

CHAPTER XXI.

PUBLIC FINANCE.

NOTE.—The subject of “Public Finance” is dealt with in this chapter under the two major divisions of Commonwealth Finance and State Finance. The close financial relations between the Commonwealth and States, however, particularly since the Financial Agreement has been in operation, demand also a combination of these two divisions under the heading of Commonwealth and State Finance. Under the Financial Agreement, the Commonwealth assumed the liability to bondholders for the States’ Debts existing at the date of the Agreement and now arranges for all borrowings for and on behalf of the Commonwealth or any State and for all conversions, renewals, redemptions and consolidations of the Public Debts of the Commonwealth and the States. In view of this, it has been found convenient to deal with the Commonwealth and State Public Debt in a separate division.

The subject of income taxes is also dealt with in a separate division.

A. COMMONWEALTH FINANCE.

§ 1. General.

1. 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* pp. 17–20 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. Section 87 deals with the financial relations between the Commonwealth and the States. These matters have been treated in previous issues of the Official Year Book and on pages 803–811 of this issue a summary is given of the present provisions for Commonwealth financial assistance to the States.

The majority of the tables relating to Commonwealth Finance have been compiled from the annual Budget Papers as presented to Parliament by the Treasurer of the Commonwealth.

2. Accounts of the Commonwealth Government.—The Commonwealth Government bases its accounts upon three funds, the Consolidated Revenue Fund, the Trust Fund and the Loan Fund.

§ 2. Commonwealth Consolidated Revenue Fund.

I. Nature of Fund.

1. Provisions of the Constitution.—The provisions made for the establishment of a Commonwealth Consolidated Revenue Fund, and the means to be adopted for operating on the fund, are contained in Sections 81 to 83 of the Constitution (*see* p. 17 of this Year Book).

2. Annual Results of Transactions.—In the early 1920’s, receipts and expenditure of the Consolidated Revenue Fund each ranged between £60 million and £70 million. After allowing for special appropriations amounting to one or two million pounds each year utilized for a variety of purposes, e.g., for debt redemption, naval construction, main roads, science and industry investigations, prospecting for oil and precious metals, civil aviation, etc., the receipts and expenditure of the Fund were balanced. In the later twenties and early thirties, when receipts and expenditure were each about £70 million or £80 million a year, there were annual deficits, which had accumulated to more than £17 million by the end of 1930–31.

In the years 1931–32 to 1938–39, receipts and expenditure ranged from £70 million to £95 million and were in balance after allowing for special appropriations of up to £3.5 million a year for reduction of the accumulated deficit, non-recurring grants to the States, post office works and the provision of defence equipment. The amount applied towards reduction of the accumulated deficit was approximately £1.5 million and the balance of the deficit (approximately £15.7 million) was funded in 1937–38.

For most of the 1939–45 War years and thereafter, the Consolidated Revenue Fund was balanced, all available revenue after charging expenditure on ordinary services being used for defence, war and repatriation purposes.

During the years 1953–54 to 1957–58, the Fund was balanced after special payments of £56.3 million and £70.1 million to the Debt Redemption Reserve Trust Account, and £61.6 million, £194.8 million and £104.4 million to the Loan Consolidation and Investment Reserve Trust Account. The amounts so transferred were subsequently invested wholly or partly in special loans for State works requirements.

Receipts and expenditure increased from £95 million in 1938–39 to £377 million in 1944–45. By 1950–51, they had risen to £842 million and by 1953–54 to £1,023 million. Receipts and expenditure for 1957–58 were £1,324 million.

II.—Revenue.

1. General.—The following table shows details of the revenue from each source and the amount per head of population under each of the main headings during the years 1938–39 and 1953–54 to 1957–58. Taxation constitutes the main source of Commonwealth revenue, accounting for 87.7 per cent. in 1957–58.

COMMONWEALTH CONSOLIDATED REVENUE FUND : SOURCES OF REVENUE. (£'000.)

Source.	1938–39.	1953–54.	1954–55.	1955–56.	1956–57.	1957–58.
<i>Taxation</i>	74,111	900,450	937,608	1,003,780	1,098,736	1,161,533
Per head of population ..	£10 13 9	£101 3 5	£103 2 11	£107 15 0	£115 4 8	£119 3 8
<i>Business Undertakings</i> ..	17,892	75,126	80,210	87,821	99,803	108,228
Per head of population ..	£2 11 9	£8 8 10	£8 16 6	£9 8 7	£10 9 4	£11 2 1
<i>Territories(a)</i>	356	2,195	2,419	2,249	2,513	2,845
Per head of population ..	£0 1 0	£0 4 11	£0 5 4	£0 4 10	£0 5 3	£0 5 10
<i>Other Revenue</i> —						
Interest, etc.	1,144	8,797	12,428	14,179	13,475	10,920
Coinage	128	750	725	199	693	223
Defence	151	2,809	4,106	3,820	3,763	5,776
Atomic Energy Commission	..	2,791	1,082	30	..	..
Civil Aviation—						
Recoups for Airmail Services						
Other	6	3,437	3,767	(b)	(b)	(b)
Health	18	80	86	1,159	1,262	1,472
Patents, Trade Marks, etc. . .	68	187	211	94	90	105
Bankruptcy	31	49	54	267	306	318
Commerce and Agriculture				60	72	98
Shipping and Transport .. .	158	391	321	329	914	1,128
Net Profit on Australian Note Issue	767	5,707	5,516	7,866	10,054	12,592
Surplus Balances of Trust Accounts .. .. .	..	4,190	8,237	1,981	69,782	3,991
Australian Shipping Board Transfer of Surplus Funds .. .. .	..	4,000	..	3,000	..	..
Joint Coal Board—Repayment of Advances .. .. .	..	3,342	3,550	2,488	750	1,100
Tea Importation Board—Repayment of Advance	235	7,507	6,244	2,000	..	..
Other .. .. .	..	..	..	7,036	9,622	(c) 13,442
<i>Total</i>	2,706	45,019	47,204	44,508	110,783	51,165
Per head of population ..	£0 7 9	£5 1 2	£5 3 10	£4 15 7	£11 12 5	£5 5 0
<i>Grand Total</i>	95,065	1,022,790	1,067,441	1,138,358	1,311,835	1,323,771
Per head of population ..	£13 14 3	£114 18 4	£117 8 7	£122 4 0	£137 11 8	£135 16 7

(a) Excludes Railways. master-General's Department subsequently refunded.

(b) Transactions relating to Airmail Services now included in Post-

(c) Includes £1,314,000 collections of Diesel Fuel Taxation

A graphical representation of the revenue and expenditure of the Commonwealth Consolidated Revenue Fund appears on page 805.

2. Taxation.—(i) *Total Collections.* (a) *Amount.* Collections under each heading for the years 1938–39 and 1953–54 to 1957–58 are shown below :—

COMMONWEALTH TAXATION : TOTAL NET COLLECTIONS.
(£'000.)

Heading.	1938–39.	1953–54.	1954–55.	1955–56.	1956–57.	1957–58.
Customs	31,161	94,757	101,254	87,508	68,597	71,717
Excise	16,472	125,460	143,149	168,264	217,440	231,334
Sales Tax	9,308	95,689	100,446	110,001	125,752	137,777
Land Tax	1,489	221	13	..	1	11
Pay-roll Tax .. .. .	..	40,384	41,455	45,543	48,675	48,552
Income Taxes(a)	11,883	528,181	532,916	573,988	620,298	650,419
Estate Duty	1,915	9,825	9,614	10,120	12,712	13,774
Gift Duty .. .. .	..	1,386	1,618	1,820	1,940	2,205
Entertainments Tax .. .. .	..	1,977	—2	—1	..	..
Special Industry Taxes(b)	1,883	2,570	7,145	6,537	3,321	5,744
Total Taxation	74,111	900,450	937,608	1,003,780	1,098,736	1,161,533

(a) Includes Social Services Contribution, War-time (Company) Tax, Super Tax, Undistributed Profits Tax and Wool Deduction. (b) Used for purposes of industries concerned. The taxes are as follows:—Flour Tax, Wheat Tax, Wool Levy, Wool Contributory Charge, Wheat Export Charge, Miscellaneous Export Charges, Stevedoring Industry Charge, Tobacco Industry Charge and Gold Tax.

NOTE.—Minus sign (–) indicates an excess of refunds.

(b) *Proportion of each Class to Total Collections.* The following table shows the proportion of the total collections represented by returns from each class of taxation for the years 1938–39 and 1953–54 to 1957–58 :—

COMMONWEALTH TAXATION : PROPORTION OF EACH CLASS TO TOTAL NET COLLECTIONS.
(Per Cent.)

Heading.	1938–39.	1953–54.	1954–55.	1955–56.	1956–57.	1957–58.
Customs	42.1	10.5	10.8	8.7	6.2	6.2
Excise	22.3	13.9	15.3	16.8	19.8	19.9
Sales Tax	12.6	10.6	10.7	11.0	11.4	11.8
Land Tax	2.0	..	..	..	..	..
Pay-roll Tax .. .. .	..	4.5	4.4	4.5	4.4	4.2
Income Taxes(a)	16.0	58.7	56.8	57.2	56.5	56.0
Estate Duty	2.6	1.1	1.0	1.0	1.2	1.2
Gift Duty .. .. .	..	0.2	0.2	0.2	0.2	0.2
Entertainments Tax .. .. .	..	0.2	..	..	..	..
Special Industry Taxes(b)	2.4	0.3	0.8	0.6	0.3	0.5
Total Taxation	100.0	100.0	100.0	100.0	100.0	100.0

(a) See note (a) to previous table.

(b) See note (b) to previous table.

(ii) *Customs Revenue.* The classification of customs receipts by Tariff Divisions published in earlier issues of the Official Year Book was discontinued in 1955–56. In the following tables, customs duty receipts have been dissected according to the classification used for oversea trade statistics. For years prior to 1955–56, refunds and drawbacks were not classified by statistical classes and consequently details of gross receipts only are available for those years. The following table shows gross receipts for the years 1938–39 and 1953–54 to 1957–58 according to statistical classes.

COMMONWEALTH CUSTOMS REVENUE : CLASSIFICATION OF GROSS RECEIPTS.

(£'000.)

Classes.	1938-39.	1953-54.	1954-55.	1955-56.	1956-57.	1957-58.
Foodstuffs of animal origin	266	267	371	432	294	359
Foodstuffs of vegetable origin	1,069	1,405	1,558	1,346	1,445	1,611
Spirituous and alcoholic liquors	1,105	2,256	2,621	2,712	2,701	3,049
Tobacco, cigars and cigarettes	4,097	18,902	15,839	12,546	12,538	12,383
Animal substances (not foodstuffs)	17	7	7	18	9	7
Vegetable substances and fibres	74	384	209	256	263	252
Yarns, textiles and apparel	3,057	11,589	13,614	12,200	8,479	10,537
Oils, fats and waxes	9,956	27,168	23,137	19,336	12,131	10,518
Pigments, paints and varnishes	38	170	138	145	172	178
Rocks and minerals	40	31	45	34	30	48
Metals, metal manufactures and machinery	4,830	18,275	26,356	23,202	20,607	22,569
Rubber and leather and manufactures thereof	431	1,179	1,495	1,410	1,058	1,462
Wood and wicker, raw and manufactured	780	814	1,568	1,569	1,434	1,539
Earthenware, cement, china, glass and stoneware	493	1,713	2,207	2,309	1,656	1,873
Pulp, paper and board, paper manufactures and stationery	491	896	1,452	1,246	874	980
Sporting material, toys, fancy goods, jewellery and timepieces	390	2,039	2,912	2,822	1,804	2,186
Optical, surgical and scientific instruments, photographic goods	239	944	1,155	1,242	1,104	1,153
Chemicals, pharmaceutical products, essential oils and fertilizers	377	911	1,228	1,227	1,177	1,444
Miscellaneous goods	652	913	2,140	2,532	2,045	2,359
Primage	4,109	8,636	8,681	7,734	4,670	2,740
Other receipts	132	822	586	608	563	562
Total—Gross Customs Revenue	32,643	99,321	107,319	94,926	75,054	77,809
Refunds and drawbacks	1,482	4,564	6,065	7,418	6,457	6,092
Total—Net Customs Revenue	31,161	94,757	101,254	87,508	68,597	71,717

The following table gives details of net customs receipts for the years 1955-56 to 1957-58 :—

COMMONWEALTH CUSTOMS REVENUE: CLASSIFICATION OF NET RECEIPTS.

(£'000.)

