full-time chairman and five part-time commissioners.

The advanced methods of cargo handling which have developed with the advent of container, unit load, and roll-on roll-off vessels now entering the Port, have required, during the past 10 years an expenditure in excess of \$60 million on capital works, and the current capital value of the Port of Melbourne is more than \$103 million. The Port covers an area of 10.5 square miles and provides 12 miles of berthage, with 92 commercial berths.

The main container complex, Swanson Dock, has four berths. Constructed at a cost of \$20 million, and taking some 6 years to complete, this 90 acre complex handled 3.56 million tons of containerised cargo in 1972.

Currently, the Port of Melbourne has seven roll-on roll-off berths. The Webb Dock area, the Port's busiest roll-on roll-off complex, was originally a ferry berth (constructed in 1959) with a four acre back-up area, and has now been developed into a three berth complex, with a back-up area of 20 acres. During 1972 Webb Dock handled 2.36 million tons of cargo.

The depth of water (low water ordinary spring tide) from the main channels to the principal wharves is 31 to 37 feet.

The following table shows particulars of the financial operations of the Trust.

MELBOURNE HARBOR TRUST: FINANCES, 1968 TO 1972
(*\$'000*)

Year	Gross loan indebtedness at 31 December	Revenue		Expenditure				Total	Surplus(+) or Deficit(-)
		Wharfage and tonnage rates	Total	Operation, administration and maintenance	Interest, debt redemption, exchange, etc.	General reserve, depreciation, renewals and insurance account	Total		
1968 . .	36,029	8,357	13,573	6,972	2,381	4,002	13,355	+218	
1969 . .	37,888	8,901	14,321	7,903	2,127	4,049	14,079	+242	
1970 . .	40,690	9,475	15,047	8,512	2,869	3,419	14,800	+247	
1971 . .	44,059	10,038	16,263	9,719	3,152	3,158	16,029	+233	
1972 . .	45,644	9,398	15,478	10,569	2,506	2,867	15,942	-464	

The *Port of Geelong* operated by the Geelong Harbor Trust, has available 17 effective berths, plus 2 berths at the Commonwealth Explosives Pier, Point Wilson, owned and operated by the Commonwealth. Two modern dry bulk berths (Lascelles Wharf Nos 1 and 2 berths) became fully operational in 1970 and a roll-on/roll-off berth at Corio Quay came into operation in January 1971.

Port of Portland. Development projects currently in hand will within the next year or so, provide the port with facilities necessary to handle fully laden carriers up to 70,000 tons deadweight. In the first instance No. 1 berth and its approaches are being dredged from 36 feet to 40 feet low water and the bulk grain gallery extended to the outer limits of the K. S. Anderson wharf. Trade handled during 1971-72 rose by 9.5 per cent to an all time high of 922,294 tons; operating revenue showed a corresponding increase of 6.3 per cent to \$1,326,846.

Queensland

The ports of Queensland generally are administered by harbour boards with members representing the cities, towns and districts served by the ports. Where no board is established, control is exercised by the Corporation of the Treasurer through the Department of Harbours and Marine.

Harbour Board ports are Bowen, Bundaberg, Cairns, Gladstone, Mackay, Rockhampton and Townsville.

Corporation of the Treasurer principal ports are Brisbane, Hay Point, Lucinda, Maryborough, Mourilyan, Thursday Island and Weipa.

Brisbane, the busiest port in the State, is a river port of world standard dredged to a sufficient depth to accommodate all classes of vessels on the Australian trade. The port, as well as providing wharves for containers, bulk grain fertiliser, freezer goods, petroleum products and general cargo also provides shipbuilding and ship repair facilities including a dry dock accommodating vessels up to 70,000 tons deadweight. Two refineries, situated at the mouth of the river can supply all ships' bunkering requirements.

The finances of Brisbane Harbour for the years 1967-68 to 1971-72 are shown in the following table.

BRISBANE HARBOUR: FINANCES, 1967-68 TO 1971-72
(\\$'000)

Year	Loan indebtedness at 30 June	Receipts		Payments	
		Harbour dues	Total	Working expenses(a)	Total
1967-68 . . .	4,504	2,019	3,475	3,039	3,376
1968-69 . . .	4,890	2,333	3,622	3,156	3,483
1969-70 . . .	5,726	2,320	3,772	4,542	4,927
1970-71 . . .	5,576	2,685	3,788	3,556	4,004
1971-72 . . .	6,352	3,001	4,349	3,308	3,789

(a) Excludes interest and redemption included in total.

South Australia

Department of Marine and Harbors. All South Australian harbours are controlled by the Department of Marine and Harbors, which is responsible to the Minister of Marine for the discharge of its duties and functions. The most important ports are the six deep-sea ports of Port Adelaide, Port Pirie, Wallaroo, Port Lincoln, Port Giles and Thevenard. In South Australia there are also eight privately-owned and operated ports. The principal of these are Whyalla, Ardrossan, Rapid Bay, and Proper Bay (Broken Hill Pty Co. Ltd), Port Augusta (Commonwealth Railways) and Port Stanvac (Petroleum Refineries (Aust.) Pty Ltd). Maximum depths of water (low water) at the wharves of the main ports range from 27 feet at Port Pirie to 35 feet at Port Adelaide. The following table shows the finances of the Department for 1967-68 to 1971-72.