Classes.	1955-56.	1956-57.	1957-58.
Foodstuffs of animal origin	418	281	347
Foodstuffs of vegetable origin	1,305	1,392	1,546
Spirituous and alcoholic liquors	2,711	2,697	3,047
Tobacco, cigars and cigarettes	12,516	12,526	12,375
Animal substances (not foodstuffs)	3	7	5
Vegetable substances and fibres	240	196	222
Yarns, textiles and apparel	11,660	8,303	10,284
Oils, fats and waxes	18,933	11,543	10,039
Pigments, paints and varnishes	105	152	160
Rocks and minerals	1	24	35
Metals, metal manufactures and machinery	18,149	16,169	18,389
Rubber and leather and manufactures thereof	1,294	990	1,291
Wood and wicker, raw and manufactured	1,533	1,413	1,510
Earthenware, cement, china, glass and stoneware	2,235	1,588	1,822
Pulp, paper and board, paper manufactures and stationery	1,166	748	848
Sporting material, toys, fancy goods, jewellery and timepieces	2,792	1,779	2,165
Optical, surgical and scientific instruments, photographic goods	1,204	1,065	1,118
Chemicals, pharmaceutical products, essential oils and fertilizers	1,093	1,051	1,302
Miscellaneous goods	2,288	1,802	2,174
Primage	7,261	4,318	2,483
Other receipts	601	553	555
Total	87,508	68,597	71,717

(iii) *Excise Revenue.* Net excise receipts for the years 1938-39 and 1953-54 to 1957-58 were as follows :—

COMMONWEALTH EXCISE REVENUE : CLASSIFICATION OF NET RECEIPTS.
(£'000.)

Particulars.	1938-39.	1953-54.	1954-55.	1955-56.	1956-57.	1957-58.
Beer	7,289	71,060	76,362	85,315	103,516	105,997
Spirits	1,604	6,355	6,496	7,325	8,138	8,047
Tobacco	3,868	16,211	15,141	14,849	17,270	16,633
Cigars and cigarettes	2,419	23,081	29,030	36,516	47,916	51,366
Cigarette papers	531	1,072	1,007	896	910	862
Petrol	582	5,549	12,898	21,190	37,183	41,711
Diesel Fuel						(a) 2,770
Matches	82	1,083	1,096	1,061	1,074	1,084
Playing cards		53	51	47	48	47
Coal		579	600	566	599	590
Miscellaneous	86	417	468	499	786	2,227
Total	16,472	125,460	143,149	168,264	217,440	231,334

(a) Refunds of Diesel Fuel Taxation £1,314,000 have been deducted.

(iv) *Other Taxation.* (a) *General.* Taxes other than customs and excise and the various export charges are, in general, assessed and collected by the Commissioner of Taxation. The organization comprises a Head Office in Canberra, an office in each State assessing the returns of taxpayers whose interests are restricted to that State only, and a Central Office assessing taxpayers whose interests are in more than one State.

(b) *Sales Tax.* The sales tax was first imposed in August, 1930. The operation of the tax is controlled chiefly by a system of registration of taxpayers whereby all manufacturers and wholesale merchants, who are the taxpayers under the Act in respect of goods sold in Australia, must be registered with the Department. The tax on imports subject to sales tax is collected by the Customs Department at ports of entry.

Since the inception of the tax, certain exemptions have been allowed. These exemptions, which have been extended from time to time, relate mainly to goods of an essential nature or those for use in primary production. The most recent exemptions were those granted from 4th September, 1957.

A general rate of tax is levied on all goods other than those specified in the schedules to the Sales Tax (Exemptions and Classifications) Act 1935-1957. These schedules set out details of goods exempt from sales tax and those subject to special rates. The general and special rates which operated from 8th September, 1949, were:—

Period.	General Rate.	Special Rates.
8th September, 1949 to 12th October, 1950 ..	8½ per cent. ..	25 per cent.
13th October, 1950 to 26th September, 1951 ..	8½ per cent. ..	10, 25 and 33½ per cent.
27th September, 1951 to 6th August, 1952 ..	12½ per cent. ..	20, 25, 33½, 50 and 66½ per cent.
7th August, 1952 to 9th September, 1953 ..	12½ per cent. ..	20, 33½ and 50 per cent.
10th September, 1953 to 18th August, 1954 ..	12½ per cent. ..	16½ per cent.
19th August, 1954 to 14th March, 1956 ..	12½ per cent. ..	10 and 16½ per cent.
15th March, 1956 to 3rd September, 1957 ..	12½ per cent. ..	10, 16½, 25 and 30 per cent.
From 4th September, 1957	12½ per cent. ..	8½, 16½, 25 and 30 per cent.

For particulars of rates applicable from the inception of Sales Tax in August, 1930, to 7th September, 1949, see Official Year Book No. 37, page 617.

Particulars of the net amount of sales tax payable, and the sales of taxable and exempt goods in each State for 1957-58, are given in the following table. The figures relate to sales during the period 1st July to 30th June. The figures for sales tax payable differ from those for net collections shown on page 785 because the latter include some adjustments in respect of earlier tax years and include only tax payable on returns lodged during the year, which in general cover sales for the period June to May.

SALES TAX AND AMOUNT OF SALES, 1957-58.

(£'000.)

Particulars.	N.S.W. (a)	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	N. Terr.	Aust- ralia.
Net Sales on which Sales Tax was payable at—								
8½ per cent.(b) ..	52,841	44,184	14,629	13,149	7,778	2,648	22	135,251
10 per cent.(c) ..	10,146	8,662	3,036	2,546	1,501	498	6	26,395
12½ per cent. ..	151,850	101,458	45,025	31,331	20,202	8,566	273	358,705
16½ per cent. ..	38,505	35,447	17,737	10,646	8,125	1,136	40	111,636
25 per cent. ..	42,650	29,268	6,062	4,615	2,638	817	14	86,064
30 per cent. ..	45,282	45,834	17,899	13,242	8,070	961	8	131,296
Total ..	341,274	264,853	104,388	75,529	48,314	14,626	363	849,347
Sales of Exempt Goods by Registered Persons	827,239	633,268	275,171	175,813	133,552	58,286	2,359	2,105,688
Total Sales of Taxable and Exempt Goods ..	1,168,513	898,121	379,559	251,342	181,866	72,912	2,722	2,955,035
Sales Tax Payable ..	55,064	44,206	16,992	12,167	7,758	2,023	49	138,259

(a) Includes the Australian Capital Territory. (b) Operative from 4th September, 1957.
(c) Ceased to operate on 3rd September, 1957.

Sales of taxable and exempt goods and sales tax payable for Australia as a whole are shown in the following table for the years 1938-39 and 1953-54 to 1957-58:—

SALES TAX AND AMOUNT OF SALES.

(£'000.)

Year.	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.
1938-39	196,491	280,656	477,147	9,363
1953-54	687,946	1,466,323	2,154,269	96,079
1954-55	766,940	1,699,342	2,466,282	101,427
1955-56	798,774	1,856,865	2,655,639	111,469
1956-57	781,250	2,016,828	2,798,078	127,649
1957-58	849,347	2,105,688	2,955,035	138,259

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 1935-1957. The figures shown in the foregoing tables do not represent the total sales of all commodities, as vendors trading in exempt goods only 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.

(c) *Land Tax.* Commonwealth Land Tax was levied annually from 1910-11 to 1951-52 on the unimproved value of land. It was abolished from 1st July, 1952. For rates of tax payable from 1942-43 to 1951-52, see Official Year Book No. 40, 1954, page 669. Receipts for the years 1938-39 and 1953-54 to 1957-58 were as follows:—1938-39, £1,489,000; 1953-54, £221,000; 1954-55, £13,000; 1955-56, £356; 1956-57, £1,074; 1957-58, £11,243.

(d) *Pay-roll Tax.* The Pay-roll Tax Act 1941 and the Pay-roll Tax Assessment Act 1941-1942 imposed a pay-roll tax of 2½ per cent. on all wages and salaries in excess of £20 a week paid by an employer after 30th June, 1941. Employers who are liable for tax are required to register and to furnish a monthly return of all wages paid. These measures formed part of the Commonwealth scheme of child endowment, the revenue from the tax

being designed to provide part of the money required. The exemption was increased to £80 a week (£4,160 per annum) from 1st October, 1953, to £120 a week (£6,240 per annum) from 1st September, 1954, and to £200 a week (£10,400 per annum) from 1st September, 1957.

Receipts from pay-roll tax for the years 1953-54 to 1957-58 were, 1953-54, £40,384,000; 1954-55, £41,455,000; 1955-56, £45,543,000; 1956-57, £48,675,000; 1957-58, £48,552,000.

(e) *Income Taxes.* Details of taxes on income are given in division E of this Chapter

(f) *Wool Sales Deduction.* The Wool Sales Deduction Act 1950 and the Wool Sales Deduction (Administration) Act 1950 came into operation on 2nd December, 1950, and required that a deduction be made from the sale value of wool sold or exported, the amount deducted being set off against the Income Tax and Social Services Contribution assessed in respect of the income of the year 1950-51. These Acts were repealed by the Wool Sales Deduction Legislation Repeal Act 1951 which came into operation on 17th November, 1951, and provided for the refund to producers, etc., of amounts paid on the value of wool sold or otherwise disposed of after 30th June, 1951. The amount of deduction collected in 1951-52 was £5,963,000. In 1952-53 and 1953-54, refunds amounted to £2,223,000 and £239,000 respectively.

(g) *Estate Duty.* The Commonwealth Estate Duty was first levied in 1914. Particulars of exemptions allowed and the rates imposed prior to November, 1957, are given in earlier issues of the Year Book (*see* No. 43, p. 758).

Under the Estate Duty Assessment Act 1914-1957, 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, children (including adopted children, step-children and ex-nuptial children), or grand-children of the deceased, the sum of £5,000 decreasing by £1 for every £3 by which the value exceeds £5,000 and ceasing to apply at £20,000; (b) where no part of the estate passes to the widow, children or grand-children, the sum of £2,500 decreasing by £1 for every £3 by which the value exceeds £2,500 and ceasing to apply at £10,000; and (c) where part only of the estate passes to the widow, children or grand-children, the statutory exemption is to be calculated proportionately under (a) and (b).

An amendment to this Act, assented to on 20th November, 1957, provided for rebates of duty on estates which become liable for duty on two or more occasions within a period of five years.

The rates of duty levied under the Estate Duty Act 1914-1941 increase as the value of the estate increases as follows:—£1 to £10,000, 3 per cent.; £10,001 to £20,000, 3 per cent. to 6 per cent.; £20,001 to £120,000, 6 per cent. to 26 per cent.; £120,001 to £500,000, 26 per cent. to 27.9 per cent.; over £500,000, 27.9 per cent.

Total collections for the years 1938-39 and 1953-54 to 1957-58 were as follows:—1938-39, £1,915,000; 1953-54, £9,825,000; 1954-55, £9,614,000; 1955-56, £10,120,000; 1956-57, £12,712,000; 1957-58, £13,774,000.

Particulars of the number and value of estates and duty assessed, for each of the assessment years 1938-39 and 1952-53 to 1956-57, are given in the following table:—

ESTATE DUTY ASSESSMENTS.

Particulars.	1938-39.	1952-53.	1953-54.	1954-55.	1955-56.	1956-57.
Number of Estates	9,681	19,663	19,621	12,878	11,069	12,784
Gross Value Assessed	£'000 65,699	175,672	187,905	176,853	178,361	213,253
Deductions	£'000 12,630	27,795	31,010	30,136	31,281	37,376
Statutory Exemption	£'000	22,566	22,976	23,290	23,802	28,661
Dutiable Value	£'000 53,069	125,311	133,919	123,427	123,278	147,216
Duty Payable	£'000 2,002	9,249	10,089	10,310	10,882	13,580
Average dutiable value	£ 5,482	6,373	6,825	9,584	11,137	11,516
Average duty per estate	£ 207	470	514	801	983	1,062

(h) *Gift Duty.* The Gift Duty Act 1941–1947 and the Gift Duty Assessment Act 1941–1957 impose a gift duty on all gifts made after the 29th October, 1941. A gift has been defined as any disposition of property which is 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.

The following rates of duty are levied under the Gift Duty Act 1941–1947 and relate to the value of all gifts made by the donor within a period of eighteen months :—Not exceeding £2,000, nil ; £2,001 to £10,000, 3 per cent. ; £10,001 to £20,000, 3 per cent. to 6 per cent. ; £20,001 to £120,000, 6 per cent. to 26 per cent. ; £120,001 to £500,000, 26 per cent. to 27.9 per cent. ; £500,001 and over, 27.9 per cent.

An amendment which operated from 3rd June, 1947, provides that gift duty will not exceed one-half of the amount by which the value of the gift exceeds £2,000.

Total receipts from gift duty for the years 1953–54 to 1957–58 were as follows :—1953–54, £1,386,000; 1954–55, £1,618,000; 1955–56, £1,820,000; 1956–57, £1,940,000; 1957–58, £2,205,000.

(i) *Entertainments Tax.* The Commonwealth levied an Entertainments Tax from 1st October, 1942, to 30th September, 1953. Details of rates are given in earlier issues of the Official Year Book (see No. 40, pp. 672 and 673).

Entertainments tax receipts during 1953–54 were £1,977,000. There was an excess of refunds over payments of £2,000 in 1954–55 and of £1,000 in 1955–56. Receipts in 1956–57 and 1957–58 were £156 and £124.

(j) *Flour Tax.* Particulars of the rates of flour tax which operated from 4th December, 1933, to 21st December, 1947, are given in Official Year Book No. 37, pages 618 and 619. Because of the rise in wheat prices, the rate was declared to be nil as from 22nd December, 1947.

(k) *Wool Levy.* The Wool Tax Act 1936 and Wool Tax Assessment Act 1936 provided for a levy on all wool grown in Australia and shorn on or after 1st July, 1936. Details of this levy are given in earlier issues of the Official Year Book. This levy was suspended from 1st July, 1946, until 30th June, 1952, while the Wool Contributory Charge was imposed.

With the repeal of the Wool Contributory Charge, however, a levy on wool produced in Australia was re-introduced from 1st July, 1952. The Wool Tax Acts (Nos. 1 and 2) of 1952 provided for the payment of a levy of four shillings a bale until 30th June, 1953, after which date the rate of tax could be varied within prescribed limits. There was no variation until 1st July, 1957, when the rate was increased to six shillings a bale. The purpose of the tax is to provide funds for publicity and research previously provided by the Wool Contributory Charge. Collections during 1954–55, 1955–56, 1956–57 and 1957–58 were £784,000, £851,000, £979,000 and £1,328,000 respectively.

(l) *Wool Contributory Charge.* The Wool (Contributory Charge) Act 1945 and the Wool (Contributory Charge) Assessment Act 1945 imposed a charge on all wool produced in Australia and sold, manufactured or exported. Wool sold by the Australian Wool Realization Commission was not liable to the charge. Details of the rate of the charge and collections made were given in earlier issues of the Official Year Book (see No. 40, p. 675).

The various Wool (Contributory Charge) Acts were repealed by the Wool Tax Assessment Act of 1952 and the charge superseded by the wool levy.

(m) *Wheat Export Charge and Wheat Tax.* A summary of the provisions of the Wheat Export Charge Acts 1946, 1948 and 1952 is contained in previous issues of the Official Year Book (see No. 40, p. 676 and No. 41, p. 604).

The Wheat Export Charge Act 1954 repealed previous Acts and provided for an export charge on wheat and wheat products for the seasons 1953–54 to 1957–58 inclusive. The charge levied is based on the difference between the cost of production and the export price with a maximum levy of 1s. 6d. a bushel. Under the Wheat Industry Stabilization Act 1954, to which the Wheat Export Charge Act is complementary, the Commonwealth Government guarantees a return to wheat-growers of the ascertained cost of production in respect of up to 100 million bushels of wheat exported from Australia during each of the five seasons. Collections from the wheat export charge are paid into the Wheat Prices Stabilization Fund, out of which payments will be made to the Australian Wheat Board, when required, for the purpose of building up the average export price for any season to the guaranteed price. If the fund is exhausted, additional payments will be made from the Consolidated Revenue Fund.

Collections of the wheat export charge amounted to nil in 1953-54, £5,063,000 in 1954-55, £4,294,000 in 1955-56, nil in 1956-57 and £443,000 in 1957-58.

The Wheat Tax Act of 1957 imposed a tax of $\frac{1}{4}$ d. for each bushel of wheat—

- (a) which has been delivered to the Wheat Board on or after the first day of October, 1956, and before the date of commencement of the Act; or
- (b) which is delivered to the Wheat Board on or after that date.

The Act also provided that where, before the commencement of the Act, a person delivering to the Board wheat upon which tax is imposed by the Act authorized the Board to deduct an amount from the moneys payable to him and to pay the amount so deducted to a person, authority or association for the purposes of soil fertility research or other research likely to benefit the wheat industry and the Board did so, the tax otherwise payable upon that wheat is to be reduced by the amount so deducted.

The Wheat Research Act of 1957 provided for the establishment of a Wheat Research Trust Account to receive moneys payable under the Wheat Tax Act 1957 and for the setting up of a Wheat Industry Research Council to direct the expenditure of moneys from that Trust Account for research, etc., to benefit the Wheat Industry.

Collections of Wheat Tax in 1957-58 amounted to £185,000, which was paid to the Wheat Research Trust Account.

(n) *Miscellaneous Export Charges.* These consist of charges levied on exports of apples and pears (Apple and Pear Export Charges Act 1938-1947), canned fruits (Canned Fruits Export Charges Act 1926-1952), dairy produce (Dairy Produce Export Charges Act 1924-1937), dried fruits (Dried Fruits Export Charges Act 1924-1929), eggs (Egg Export Charges Act 1947) and meat (Meat Export Charge Act 1935-54) and on grapes used in the manufacture of wine (Wine Grapes Charges Act 1929-1954). The collections are paid into funds to be applied for the purposes of Export Boards established under various Acts, in controlling the quantity and quality of produce exported.

Collections for the last five years were as follows:—1953-54, £168,000; 1954-55, £300,000; 1955-56, £414,000; 1956-57, £371,000; and 1957-58, £390,000.

(o) *Stevedoring Industry Charge.* The Stevedoring Industry Charge Act 1947 and the Stevedoring Industry Charge Assessment Act 1947 imposed a charge of $4\frac{1}{4}$ d. a man-hour on the employer of a waterside worker after 22nd December, 1947.

The amounts received are paid to the Stevedoring Industry Board for the payment of attendance money to waterside workers and for other expenses of the Board.

Since 1947, the charge has been amended as follows:—11th October, 1949, a reduction to $2\frac{1}{4}$ d. a man-hour; 11th December, 1951, an increase to 4d. a man-hour; 28th October, 1952, an increase to 11d. a man-hour; 4th May, 1954, a reduction to 6d. a man-hour; 30th October, 1956, an increase to 1s. 7d. a man-hour; and from 21st May, 1957, an increase to 2s. a man-hour.

A further amendment under the Stevedoring Industry Charge Act 1958 which came into operation on 1st April, 1958, provided for an increase of the charge to 3s. a man-hour until 1st July, 1959, and a reduction to 2s. 6d. a man-hour on or after 1st July, 1959.

Collections during the years 1953-54 to 1957-58 were as follows:—1953-54, £1,630,000; 1954-55, £998,000; 1955-56, £973,000; 1956-57, £1,926,000; and 1957-58, £3,337,000.

(p) *Gold Tax.* Particulars of the Gold Tax which operated from 15th September, 1939, to 20th September, 1947, are given in Official Year Book No. 39, page 767.

(q) *Tobacco Industry Charge.* The Tobacco Charge Acts Nos. 1, 2 and 3, 1955 and the Tobacco Charges Assessment Act 1955, which came into operation on 1st January, 1956, provided for charges on tobacco leaf grown in Australia.

The Tobacco Charge Act No. 1, 1955 imposed a maximum charge of $\frac{1}{4}$ d. a pound on all Australian tobacco leaf sold to a manufacturer.

The Tobacco Charge Act No. 2, 1955 imposed a charge at twice the rate to be levied under the Tobacco Charge Act No. 1, on all Australian tobacco leaf purchased by a manufacturer.

The Tobacco Charge Act No. 3, 1955, imposed a charge on all Australian tobacco leaf grown by a manufacturer and appropriated by him for manufacturing purposes. Where the manufacturer grew, in Australia, not less than nine-tenths of the tobacco leaf used by him in manufacturing, the charge was at the rate imposed by the Tobacco Charge Act No. 1. In other cases, the charge was at twice that rate.

The charges collected under the Tobacco Charges Assessment Act 1955 were paid into the Tobacco Industry Trust Account which was established by the Tobacco Industry Act, 1955. Moneys in this account are used for the promotion of the tobacco industry.

Collections in 1955-56, 1956-57 and 1957-58 amounted to £5,000, £41,000 and £61,000 respectively.

3. *Business Undertakings.*—(i) *Postmaster-General's Department.* Particulars of net receipts for each of the financial years 1938-39 and 1953-54 to 1957-58 are given in the following table:—

POSTMASTER-GENERAL'S DEPARTMENT : NET RECEIPTS.
(£'000.)

Particulars.	1938-39.	1953-54.	1954-55.	1955-56.	1956-57.	1957-58.
Private boxes and bags ..	74	175	180	185	240	247
Commission on money orders and postal notes	289	887	862	935	926	932
Telegraphs	1,372	4,710	4,934	4,960	5,904	6,169
Telephones	8,040	37,113	40,402	44,351	51,002	55,344
Postage	6,636	22,893	24,139	(a) 26,597	(a) 29,464	(a) 31,339
Miscellaneous	955	2,020	2,308	2,313	2,538	2,745
Total	17,366	67,798	72,825	79,341	90,074	96,776

(a) Includes revenue for Airmail Services previously received by Department of Civil Aviation.

Further particulars of the Postmaster-General's Department's receipts to 1957-58 are given in Chapter XIV.—Transport and Communication (Part II, Division A. Posts; Telegraphs; Telephones; Cable and Radio Communication).

(ii) *Broadcasting Services.* Following the amendment of the Australian Broadcasting Act 1942-1946 by Act No. 64 of 1948, the Broadcasting Control Board was set up on 15th March, 1949. (See also Chapter XIV.—Transport and Communication).

Details of net receipts for the years 1953-54 to 1957-58 are shown in the following table:—

BROADCASTING SERVICES : NET RECEIPTS.
(£'000.)

Particulars.	1953-54.	1954-55.	1955-56.	1956-57.	1957-58.
Listeners' Licence Fees	3,827	3,831	3,846	4,866	5,371
Broadcasting Station Licence Fees	25	27	35	66	80
Television Viewers' Licence Fees .. ..	..	..	..	344	1,389
Television Station Licence Fees .. ..	..	..	..	..	7
Miscellaneous	15	17	16	25	29
Total	3,867	3,875	3,897	5,301	6,876

(iii) *Commonwealth Railways.* The Commonwealth Government is responsible for four railways—the Trans-Australian, the Central Australia, the North Australia and the Australian Capital Territory. The following table shows the amounts paid to the credit of the Consolidated Revenue Fund on account of each of these railways for the years 1938-39 and 1953-54 to 1957-58:—

COMMONWEALTH RAILWAY REVENUE.
(£'000.)

Railway.	1938-39.	1953-54.	1954-55.	1955-56.	1956-57.	1957-58.
Trans-Australian ..	331	1,825	1,928	2,545	2,887	2,821
Central Australia ..	138	1,553	1,483	1,937	1,390	1,554
North Australia ..	50	68	70	86	130	182
Aust. Cap. Territory ..	7	15	29	15	21	19
Total	526	3,461	3,510	4,583	4,428	4,576

Further particulars to 1957-58 are given in Chapter XIV.—Transport and Communication (Part I. Division B. Government Railways).

4. Other Sources of Revenue.—Revenue derived by the Consolidated Revenue Fund from the Territories of the Commonwealth during 1956-57 and 1957-58 amounted to £2,513,000 and £2,845,000 respectively (Australian Capital Territory, £1,604,000 and £1,711,000; Northern Territory, £907,000 and £1,115,000; Cocos (Keeling) Islands, £2,000 and £19,000). Of other sources of revenue, amounting in 1956-57 and 1957-58 to £110,783,000 and £51,165,000 respectively, the following are noteworthy:—Interest, £13,475,000, £10,920,000; Defence, £3,763,000, £5,776,000; Net Profit on Australian Note Issue, £10,054,000, £12,592,000; Joint Coal Board—Repayment of Advances, £750,000, £1,100,000; and Surplus Balances of Trust Accounts, £69,782,000, £3,991,000.

III.—Expenditure.

1. Details of Expenditure from Consolidated Revenue.—The following table shows details of expenditure from the Consolidated Revenue Fund during the years 1938-39 and 1953-54 to 1957-58.

COMMONWEALTH CONSOLIDATED REVENUE FUND: EXPENDITURE. (£'000.)

Department, etc.	1938-39.	1953-54.	1954-55.	1955-56.	1956-57.	1957-58.
Defence Services(a)	7,506	161,647	153,187	152,929	151,274	151,535
War (1914-18 and 1939-45) and Repatriation Services(b) ..	19,242	120,114	120,120	124,487	112,296	127,924
Subsidies and Bounties	236	21,320	21,539	17,393	15,014	15,660
Cost of Departments(c)	9,237	71,890	78,799	87,913	96,775	106,613
National Welfare Fund (d)	16,428	176,565	189,319	214,866	223,923	247,485
Debt Redemption Reserve Trust Account .. ..	..	56,271	70,151	..	..	..
Loan Consolidation and Investment Reserve Trust Account .. ..	..	..	..	61,613	194,793	104,378
Business Undertakings— Postmaster-General— Airmail Services	211	2,863	2,946	3,860	4,305	4,537
Other	14,667	69,381	73,300	81,767	86,892	92,415
Broadcasting Services (e)	..	4,684	4,871	5,590	6,701	7,334
Railways	1,331	3,527	3,622	3,721	4,244	4,321
Territories	1,100	11,153	12,971	14,603	16,510	19,288
Capital Works and Services— Defence	1,349	28,513	33,003	38,479	38,416	34,760
Repatriation	141	27,073	30,131	30,242	30,167	35,206
Postmaster-General	3,851	25,986	25,839	28,970	30,721	34,811
Broadcasting Services (e)	..	281	273	817	2,697	1,583
Railways	142	3,382	3,100	2,674	3,422	2,545
Territories	739	4,511	5,168	8,049	8,027	11,749
Other(f)	493	30,948	29,032	30,865	32,488	36,868
Payments to or for States(g) ..	15,749	195,990	200,937	220,907	244,610	271,351
Other Expenditure(h)	2,643	6,691	9,133	8,613	8,560	13,408
Grand Total	95,065	1,022,790	1,067,441	1,138,358	1,311,835	1,323,771
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Per Head of Population	13 14 3	114 18 4	117 8 7	122 4 0	137 11 8	135 16 7

(a) Excludes debt charges, Audit charges, Pension and Superannuation payments and Defence Division of the Department of the Treasury. (b) Excludes Audit charges and Government contributions under Superannuation Act. (c) Revised to include Audit charges relating to Defence and War and Repatriation Services and to exclude payments to the States for Cattle Tick Control, Dairy Industry Extension, Agricultural Advisory Services and Tobacco Industry Assistance. (d) Invalid and Age Pensions and Maternity Allowances. (e) Provided in part from Postmaster-General's Department votes and balance from Broadcasting Trust Account. (f) Excludes expenditure from Capital Works votes on Grants for Railway Standardization included as payments to the States. (g) Revised to include payments to States from Departmental votes. See footnotes (c) and (f). (h) Includes assistance to Primary Producers.