DEPARTMENT OF MARINE AND HARBORS, SOUTH AUSTRALIA: FINANCES
1967-68 TO 1971-72
(\\$'000)

Year	Loan indebtedness at 30 June	Revenue	Expenditure from revenue			Surplus(+) or Deficit(-)
			Working expenses	Interest	Total	
1967-68 . . .	45,478	6,418	4,196	1,869	6,065	+352
1968-69 . . .	47,614	6,653	4,365	1,957	6,322	+331
1969-70 . . .	50,736	7,282	4,265	2,176	6,442	+840
1970-71 . . .	55,081	7,628	5,056	2,431	7,487	+141
1971-72 . . .	59,589	7,611	5,346	2,796	8,142	-530

Western Australia

The *Port of Fremantle* is operated and controlled by the Fremantle Port Authority. The port covers an extensive water area of some 180 square miles and comprises an inner and an outer harbour. The inner harbour includes 20 deep-water land-backed berths, providing more than 550,000 square feet of covered storage space and 13,104 feet of wharf berth accommodation. All inner harbour berths are dredged to a low water depth of 36 feet. The outer harbour includes 3 main anchorages, Gage Roads, Owen Anchorage and Cockburn Sound. Deep-water jetties, including the oil refinery jetty in Cockburn Sound, are available in the outer harbour. Ocean-going deep draft ships enter the Sound by means of a channel dredged through Success and Parmelia Banks to a low water depth of 45 feet and a bottom width of 500 feet. In the outer harbour there are 3 tanker berths each with a low water depth of 44 feet at the Kwinana oil refinery, 2 berths at the nearby steelworks jetties with a low water depth of 38 feet, 2 berths at the alumina works jetty with a low water depth of 38 feet and 1 berth at the bulk cargo jetty with a low water depth of 44 feet. There is also a special berth for the handling of explosives. Total effective berth accommodation in the outer harbour is 6,110 feet. Gross earnings for 1971-72 amounted to \$10,969,782, working expenses to \$7,960,162, interest charges on loan capital \$1,302,733, and loan indebtedness totalled \$24,156,847.

The Ports of *Albany, Bunbury, Esperance, Geraldton* and *Port Hedland* are controlled by their respective Port Authorities.

Other ports. The following ports are controlled by the State Government Harbour and Light Department: Broome, Carnarvon, Derby, Onslow, Port Walcott, and Wyndham. Ports privately controlled comprise Yampi and Dampier, both operated by iron ore mining companies, and Exmouth, the port serving the communications installation at North West Cape. A private buoyed sea terminal is operated at Barrow Island for the shipment of crude oil, and private interests ship salt at Cape Cuvier, and salt and gypsum from Useless Loop in Shark Bay.

Tasmania

Port services in Tasmania are under the control of eight port authorities: the Marine Boards of Hobart, Devonport, Burnie, Circular Head (Stanley), King Island (Currie), and Flinders Island (Whitemark); the Port of Launceston Authority and the Smithton Harbour Trust. The ports at Hobart, Launceston (Bell Bay), Burnie and Devonport are general cargo terminals for overseas shipping. Other ports catering primarily for overseas export of specialised cargoes include Port Latta (iron ore pellets), Triabunna (wood chips), and Port Huon (fruit).

AUTHORITIES CONTROLLING PORTS, TASMANIA: FINANCES 1967-68 TO 1971-72 (\$'000)

Authority	Loan indebtedness at 30 June (a)	Receipts (revenue account) total	Expenditure (revenue account)			New loans raised	Loan expenditure
			Works and services	Loan charges	Total (a)		
Hobart . . .	5,885	2,156	917	424	1,778	1,800	2,129
Launceston. . .	7,441	2,410	1,223	626	2,380	1,130	1,345
Devonport . . .	7,118	1,427	431	682	1,316	450	423
Burnie . . .	12,950	1,567	308	1,014	1,535	700	833
Circular Head . . .	998	86	11	62	81	500	522
King Island . . .	62	73	28	21	73	..	..
Flinders Island . . .	194	30	10	15	27	10	10
Smithton . . .	..	1	1	..	2	..	..
Total 1971-72	34,648	7,752	2,928	2,844	7,194	4,590	5,261
1970-71	31,057	7,133	2,618	2,535	6,366	4,471	5,042
1969-70	27,464	6,765	3,051	2,300	6,347	3,910	3,386
1968-69	24,376	6,274	2,817	2,011	6,253	2,837	4,574
1967-68	22,249	5,953	2,272	1,921	5,433	2,598	2,395

(a) Includes expenditure not specified in component items.