Further details of the expenditure in each section are given in paragraphs 2 to 14 following.

A graphical representation of the revenue and expenditure of the Commonwealth Consolidated Revenue Fund appears on page 805. In this diagram, Public Debt Charges (interest and debt redemption, etc.) are shown as a separate item, whereas, in the table above, these charges are included in the section to which they relate.

Details of Commonwealth expenditure on public debt charges for 1938–39 and 1953–54 to 1957–58 are shown in the following table :—

PUBLIC DEBT CHARGES(a) : COMMONWEALTH EXPENDITURE.
(£'000.)

Item.	1938–39.	1953–54.	1954–55.	1955–56.	1956–57.	1957–58.
<i>War (1914–18 and 1939–45)</i>						
<i>Debt(b)—</i>						
Interest and Exchange ..	7,616	43,698	43,234	43,514	42,695	39,545
Debt Redemption ..	2,049	19,981	15,273	16,299	15,829	12,337
Other(c) ..	224	249	376	214	279	163
<i>Total</i>	<i>9,889</i>	<i>63,928</i>	<i>58,883</i>	<i>60,027</i>	<i>58,803</i>	<i>52,045</i>
<i>Business Undertakings—</i>						
<i>Postmaster-General's Department—</i>						
Interest and Exchange ..	1,758	1,207	1,303	885	862	833
Debt Redemption ..	1,129	2,313	1,655	1,438	1,172	979
Other(c) ..	..	13	253	..	..	..
<i>Total</i>	<i>2,887</i>	<i>3,533</i>	<i>3,211</i>	<i>2,323</i>	<i>2,034</i>	<i>1,812</i>
<i>Railways—</i>						
Interest and Exchange ..	455	406	410	388	385	390
Debt Redemption ..	75	155	163	172	180	189
Other(c) ..	11	..	19	..	..	..
<i>Total</i>	<i>541</i>	<i>561</i>	<i>592</i>	<i>560</i>	<i>565</i>	<i>579</i>
<i>Territories—</i>						
Interest and Exchange ..	318	238	234	233	228	227
Debt Redemption ..	58	121	127	133	140	147
Other(c) ..	4	..	..	..	..	..
<i>Total</i>	<i>380</i>	<i>359</i>	<i>361</i>	<i>366</i>	<i>368</i>	<i>374</i>
<i>Works and Other Purposes—</i>						
Interest and Exchange ..	3,226	5,308	6,089	8,175	9,228	10,928
Debt Redemption ..	613	708	556	625	599	620
Other(c) ..	37	133	145	77	553	190
<i>Total</i>	<i>3,876</i>	<i>6,149</i>	<i>6,790</i>	<i>8,877</i>	<i>10,380</i>	<i>11,738</i>
<i>Total—</i>						
Interest and Exchange ..	13,373	50,857	51,270	53,195	53,398	51,923
Debt Redemption ..	3,924	23,278	17,774	18,667	17,920	14,272
Other(c) ..	276	395	793	291	832	353
<i>Grand Total</i>	<i>17,573</i>	<i>74,530</i>	<i>69,837</i>	<i>72,153</i>	<i>72,150</i>	<i>66,548</i>

(a) Excludes payments to or for the States under the Financial Agreement. See pages 803–809.
(b) Includes repatriation debt. (c) Redemption, conversion and loan management, etc., expenses.

2. Defence Services.—Details of the expenditure on defence services by the Departments of Defence, Navy, Army, Air, Supply and Defence Production are shown in the following table. The expenditure shown under Department of Supply includes the former Departments of Shipping and Fuel, Supply and Development, Supply and Shipping, and Munitions. This table covers expenditure by the service and associated departments only, and includes the cost of maintaining forces in Korea and at other overseas posts.

The figures represent the combined expenditures from revenue, trust and loan funds for the years 1938-39 and 1953-54 to 1957-58.

DEFENCE SERVICES(a) : COMMONWEALTH EXPENDITURE FROM REVENUE, TRUST AND LOAN FUNDS.

(£'000.)

Item.	1938-39.	1953-54.	1954-55.	1955-56.	1956-57.	1957-58.
<i>Department of Defence</i>	61	634	643	760	857	931
<i>Department of the Navy—</i>						
Naval Forces—Pay, maintenance, etc.	2,592	34,642	34,311	35,273	31,728	31,635
Naval construction and additions to the fleet	1,643	5,996	6,422	4,884	3,392	5,825
Buildings, works, etc.	433	1,665	1,674	1,636	1,448	1,603
Advances to States under Commonwealth-State Housing Agreement	..	..	..	..	351	290
Administrative and miscellaneous expenditure	31	2,715	4,952	6,370	2,100	4,061
<i>Total</i>	4,699	45,018	47,359	48,163	39,019	43,414
<i>Department of the Army—</i>						
Military Forces—Pay, maintenance, etc.	2,941	44,719	38,653	39,808	40,683	37,243
Arms, armament, ammunition	1,129	15,201	18,435	16,374	14,092	13,891
Buildings, works, etc.	418	3,313	2,938	3,466	2,963	3,343
Advances to States under Commonwealth-State Housing Agreement	..	..	..	..	493	498
Administrative and miscellaneous expenditure	71	1,166	1,643	2,119	2,280	2,443
<i>Total</i>	4,559	64,399	61,669	61,767	60,511	57,418
<i>Department of Air—</i>						
Air Force—Pay, maintenance, etc.	1,304	21,539	22,744	24,081	25,200	27,736
Aircraft, equipment and stores	1,049	22,886	22,708	23,541	23,130	22,629
Buildings, works, etc.	489	3,312	2,587	3,013	2,662	2,869
Advances to States under Commonwealth-State Housing Agreement	..	..	..	..	345	387
Administrative and miscellaneous expenditure	12	1,103	1,357	1,734	1,906	2,096
<i>Total</i>	2,854	48,840	49,396	52,369	53,243	55,717
<i>Department of Supply(b)—</i>						
Defence research and development	..	7,465	9,328	10,689	10,362	10,509
Buildings, works, etc.	463	1,284	959	7,466	15,171	6,653
Administrative and miscellaneous expenditure	1,212	10,301	8,604	9,491	9,895	10,706
<i>Total</i>	1,675	19,050	18,891	27,646	35,428	27,868
<i>Economic assistance to support defence programme of S.E.A.T.O. member countries</i> .. ..	..	..	..	..	26	165
<i>Administration of National Service Act</i> .. ..	..	218	199	218	206	186
<i>Defence Equipment and Supplies(c)</i> .. ..	..	12,000	8,000	..	..	..
<i>Civil Defence</i> .. ..	..	..	33	89	130	95
<i>Recruiting Campaign</i> .. ..	..	..	..	372	224	327
<i>Other</i> .. ..	..	..	..	24	46	174
<i>Total Defence Services—</i>						
Consolidated Revenue Fund	8,863	190,159	186,190	191,408	189,690	186,295
Trust Funds	(d) 3,072	..	..	..	..	..
Loan Fund	1,913	..	..	..	..	..
<i>Grand Total</i>	13,848	190,159	186,190	191,408	189,690	186,295

(a) Excludes expenditure on debt charges, Audit charges, pension and superannuation payments, and Defence Division of the Department of the Treasury. (b) Includes Department of Defence Production, amalgamated with Department of Supply in 1957-58. (c) Paid to credit of Defence Equipment and Supplies Trust Account. (d) Expenditure from excess receipts of previous years appropriated for Defence Equipment Trust Account.

3. War and Repatriation Services.—Expenditure from Consolidated Revenue and Loan Fund for War and Repatriation Services and Post-war Charges in relation to both the 1914-18 and 1939-45 Wars is shown in the following table for the years 1938-39 and

1953-54 to 1957-58. Expenditure on the maintenance of forces in Korea and at other overseas posts and the cost of arms and equipment is included in Defence Services (*see* paragraph 2).

WAR AND REPATRIATION SERVICES AND POST-WAR CHARGES : COMMONWEALTH EXPENDITURE FROM CONSOLIDATED REVENUE AND LOAN FUNDS.

(£'000.)

Item.	1938-39.	1953-54.	1954-55.	1955-56.	1956-57.	1957-58.
<i>Public Debt Charges—</i>						
Interest and Exchange	7,616	43,698	43,234	43,514	42,695	39,545
Debt Redemption	2,049	19,981	15,273	16,299	15,829	12,337
Other	224	249	376	214	279	163
<i>Total Public Debt Charges(a)</i> ..	<i>9,889</i>	<i>63,928</i>	<i>58,883</i>	<i>60,027</i>	<i>58,803</i>	<i>52,045</i>
War Gratuities						16
War and Service Pensions	8,228	39,425	44,548	47,307	(b)36,763	55,982
Commonwealth Reconstruction Training Scheme		502	314	221	256	340
War Service Land Settlement		5,506	4,789	8,790	9,550	10,302
Re-establishment loans for agricultural purposes		115	106	71	83	65
<i>Repatriation Department—</i>						
Repatriation benefits	631	11,500	11,720	12,278	13,069	14,182
Other benefits	119	443	486	473	555	730
Administration and general expenses(c)	315	3,568	3,639	3,937	3,806	3,933
Expenditure recovered(d)	-71	-1,281	-1,226	-1,082	-1,128	-1,022
<i>Total Repatriation Department</i> ..	<i>994</i>	<i>14,230</i>	<i>14,619</i>	<i>15,606</i>	<i>16,302</i>	<i>17,823</i>
War Service Homes—Salaries and general expenses	98	685	815	948	911	938
Other Departments—Miscellaneous expenditure	43	804	472	369	383	409
International Payments(e)		40	41	36	136	47
Other Administrations—Recoverable expenditure(f)		-921	-429	-1,266	-2,872	-1,340
<i>Capital Works and Services—</i>						
Repatriation Department	36	227	132	242	167	206
War Service Homes Act 1918-1949 ..	105	26,846	29,999	30,000	30,000	35,000
<i>Total Capital Works and Services</i> ..	<i>141</i>	<i>27,073</i>	<i>30,131</i>	<i>30,242</i>	<i>30,167</i>	<i>35,206</i>
<i>Total, War and Repatriation Services and Post-war Charges—</i>						
Consolidated Revenue Fund	19,393	147,188	150,250	154,729	142,463	163,130
Loan Fund		4,199	4,039	7,622	8,019	8,703
Grand Total	19,393	151,387	154,289	162,351	150,482	171,833

(a) Excludes Interest and Redemption on War (1914-18) Debt due to the United Kingdom Government, payment of which was suspended in 1931. (b) In addition, £13,400,000 was spent from balance of War Pensions Trust Account. (c) Revised to exclude Audit Charges. (d) From Service Departments and Australian Soldiers' Repatriation Trust Account. (e) Excludes International Monetary Fund charges. (f) Munitions, stores, etc., supplied to the Government of United Kingdom and other administrations. Includes repayments and waiver of war-time indebtedness of other administrations.

NOTE.—Minus sign (-) indicates excess of credits or repayments over expenditure.

4. **Subsidies and Bounties.**—The following table shows details, for the years 1938-39 and 1953-54 to 1957-58, of Commonwealth expenditure from revenue on subsidies, bounties and assistance to primary producers. Expenditure on special relief such as drought, frost, flood and bush fire, etc. (*see* table, p. 799, for more important items), is not included, nor is expenditure from the proceeds of certain taxes on primary products and profits from marketing schemes, which have been paid to trust funds for the purpose of price or other stabilization schemes or for distribution to producers (*see* paragraph 13, p. 811). Further information relating to these schemes and other assistance to primary producers is given in Chapter XXII.—Agricultural Production.

Details of price stabilization subsidies and of various forms of assistance to primary producers for earlier years may be found on pages 414 and 1014-15, respectively, of Official Year Book No. 38.

SUBSIDIES AND BOUNTIES : COMMONWEALTH EXPENDITURE.
(£'000.)

Item.	1938-39.	1953-54.	1954-55.	1955-56.	1956-57.	1957-58.
<i>Subsidies—</i>						
<i>Price Stabilization—</i>						
Tea		4,180	5,077	1,734	..	..
Coal		200	185	27	..	..
Wheat Shipped to Tasmania—						
Freight Subsidy		192	..	..	..	..
<i>Total</i>		4,572	5,262	1,761	..	..
<i>Assistance to Primary Production—</i>						
Dairy Industry(a)		15,400	15,750	14,500	13,500	13,500
Nitrogenous Fertilizers		175	..	..	..	..
<i>Total</i>		15,575	15,750	14,500	13,500	13,500
<i>Assistance to Gold-mining Industry</i> .. .. .		..	97	401	495	660
<i>Total Subsidies</i>		20,147	21,109	16,662	13,995	14,160
<i>Bounties—</i>						
Tractor		145	82	55	158	467
Wheat—for Stock Feed		1,010	..	..	..	..
Sulphuric Acid .. .. .		..	306	513	421	709
Cellulose Acetate Flake .. .. .		..	..	..	179	110
Other	(b)	236	42	163	261	214
<i>Total Bounties</i>		236	430	731	1,019	1,500
<i>Grand Total</i>		236	21,320	21,539	17,393	15,660

(a) Dairy products.

(b) Includes Raw Cotton Bounty, £115,000 and Sulphur Bounty, £88,000.

5. **Total Cost of Departments.**—Expenditure under this heading covers expenditure by departments, other than the Defence and Repatriation Departments and business undertakings, on administrative services and other activities. Expenditure on defence (other than interest and debt redemption in respect of the defence departments, which is included in the expenditure of the Department of the Treasury), war and repatriation services, subsidies and bounties, social services paid from the National Welfare Fund, business undertakings, Commonwealth territories and capital works and services is excluded.

Information on the functions of departments and the Acts administered by the Ministers of departments was published in Official Year Book No. 37, pages 76-86, and particulars of subsequent changes in departmental structure were given in later issues (see No. 43, p. 81).

In the following table, details are given of that expenditure on the branches of each department which might be termed running expenses. Miscellaneous expenditure and debt charges, etc., are not included in this table but are in the one following.

COMMONWEALTH CONSOLIDATED REVENUE FUND : COST OF DEPARTMENTS—SALARIES, WAGES AND GENERAL EXPENDITURE.
(£'000.)

Department.	1938-39.	1953-54.	1954-55.	1955-56.	1956-57.	1957-58.
<i>Governor-General</i>	28	88	82	94	103	116
<i>Parliament—</i>						
Cost of Parliament	279	1,183	1,281	1,419	1,621	1,704
Electoral Office	105	434	427	532	507	605
<i>Total</i>	384	1,617	1,708	1,951	2,128	2,309
<i>Prime Minister—</i>						
Department	62	220	229	270	284	316
Audit Office	38	464	506	609	603	622
Public Service Board	51	440	485	597	589	619
National Library	4	121	136	160	168	180
High Commissioner's Office—United Kingdom	81	612	587	658	725	762
Commonwealth Grants Commission	5	15	17	19	18	22
Office of Education .. .. .	..	149	156	194	186	182
Security Services .. .. .	..	332	362	422	425	483
<i>Total</i>	241	2,353	2,478	2,929	2,998	3,186
<i>External Affairs—</i>						
Department	20	419	441	486	580	619
Oversea representation .. .. .	..	1,280	1,232	1,444	1,484	1,569
<i>Total</i>	20	1,699	1,673	1,930	2,064	2,188
<i>Treasury—</i>						
Department	59	462	496	579	626	685
Taxation Branch and Boards of Review	616	6,674	6,741	7,489	7,810	8,117
Bureau of Census and Statistics	61	594	646	776	860	1,217
Commonwealth Superannuation Board	9	80	82	89	87	94
<i>Total</i>	745	7,810	7,965	8,933	9,383	10,113

For footnotes see next page.

COMMONWEALTH CONSOLIDATED REVENUE FUND: COST OF DEPARTMENTS—SALARIES, WAGES AND GENERAL EXPENDITURE—*continued.*
(£'000.)

Department.	1938-39.	1953-54.	1954-55.	1955-56.	1956-57.	1957-58.
<i>Attorney-General—</i>						
Department	20	195	219	256	269	268
Crown Solicitor	28	237	264	315	326	336
High Court	34	85	96	109	115	111
Bankruptcy Administration	44	113	122	146	161	170
Court of Conciliation and Arbitration	24	174	180	199	211	219
Patents, Trade Marks and Designs	71	381	379	388	396	407
Other Branches	37	244	329	401	387	375
<i>Total</i>	258	1,429	1,589	1,814	1,865	1,886
<i>Interior—</i>						
Department	296	1,198	1,239	1,086	(a) 810	(a) 833
Meteorological Branch	80	515	540	601	1,012	1,081
Ionospheric Prediction Service	7	72	76	88	74	(b) 41
Forestry Branch	10	90	93	116	126	154
News and Information Bureau .. .. .	..	(c)	(c)	271	268	277
<i>Total</i>	393	1,875	1,948	2,162	2,290	2,386
<i>Works</i>	(d)	1,909	2,077	2,401	2,103	2,125
<i>Civil Aviation</i>	90	2,490	2,482	2,907	3,181	3,243
<i>Trade and Customs</i>	721	3,367	3,650	(e) 3,992	(e) 3,920	(e) 4,130
<i>Health—</i>						
Department	} 135	433	458	516	556	597
Quarantine		222	222	238	261	278
Health Services		459	505	608	639	659
<i>Total</i>	135	1,114	1,185	1,362	1,456	1,534
<i>Trade—</i>						
Department	(f)	(f)	(f)	425	918	1,028
Tariff Board	(g)	(g)	(g)	68	73	89
Commercial Intelligence Services	(f)	(f)	(f)	453	512	562
Abroad .. .. .	..	..	..	..	..	..
<i>Total</i> .. .. .	..	..	..	946	1,503	1,679
<i>Primary Industry—</i>						
Department	} (f)	(f)	(f)	268	343	380
Inspection of goods for export		(f)	(f)	1,007	996	1,043
Division of Agricultural Economics		(f)	(f)	(h) 168	127	142
<i>Total</i> .. .. .	..	..	..	1,443	1,466	1,565
<i>Commerce and Agriculture—</i>						
Department	58	385	428	} (i)	(i)	(i)
Inspection of goods for export	175	740	841			
Commercial Intelligence Services .. .. .	..	..	..
Abroad	47	364	393			
Division of Agricultural Economics and Division of Agricultural Production .. .. .	..	140	152			
<i>Total</i>	280	1,629	1,814			
<i>Social Services—Department</i>	139	2,357	2,436	2,632	2,767	3,085
<i>Shipping and Transport—</i>						
Department .. .. .	..	127	136	160	158	169
Marine Branch	208	813	816	898	953	979
Ship Construction .. .. .	..	91	17	16	16	16
<i>Total</i>	208	1,031	969	1,074	1,127	1,164
<i>Territories—Department</i>	(j)	154	154	184	214	264
<i>Immigration—Department</i>	(d)	1,189	1,378	1,727	1,795	1,879
<i>Labour and National Service—Department</i> .. .. .	..	1,717	1,757	1,967	2,010	2,071
<i>National Development—</i>						
Department .. .. .	..	376	350	335	215	227
Bureau of Mineral Resources .. .. .	..	434	379	522	586	785
Division of National Mapping .. .. .	..	(c)	(c)	(c)	230	307
<i>Total</i> .. .. .	..	810	729	857	1,031	1,319
<i>Commonwealth Scientific and Industrial Research Organization—Department</i>	195	3,534	3,989	4,716	4,959	5,427
<i>Atomic Energy Commission</i> .. .. .	..	253	430	640	699	1,331
<i>Total All Departments</i>	3,837	38,425	40,492	46,661	49,062	53,000

(a) Excludes Division of National Mapping now included under Department of National Development.
 (b) Excludes Observatory now transferred to Australian National University. (c) Included with Interior—Department.
 (d) Included with Department of the Interior. (e) Department of Customs and Excise. (f) See Department of Commerce and Agriculture. (g) Included with Department of Trade and Customs.
 (h) Includes Division of Agricultural Production. In subsequent years this is included under Primary Industry—Department. (i) See Departments of Trade and Primary Industry.
 (j) Included with Prime Minister's Department.

The following table gives details of miscellaneous expenditure included in the total cost of departments. It covers such items as interest and debt redemption in respect of departments (including defence departments) which is included under expenditure by the Department of the Treasury, repairs and maintenance of buildings, and special expenditure for which the Commonwealth is committed, such as contributions to international organizations, payment of Commonwealth scholarships, etc. The costs of social services, which are paid from the National Welfare Fund, are not included in this table (see pp. 800-801 for this information).

COMMONWEALTH CONSOLIDATED REVENUE FUND : COST OF DEPARTMENTS—MISCELLANEOUS EXPENDITURE.(a)

(£'000.)

Department.	1938-39.	1953-54.	1954-55.	1955-56.	1956-57.	1957-58.
<i>Governor-General</i>	1	6	25	29	47	42
<i>Parliament—</i>						
Cost of elections	3	240	15	301	19	7
Other	12	36	26	36	52	64
<i>Total</i>	15	276	41	337	71	71
<i>Prime Minister—</i>						
Commonwealth Scholarship Scheme and financial assistance to University students .. .. .	..	917	984	1,111	1,190	1,311
Australian National University .. .. .	..	650	748	877	965	1,196
Bush fire and flood relief, etc.	19	108	598	394	555	254
Other	24 ^o	875	456	894	992	486
<i>Total</i>	268	2,550	2,786	3,276	3,702	3,247
<i>External Affairs—</i>						
United Nations and Allied Organizations	(b) 46	632	647	659	769	828
Advance to United Nations—Cost of clearance Suez Canal .. .. .	..	..	..	..	449	..
Australian National Antarctic Research Expeditions .. .. .	..	224	213	269	342	389
International development and relief .. .. .	..	3,574	3,429	5,285	5,668	5,666
Contributions to other international agencies, etc.	4	112	170	139	177	210
<i>Total</i>	50	4,542	4,459	6,352	7,405	7,093
<i>Treasury—</i>						
Interest (including exchange)	3,229	5,309	6,089	8,174	9,228	10,928
Debt Redemption(c)	614	708	556	625	599	620
Other(d)	259	2,086	4,093	2,896	5,529	6,661
<i>Total</i>	4,102	8,103	10,738	11,695	15,356	18,209
<i>Attorney-General</i>	18	86	81	75	87	99
<i>Interior—</i>						
Other departments in Canberra—Transport services, fuel, light and power; oversea publicity, etc. .. .. .	..	318	358	412	478	517
Other	102	354	373	434	549	613
<i>Total</i>	102	672	731	846	1,027	1,130
<i>Works</i>	(e)	119	116	129	146	171
<i>Civil Aviation—</i>						
Maintenance and development of civil aviation	162	3,883	4,080	4,617	5,048	5,661
Domestic and international air services—Mails, subsidies, etc.	56	3,573	3,543	(f)	(f)	(f)
Meteorological maintenance services and other	8	611	603	407	629	620
<i>Total</i>	226	8,067	8,226	5,024	5,677	6,281
<i>Trade and Customs—</i>						
Refunds of Diesel Fuel Taxation .. .. .	..	..	..	..	..	1,314
Other	37	165	146	(g) 102	(g) 90	(g) 117
<i>Total</i>	37	165	146	102	90	1,431
<i>Health—</i>						
Miscellaneous expenditure on health	93	377	472	509	563	618
Other	14	76	85	109	98	141
<i>Total</i>	107	453	557	618	661	759
<i>Trade—</i>						
Export Payments Insurance Corporation	} (h)	(h)	(h)	{ 199	465	35
Other .. .. .	..	..	..	412	412	504
<i>Total</i> .. .. .	..	..	..	199	877	539

For footnotes see next page.

COMMONWEALTH CONSOLIDATED REVENUE FUND: COST OF DEPARTMENTS—MISCELLANEOUS EXPENDITURE(a)—*continued*.
(£'000.)

Department.	1938-39.	1953-54.	1954-55.	1955-56.	1956-57.	1957-58.
<i>Primary Industry—</i>						
Wool Use Promotion and Research				426	489	885
Fisheries development				125	270	215
Australian Wool Testing Authority—						
Advance						8
Other				106	161	190
Total				637	920	1,298
<i>Commerce and Agriculture—</i>						
Wool use publicity, promotion and research	74	386	392			
Other	162	387	170			
Total	236	773	562			
<i>Social Services—</i>						
Compassionate allowances, assistance						
Homes for Aged, etc.						
Other	186	116	546	535	884	971
Total	186	183	612	596	939	1,033
<i>Shipping and Transport—</i>						
Shipping subsidies, etc.		148	170	607	357	328
Merchant Ship Construction—Subsidy ..		(j) 569	(j) 631	(j) 593	1,433	1,858
Railway fare and freight concessions ..					2	2
Oversea Coal—Loss on Emergency Transport				828		
Overseas Telecommunications Commission						
—coastal radio service					183	180
Other	7	49	52	44	59	64
Total	7	766	853	2,072	2,034	2,432
<i>Territories</i>	(k)		2	1	1	2
<i>Immigration—</i>						
Assisted migration	(e)	3,644	5,791	6,270	5,724	6,835
Other migration activities	(e)	1,960	1,649	2,035	1,936	1,870
Other	(e)	205	255	315	300	250
Total	(e)	5,809	7,695	8,620	7,960	8,955
<i>Labour and National Service</i>		87	89	109	114	129
<i>National Development—</i>						
Joint Coal Board		621	282	246	386	195
Other		71	172	140	58	327
Total		692	454	386	444	522
<i>Commonwealth Scientific and Industrial Research Organization—</i>						
Miscellaneous grants to scientific bodies	28	98	110	100	109	124
Other		18	24	29	46	46
Total	28	116	134	129	155	170
Total, All Departments	5,383	33,465	38,307	41,252	47,713	53,613

(a) Includes rent, repairs and maintenance. Pension and superannuation contributions and interest and debt redemption in respect of the various departments are included under the Department of the Treasury. Payments to States from Departmental Miscellaneous Expenditure—Cattle Tick Control, Dairy Industry Efficiency Grant, Agricultural Advisory Services and Tobacco Industry Assistance—have been excluded. (b) League of Nations. (c) Unallocated debt charges, in respect of all departments including defence departments. (d) Includes pension and superannuation contributions in respect of all departments, including defence departments. (e) Included with Department of the Interior. (f) Expenditure from Postmaster-General's Department. (g) Department of Customs and Excise. (h) See Department of Commerce and Agriculture. (i) See Departments of Trade and Primary Industry. (j) Provided under Capital Works and Services votes. (k) Included with Prime Minister's Department.

6. **National Welfare Fund.**—The National Welfare Fund was established for the purpose of providing a fund for the payment of Commonwealth social services benefits. During the year 1949-50, an amount equivalent to the total collections of pay-roll tax and social services contribution was paid to the fund from Consolidated Revenue. During 1950-51, the social services contribution was amalgamated with the normal income tax and it became necessary to base the contributions on another formula. For the year 1950-51, the amount paid to the fund was the total of collections of pay-roll tax and social services contribution plus £30,000,000. In 1951-52, the amount paid to the fund was the amount paid in 1950-51 increased in the same proportion as collections of pay-roll tax increased over the collections of pay-roll tax in 1950-51. By an amendment to the National Welfare Fund Act 1943-1950, the amount to be paid to the fund in 1952-53 and subsequent years was changed to the amount of moneys paid out of the fund. In addition to these payments from Consolidated Revenue, the fund received a small amount of interest from investments.

In the following table, details are given of the income and expenditure of the National Welfare Fund and the balance in the fund at the end of each year for the years 1953-54 to 1957-58. A dissection of expenditure into the various types of benefits is given in Chapter XVIII.—Welfare Services (*see p. 668*).

NATIONAL WELFARE FUND : RECEIPTS, EXPENDITURE AND BALANCES.
(£'000.)

Year.	Income.			Expenditure.	Balance in Fund at end of Year.
	Contribution from Consolidated Revenue.	Interest on Investments.	Total.		
1953-54	176,565	2,094	178,659	176,565	188,930
1954-55	189,319	2,108	191,427	189,319	191,038
1955-56	214,866	2,086	216,952	214,866	193,124
1956-57	223,923	1,938	225,861	223,923	195,062
1957-58	247,485	1,958	249,443	247,485	197,020

7. *Debt Redemption Reserve Trust Account.*—Section 4 of the Appropriation Act (No. 2), 1953-1954 provided for payments from the Consolidated Revenue Fund of such sums as the Treasurer may determine. These sums are appropriated to the Debt Redemption Reserve Trust Account for the purpose of expenditure in redeeming any securities forming part of the National Debt of the Commonwealth.

The following payments were made to the Trust Account from the Consolidated Revenue Fund.—1953-54, £56,271,000; 1954-55, £70,151,000. There was no expenditure from the Trust Account until November, 1955, when the total balance of £126,422,000 was paid to the credit of the Loan Consolidation and Investment Reserve. The balance of the Trust Account at 30th June, 1954 and 1955, formed part of General Trust Funds which were invested in special loans to finance Commonwealth and State works programmes.

8. *Loan Consolidation and Investment Reserve Trust Account.*—The Loan Consolidation and Investment Reserve Act 1955 established the Loan Consolidation and Investment Reserve Trust Account for the purpose of repurchase or redemption of securities representing portion of the public debt of the Commonwealth.

In 1955-56, the Account was credited with a transfer from the Debt Redemption Reserve Trust Account of £126,422,000. Payments from the Consolidated Revenue Fund were made as follows:—1955-56, £61,613,000; 1956-57, £194,793,000; and 1957-58, £104,378,000. Expenditure from the Trust Account on repurchase of securities was £28,701,000 in 1955-56; £43,443,000 in 1956-57; and £132,767,000 in 1957-58. The major portion of the balance of the Trust Account at 30th June, 1957 and 1958, was invested in Commonwealth securities in special loans to finance Commonwealth and State works programmes.

9. *Business Undertakings.*—(i) *Postmaster-General's Department.* From the beginning of 1949-50, Broadcasting Services have been separated from the Postmaster-General's Department. Prior to 1949-50, part of the expenditure on these services was included with that of the Postmaster-General's Department. Details of the expenditure of this Department for the years 1938-39 and 1953-54 to 1957-58 are given in the following table:—

POSTMASTER-GENERAL'S DEPARTMENT : EXPENDITURE.
(£'000.)

Item.	1938-39.	1953-54.	1954-55.	1955-56.	1956-57.	1957-58.
Salaries, stores and materials, mail, engineering services, etc.	11,485	66,619	70,568	80,644	86,301	91,777
Superannuation, Pensions, etc.	392	1,214	1,490	1,606	1,745	2,024
Rents, repairs, etc.	114	878	977	1,054	1,117	1,339
Interest and Exchange	1,758	1,220	1,556	885	862	833
Debt Redemptions	1,129	2,313	1,655	1,438	1,172	979
<i>Total Working, etc., Expenses</i>	<i>14,878</i>	<i>72,244</i>	<i>76,246</i>	<i>85,627</i>	<i>91,197</i>	<i>96,952</i>
Capital Works and Services	3,851	25,986	25,839	28,970	30,721	34,811
Grand Total	18,729	98,230	102,085	114,597	121,918	131,763

Further details of expenditure for 1957-58 on account of the Postmaster-General's Department appear in Chapter XIV.—Transport and Communication (Part II., Division A., Posts; Telegraphs; Telephones; Cable and Radio Communication).

(ii) *Broadcasting Services.* Since 1949-50, all expenditure on broadcasting services has been brought together in one section. Previously these services had been financed partly by the Postmaster-General's Department and partly from the Wireless Broadcasting Trust Account. Details of expenditure for the years 1953-54 to 1957-58 are shown in the following table.

COMMONWEALTH BROADCASTING SERVICES : EXPENDITURE.
(£'000.)

Item.	1953-54.	1954-55.	1955-56.	1956-57.	1957-58.
Australian Broadcasting Control Board ..	77	83	106	153	153
Australian Broadcasting Commission— Salaries, general and programme expenses	2,590	2,702	3,250	4,633	5,100
Technical and other Services—Postmaster- General—Sound Broadcasting	2,006	2,068	2,210	1,844	1,995
—Television .. .. .	..	..	..	53	58
Repairs, maintenance, etc.	11	18	24	18	28
<i>Total Working, etc., expenses</i>	<u>4,684</u>	<u>4,871</u>	<u>5,590</u>	<u>6,701</u>	<u>7,334</u>
Capital Works and Services	281	273	817	2,697	1,583
Grand Total	4,965	5,144	6,407	9,398	8,917

(iii) *Railways.* The Commonwealth Railways, previously administered by the Department of the Interior, were transferred in March, 1950, to the newly formed Department of Fuel, Shipping and Transport, which became the Department of Shipping and Transport in May, 1951. The expenditure on railways for the years 1938-39 and 1953-54 to 1957-58 is shown below.

COMMONWEALTH RAILWAYS : EXPENDITURE.
(£'000.)

Item.	1938-39.	1953-54.	1954-55.	1955-56.	1956-57.	1957-58.
Working expenses—						
Trans-Australian	494	1,352	1,412	1,705	2,057	2,277
North Australia	55	139	158	183	239	221
Central Australia	214	1,359	1,322	1,152	1,238	1,090
Aust. Capital Territory	7	43	40	45	50	50
Interest and Exchange	455	406	410	388	385	390
Debt Redemption	75	155	163	172	180	189
Superannuation	14	50	58	59	59	68
Miscellaneous(a)	17	23	59	17	36	36
<i>Total Working, etc., ex- penses</i>	<u>1,331</u>	<u>3,527</u>	<u>3,622</u>	<u>3,721</u>	<u>4,244</u>	<u>4,321</u>
Capital Works and Services	142	3,382	3,100	2,674	3,422	2,545
Grand Total	1,473	6,909	6,722	6,395	7,666	6,866

(a) Includes loan redemption and conversion expenses, 1954-55, £19,000.

Additional details of the financial operations of the Commonwealth Railways to 1957-58 are given in Chapter XIV.—Transport and Communication (Part I., Division B. Government Railways).

10. *Territories.*—The following table shows the expenditure on account of Commonwealth Territories for the years 1938-39 and 1953-54 to 1957-58. The Australian Capital Territory is administered by the Department of the Interior, and the Department of Territories controls the Northern Territory and the external territories. The expenditure has been grouped in one table for convenience. Information in greater detail will be found in the annual bulletin, *Finance, Part I.—Public and Private Finance.*

COMMONWEALTH TERRITORIES : EXPENDITURE.
(£'000.)

Territory.	1938-39.	1953-54.	1954-55.	1955-56.	1956-57.	1957-58.
<i>Administration and Maintenance of Services—</i>						
Australian Capital Territory(a)	637	2,652	2,786	2,663	3,062	3,359
Northern Territory (a)	403	2,622	2,829	3,275	3,810	4,487
Papua	49	5,821	7,322	8,623	9,581	11,383
New Guinea	6					
Norfolk Island	5	58	34	30	37	33
Cocos (Keeling) Islands .. .. .	..	..	..	12	20	26
<i>Total</i>	<i>1,100</i>	<i>11,153</i>	<i>12,971</i>	<i>14,603</i>	<i>16,510</i>	<i>19,288</i>
<i>Capital Works and Services—</i>						
Australian Capital Territory(a)	244	2,642	3,342	5,181	4,957	8,394
Northern Territory(a)	495	1,452	1,818	2,861	2,798	3,300
Papua and New Guinea .. .. .	..	417	8	5	215	8
Cocos (Keeling) Islands .. .. .	..	..	..	2	57	47
<i>Total</i>	<i>739</i>	<i>4,511</i>	<i>5,168</i>	<i>8,049</i>	<i>8,027</i>	<i>11,749</i>

(a) Excludes Railways, see para 10 (iii).

11. Capital Works and Services.—In the following table, details are given of Commonwealth expenditure on capital works and services during each of the years 1938-39 and 1953-54 to 1957-58. The table covers all expenditure on capital works and services made from the Consolidated Revenue Fund, the Loan Fund and Trust Funds.

COMMONWEALTH EXPENDITURE ON CAPITAL WORKS AND SERVICES FROM REVENUE, TRUST AND LOAN FUNDS.
(£'000.)

Particulars.	1938-39.	1953-54.	1954-55.	1955-56.	1956-57.	1957-58.
<i>Defence and War—</i>						
Navy	2,076	9,248	11,746	11,288	5,602	9,814
Army	1,547	11,172	14,033	12,467	10,138	10,732
Air Force	1,538	3,312	2,587	3,013	3,007	3,256
Munitions and other	1,173	4,781	4,637	11,711	19,669	10,958
<i>Repatriation Services—</i>						
War Service Homes	105	26,846	29,999	30,000	30,000	35,000
Other .. .. .	..	227	132	242	167	206
Postmaster-General's Department	3,849	25,986	25,837	28,969	30,715	34,807
Broadcasting Services .. .. .	..	281	273	817	2,697	1,583
<i>Railways—</i>						
Commonwealth	142	3,381	3,099	2,669	3,422	2,543
<i>Territories—</i>						
Australian Capital Territory	488	2,630	3,338	5,177	4,954	8,390
Northern Territory	244	1,452	1,818	2,861	2,798	3,300
Papua-New Guinea .. .. .	..	417	8	5	215	8
Cocos (Keeling) Islands .. .. .	..	..	..	2	57	47
<i>Other—</i>						
Ships, yards and docks	-300	3,494	3,228	3,589	1,343	..
Civil Aviation	419	4,933	3,657	3,881	3,657	4,098
Snowy Mountains Scheme .. .. .	..	13,170	13,200	15,146	18,000	18,350
Immigration .. .. .	..	558	208	319	253	297
Health	35	409	383	639	384	549
Subscriptions to Capital(a) .. .. .	..	1,000	1,000	1,200	1,500	1,750
Advances(b) .. .. .	..	2,451	2,403	205	432	1,297
All other works, buildings, etc.(c)	243	4,934	4,953	5,887	6,919	10,527
<i>Total</i>	<i>11,559</i>	<i>120,682</i>	<i>126,539</i>	<i>140,087</i>	<i>145,929</i>	<i>157,512</i>
<i>Source of Funds—</i>						
Consolidated Revenue Fund	6,715	120,695	126,546	140,096	145,938	157,522
Loan Fund	1,598	-13	-7	-9	-9	-10
Trust Funds(d)	3,246	..	..	..	..	..
<i>Total</i>	<i>11,559</i>	<i>120,682</i>	<i>126,539</i>	<i>140,087</i>	<i>145,929</i>	<i>157,512</i>

(a) Excludes Commonwealth New Guinea Timbers Ltd. included under Territories. (b) Excludes Overseas Telecommunications Commission included under Postmaster-General's Department. (c) Revised to exclude Grants to States for Railway Standardization. (d) From National Defence Contributions Trust Account and other trust funds.

NOTE.—Minus sign (-) indicates excess of credits or repayments over expenditure.

12. Payments to or for the States.—(i) *General.* An outline of the provisions of the Constitution requiring the Commonwealth to make payments to the States, and of the systems which followed, is given in earlier issues of the Official Year Book (see No. 37,

pp. 633 to 638). In the following paragraphs, reference is made to the arrangements at present in operation.

(ii) *Amounts Paid.* (a) *Years 1956-57 and 1957-58.* The tables below show particulars of the amounts paid to each of the States as grants for the several purposes referred to in subsequent paragraphs.

COMMONWEALTH PAYMENTS TO OR FOR THE STATES, 1956-57.(a)
(£'000.)

Particulars.	N.S.W.	Vic.	Q'land.	S.A.	W.A.	Tas.	Total.
Financial Agreement—							
Interest on States' Debts ..	2,918	2,127	1,096	704	473	267	7,585
Sinking Fund on States' Debts (b)	1,631	1,054	576	607	455	297	4,640
Special Grants ..				5,800	9,200	3,500	18,500
Tax Reimbursement Grants ..	58,342	40,228	24,367	14,049	12,251	5,385	154,622
Special Financial Assistance ..	6,926	5,826	2,893	1,667	1,454	639	19,405
Commonwealth Aid Roads (c) ..	8,587	5,495	6,009	3,509	6,105	1,564	31,269
Tuberculosis Act 1948—Reimbursement of Capital Expenditure ..	989	120	672	90	504	6	2,381
Mental Institutions—Contribution to Capital Expenditure ..	384	527	88	128	52	69	1,248
Western Australia Waterworks Grant	..	..	..	..	462	..	462
Coal Mining Industry—Long Service Leave (c) ..	474	1	87	..	27	8	597
Imported Houses—Grants ..	..	2	..	..	..	..	2
Contribution to South Australia—Port Augusta to Port Pirie Railway	..	..	..	20	..	..	20
Encouragement of Meat Production Grants to Universities ..	872	522	82	271	52	93	134
Cattle Tick Control ..	675	..	310	..	194	..	2,262
Tobacco Industry Assistance ..	3	5	8	..	5	..	675
Dairy Industry Extension Grant ..	60	60	65	23	19	10	21
Expansion of Agricultural Advisory Services ..	70	61	60	21	34	24	237
Grants for Railway Standardization (d) ..	..	..	..	280	..	..	280
Total	81,951	56,028	36,313	27,169	31,287	11,862	244,610

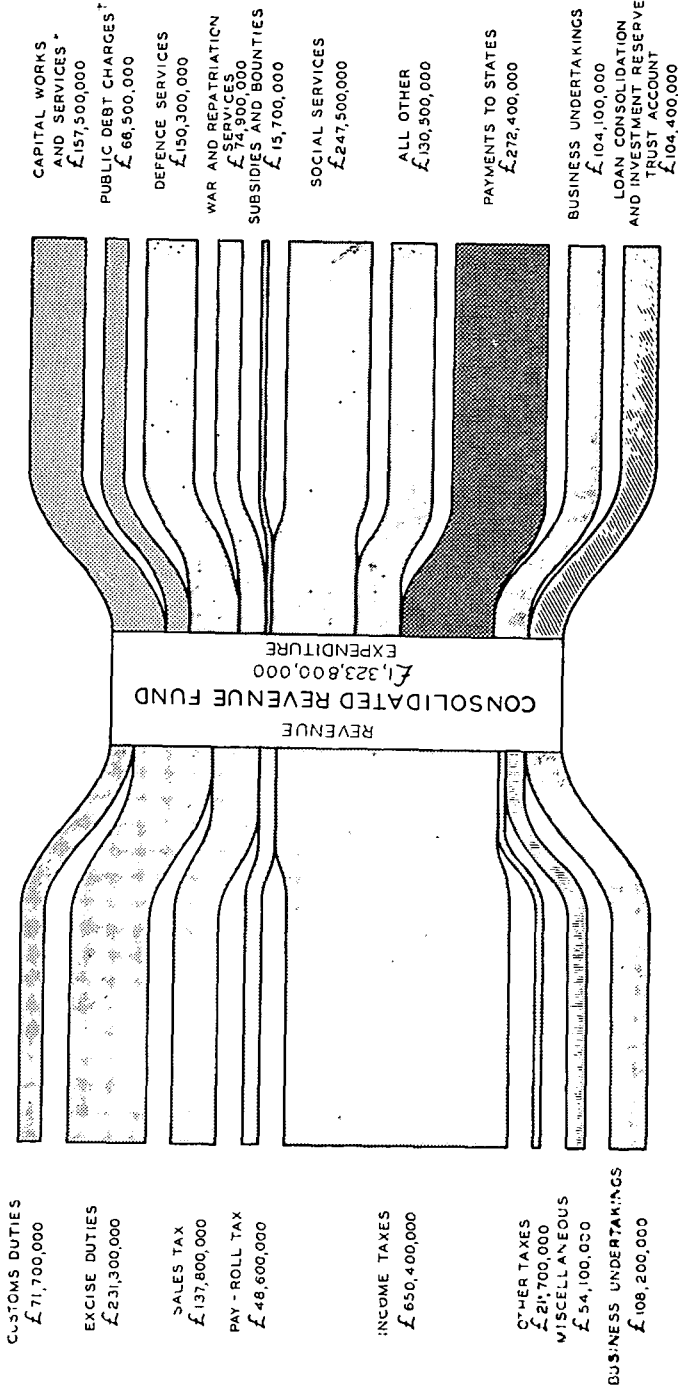
(a) Excludes relief to primary producers and other payments for medical research, etc. (b) Paid to National Debt Sinking Fund. (c) Paid to Trust Fund. (d) Grants only—excludes repayable advances.

COMMONWEALTH PAYMENTS TO OR FOR THE STATES, 1957-58.(a)
(£'000.)

Particulars.	N.S.W.	Vic.	Q'land.	S.A.	W.A.	Tas.	Total.
Financial Agreement—							
Interest on States' Debts ..	2,918	2,127	1,096	704	473	267	7,585
Sinking Fund on States' Debts (b)	1,787	1,155	631	668	497	327	5,065
Special Grants ..				5,700	10,150	3,650	19,500
Tax Reimbursement Grants ..	61,721	43,996	25,919	15,259	13,061	5,864	165,820
Special Financial Assistance ..	8,989	6,405	3,774	2,221	1,902	854	24,145
Additional Financial Assistance ..	1,989	1,061	1,125	368	315	142	5,000
Commonwealth Aid Roads (c) ..	8,695	5,564	6,085	3,554	6,183	1,583	31,664
Commonwealth Aid Roads—Special Assistance ..	800	700	500	325	475	150	2,950
Tuberculosis Act 1948—Reimbursement of Capital Expenditure ..	593	76	678	108	683	4	2,142
Mental Institutions—Contribution to Capital Expenditure ..	324	545	114	152	30	91	1,256
Western Australia Waterworks Grant	..	..	..	..	677	..	677
Coal Mining Industry—Long Service Leave (c) ..	472	1	80	..	28	9	590
Encouragement of Meat Production Grants to Universities ..	1,195	664	425	414	253	123	98
Cattle Tick Control ..	536	..	..	..	..	..	536
Tobacco Industry Assistance ..	2	3	6	..	4	..	15
Dairy Industry Extension Grant ..	55	60	70	13	15	6	219
Expansion of Agricultural Advisory Services ..	75	69	58	24	27	12	265
Eradication of Argentine Ants ..	..	..	..	..	1	..	1
Grants for Railway Standardization (d) ..	165	165	..	419	..	..	749
Total	90,316	62,591	40,654	29,929	34,779	13,082	271,351

(a) Excludes relief to primary producers and other payments for medical research, etc. (b) Paid to National Debt Sinking Fund. (c) Paid to Trust Fund. (d) Grants only—excludes repayable advances.

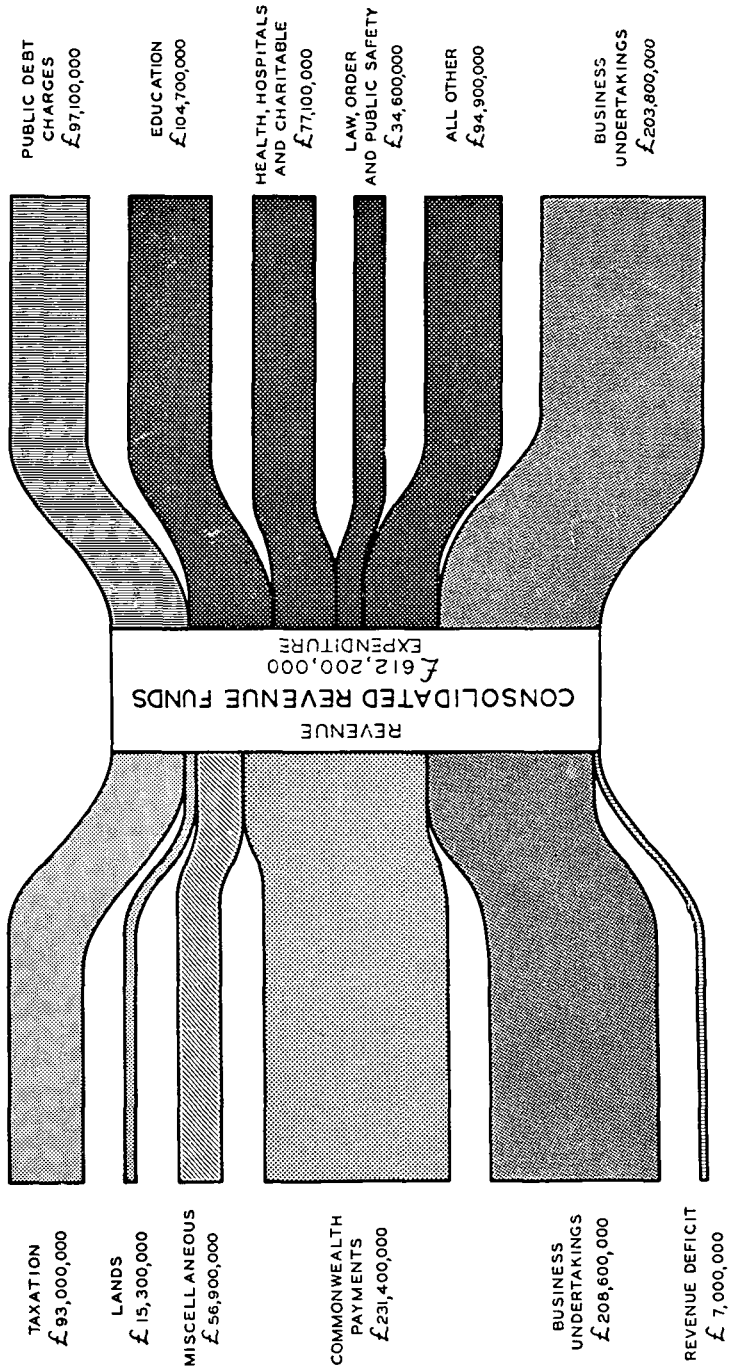
COMMONWEALTH CONSOLIDATED REVENUE FUND, YEAR ENDED 30TH JUNE, 1958



* INCLUDES DEFENCE WORKS AND SERVICES £34,800,000

† INCLUDES WAR DEBT CHARGES £32,000,000

STATE CONSOLIDATED REVENUE FUNDS, YEAR ENDED 30TH JUNE, 1958



(b) 1938-39 and 1953-54 to 1957-58. The following table shows particulars of payments by the Commonwealth to or on behalf of the States during each of these years.

COMMONWEALTH PAYMENTS TO OR FOR THE STATES.(a)
(£'000.)

Particulars.	1938-39.	1953-54.	1954-55.	1955-56.	1956-57.	1957-58.
Financial Agreement—						
Interest on States' Debts	7,585	7,585	7,585	7,585	7,585	7,585
Sinking Fund on States' Debts(b)	1,478	3,463	3,947	4,310	4,640	5,065
Special Grants	2,020	15,400	12,300	18,500	18,500	19,500
Tax Reimbursement Grants	..	120,415	130,046	141,578	154,622	165,820
Special Financial Assistance	..	21,915	19,902	15,348	19,405	24,145
Additional Financial Assistance	..	..	..	..	..	5,000
Grants for Road Construction, etc.	4,266	16,457	21,461	26,519	31,269	31,664
Commonwealth Aid Roads—Special Assistance	..	..	..	..	..	2,950
Commonwealth Aid Roads (Supplementary) Trust Account	..	5,000	..	..	..	..
Tuberculosis Act 1948—Reimbursement of Capital Expenditure	..	1,380	1,709	1,758	2,381	2,142
Mental Institutions—Contribution to Capital Expenditure	..	..	..	773	1,248	1,256
Price Control Reimbursement	..	84	..	..	..	..
Local Public Works—Interest and Sinking Fund	..	..	..	..	..	..
Youth Employment	100	..	..	..	..	..
Western Australian Waterworks	200	..	..	..	..	..
Coal Mining Industry—Long Service Leave(c)	..	333	366	682	462	677
Imported Houses—Grants	..	579	600	565	597	590
Contribution to South Australia—Port Augusta to Port Pirie Railway	..	615	88	..	2	..
Encouragement of Meat Production	20	20	20	20	20	..
Grants to Universities	..	413	261	303	134	98
Cattle Tick Control	..	1,389	1,544	1,651	2,262	3,074
Tobacco Industry Assistance	70	53	250	552	675	536
Dairy Industry Extension Grant	10	16	12	15	21	15
Expansion of Agricultural Advisory Services	..	232	230	228	237	219
Eradication of Argentine Ants	..	122	193	237	270	265
Grants for Railway Standardization(d)	..	..	..	..	..	1
Total	15,749	195,990	200,937	220,907	244,610	271,351

(a) Excludes relief to primary producers and other payments for medical research, etc. (b) Paid to National Debt Sinking Fund. (c) Paid to Trust Fund. (d) Grants only—excludes repayable advances.

Particulars of special Commonwealth grants for the relief of primary producers are not included in the foregoing tables. For details see Chapter XXII.—Agricultural Production. See also para. 4, Subsidies and Bounties, and para. 13, Other Expenditure, of this subsection.

(iii) *Financial Agreement.* Details of the Financial Agreement between the Commonwealth and the States are given in Official Year Book No. 37, pages 685 to 690. Under this Agreement, the Commonwealth undertook to contribute £7,584,912 per annum towards interest payable on the State Debts for a period of 58 years from 1st July, 1927. This amount is to be distributed amongst the States as follows:—New South Wales, £2,917,411; Victoria, £2,127,159; Queensland, £1,096,235; South Australia, £703,816; Western Australia, £473,432; Tasmania, £266,859.

These amounts are equal to the sums paid by the Commonwealth to each State in the year 1926-27 at the rate of 25s. per head of population, the rate at which the Commonwealth had contributed annually to the States since 1st July, 1910, as compensation for the States relinquishing, after Federation, the right to levy Customs and Excise Duties.

In addition, under the Financial Agreement, the Commonwealth agreed to make certain contributions to the National Debt Sinking Fund for redemption of State Debts. Details of these payments are given in Division D of this Chapter, § 2, page 832.

(iv) *Special Grants.* The Constitution provides in Section 96 for the granting of special financial assistance to the States. Prior to 1933, financial assistance of varying amounts was granted by the Commonwealth to South Australia, Western Australia and Tasmania. Details of this may be found in earlier issues of the Official Year Book (see No. 40, p. 695).

In 1933, the Commonwealth Government appointed the Commonwealth Grants Commission of three members to inquire into and report upon claims made by any State for a grant of financial assistance and any matters relevant thereto.

Applications have been received from South Australia, Western Australia and Tasmania each year from 1933 onwards and the recommendations of the Commission in respect of the years 1938–39 and 1954–55 to 1958–59 are shown in the following table. Commencing with 1949–50, the Commission has divided the grants recommended into two parts. One part is the Commission's estimate of the indispensable need of the claimant State for the year in which the payment is to be made after allowing a sufficient margin for safety. The other part is an adjustment of this estimate for an earlier year after an examination of the audited accounts for that year. Thus the grants for 1958–59 include an estimate of the indispensable need of the claimant State for 1958–59 and an adjustment to the estimated grant for 1956–57.

COMMONWEALTH GRANTS COMMISSION : GRANTS RECOMMENDED.

(£'000.)

Particulars.	1938-39.	1954-55.	1955-56.	1956-57.	1957-58.	1958-59.
<i>South Australia—</i>						
Estimated grant	1,040	3,350	5,940	5,760	4,858	5,201
Adjustment(a) .. ..	..	-1,100	-540	40	842	49
<i>Net grant recommended</i>	<i>1,040</i>	<i>2,250</i>	<i>5,400</i>	<i>5,800</i>	<i>5,700</i>	<i>5,250</i>
<i>Western Australia—</i>						
Estimated grant	570	7,100	8,875	9,102	9,828	9,758
Adjustment(a) .. ..	..	350	25	98	322	1,342
<i>Net grant recommended</i>	<i>570</i>	<i>7,450</i>	<i>8,900</i>	<i>9,200</i>	<i>10,150</i>	<i>11,100</i>
<i>Tasmania—</i>						
Estimated grant	410	3,200	4,384	3,657	4,466	4,414
Adjustment(a) .. ..	..	-600	-184	-157	-816	-14
<i>Net grant recommended</i>	<i>410</i>	<i>2,600</i>	<i>4,200</i>	<i>3,500</i>	<i>3,650</i>	<i>4,400</i>
Grand Total	2,020	12,300	18,500	18,500	19,500	20,750

(a) Adjustment to estimated grant paid two years previously.

(v) *Tax Reimbursement Grants.* Details of the States Grants (Income Tax Reimbursement) Act 1942 and the States Grants (Entertainments Tax Reimbursement) Act 1942 are given in earlier issues of the Official Year Book (see No. 37, pp. 635 to 637). These Acts provided for grants to the States as compensation for vacating the fields of Income Tax and Entertainments Tax. Grants under these Acts ceased after 1945–46 and were replaced by grants under the States Grants (Tax Reimbursement) Act 1946–1948.

This Act provided for reimbursement grants of certain specified amounts to be paid to the States during 1946–47 and 1947–48. For 1948–49 and subsequent years, the grants were assessed on the aggregate paid in 1947–48 (£45,000,000) increased in accordance with a formula based on increases in population and average wages. Details of the formula and of the treatment of arrears of State income taxes were given in earlier issues of the Official Year Book (see No. 40, p. 696).

In 1950–51, an amount of £5,000,000 was paid to the States under the States Grants (Additional Tax Reimbursement) Act 1950. As this was considered a non-recurring grant, the formula mentioned above was not amended.

(vi) *Special Financial Assistance Grants.* During the years 1953-54 to 1957-58, there were heavy additions to the financial needs of the States and special assistance grants amounting to £21,915,000, £19,902,000, £15,348,000, £19,405,000 and £24,145,000 respectively were made. For details of amounts paid to each State during 1957-58 see page 804 and for other years see earlier issues of the Official Year Book or the annual bulletin *Finance, Part I, Public and Private Finance.*

(vii) *Additional Financial Assistance.* The States Grants (Additional Assistance) Act 1958 provided for the payment of £5,000,000 from the Consolidated Revenue Fund for financial assistance to the States. For details of amounts paid to each State during 1957-58 see page 804.

(viii) *Grants for Road Construction.* (a) *Main Roads Development Act 1923-25, Federal Aid Roads Acts 1926, 1931 and 1936, Federal Aid Roads and Works Act 1937, Commonwealth Aid Roads and Works Act 1947-1949 and Commonwealth Aid Roads Act 1950.* Details of these Acts are given in earlier issues of the Official Year Book (see No. 38, pp. 787-8 and No. 41, p. 62) and in the annual bulletin *Finance, Part I, Public and Private Finance.*

(b) *The Commonwealth Aid Roads Act 1954* repealed the Commonwealth Aid Roads Act 1950 and provided for payment to the States, for a period of five years from 1st July, 1954, of an amount equivalent to 7d. a gallon on all petrol, except aviation spirit, which is entered for home consumption and which is subject to Customs and Excise duties as specified in Customs Tariff Items 229c and 229d(2) and Excise Tariff Item 11. Out of this amount, the following grants are to be made to the States for construction and maintenance of roads and the purchase of roadmaking plant:—

(a) Sixty per cent. of the amount, less £900,000 per annum, for expenditure on roads, and

(b) Forty per cent. of the amount for expenditure on roads in rural areas other than highways, trunk or main roads.

The States may spend from the Commonwealth road grants up to £1,000,000 per annum on works connected with transport by road or water. Five per cent. of the grants is payable to Tasmania and the remainder is to be divided among the other five States, three-fifths according to population and two-fifths according to area. In addition, the Commonwealth may spend each year £800,000 on strategic roads and £100,000 on the promotion of road safety practices.

An amendment to the Commonwealth Aid Roads Act 1954 increased the allocation for road safety purposes from £100,000 to £150,000 a year as from 1st July, 1955 and the allocation to the States from 7d. to 8d. a gallon as from 1st July, 1956.

(c) *The Commonwealth Aid Roads (Special Assistance) Act 1957.* Under the Commonwealth Aid Roads (Special Assistance) Act 1957, a sum of £3,000,000 has been appropriated for each of the years 1957-58 and 1958-59. Of this amount, £2,950,000 is apportioned as assistance to the States:—

(i) for the construction, reconstruction, maintenance and repair of roads or on the purchase of road-making plant; or

(ii) for making payments to local authorities for the construction, reconstruction, maintenance and repair of roads or for the purchase of road-making plant; and £50,000 to the Commonwealth for the construction, reconstruction, maintenance and repair of roads serving Commonwealth purposes or on the purchase of road-making plant.

(ix) *Tuberculosis Act 1948.* Reimbursement of Capital Expenditure. The Tuberculosis Act 1948 provided for the reimbursement by the Commonwealth of capital expenditure incurred by the States in the provision of facilities for the diagnosis, treatment and control of tuberculosis, as from 1st July, 1948.

(x) *States Grants (Mental Institutions) Act 1955.* This Act provides for financial assistance to the States for capital expenditure on mental institutions to a maximum amount of £10,000,000. Each State is entitled to one-third of expenditure on buildings or equipment of a mental institution made on or after 1st July, 1955.

(xi) *Other Payments.* (a) *Price Control Reimbursement.* These grants were made from 1948-49 to 1953-54 to reimburse the States for expenditure incurred in administering prices, rents and land sales controls.

(b) *Western Australian Waterworks.* The Western Australia Grant (Water Supply) Act, 1948, provides for grants to Western Australia not exceeding an aggregate of £2,150,000 for the development of the Agricultural Areas, Great Southern Towns and Goldfields Water Supply schemes. The amount provided by the Commonwealth is not to exceed half the total expenditure on the scheme.

(c) *Coal Mining Industry—Long Service Leave.* To provide funds for the payment for long service leave in the coal mining industry, the Commonwealth imposed an excise duty of 6d. a ton on coal produced from 1st November, 1949. The rate of duty was raised to 7½d. a ton from 26th August, 1951, and to 8d. a ton from 30th May, 1952. The proceeds of this excise duty are paid to a trust fund out of which the States are reimbursed for expenditure incurred in granting long service leave to employees in the coal mining industry.

(d) *Imported Houses.* A subsidy is paid to the States for houses imported by a State or a housing authority of a State after 12th October, 1949. The amount of the subsidy is the amount by which the cost of imported houses exceeds the cost of building comparable houses from local materials. The subsidy is limited to £300 a house and in aggregate to 30,000 houses or £9,000,000.

(e) *Contribution to South Australia—Port Augusta to Port Pirie Railway.* The Port Augusta to Port Pirie Railway Act 1935–1950 approved an agreement between the Commonwealth and South Australia to provide for the extension of the Trans-Australian Railway by the construction of a railway in South Australia from Port Augusta to Port Pirie. As a contribution towards reimbursing South Australia for the cost of the section to be constructed by the State, and for any additional expense incurred by the State in carrying out the Agreement, the Act provided for a payment by the Commonwealth to the State of South Australia of £20,000 per annum for twenty years, the first payment being made in 1937–38 after the opening of the Railway and the final payment in 1956–57.

(f) *Encouragement of Meat Production.* To develop meat production in Queensland and Western Australia, grants are made to these States for the provision and improvement of roads and other facilities for the movement of live-stock. Provision is made for the Commonwealth to meet the cost of the construction and improvement of certain specified roads in both States and the construction of eight cattle loading and unloading points in Queensland. Provision is also made for the Commonwealth to meet half the cost of improving watering facilities on specified stock routes in both States. The amount of the grants for improving watering facilities on stock routes is limited to £75,000 in Queensland and £31,500 in Western Australia. These limits were extended as from 20th April, 1954, to £150,000 in Queensland and £50,000 in Western Australia.

(g) *Grants to Universities.* The States Grants (Universities) Act 1951 provides for grants to be made to the States for the purpose of financial assistance to Universities during the three years 1950–51 to 1952–53. The Act was superseded by the States Grants (Universities) Act 1953 which came into operation on 1st January, 1953, and which increased the amount payable.

(h) *Cattle Tick Control.* Since 1926–27, the Commonwealth has subsidized the cost of eradication and control of cattle tick in New South Wales. From 1950–51, the subsidy was increased on a £1 for £1 basis up to an agreed maximum. The payments are made from the departmental expenditure of the Department of Health.

(i) *Tobacco Industry Assistance.* The Commonwealth makes a grant for tobacco research of up to £15,000 per annum, paid to the tobacco producing States on a £1 for £1 basis.

(j) *Dairy Industry Extension Grant.* The Commonwealth provides financial assistance, with a maximum annual limit of £250,000, to promote improved farm practices in the dairy industry. The grants are charged to the departmental expenditure of the Department of Primary Industry.

(k) *Expansion of Agricultural Advisory Services.* These payments were introduced in 1952–53 to encourage expansion of agricultural advisory services by the State Departments of Agriculture and to promote increased farm efficiency. The payments are charged to the departmental expenditure of the Department of Primary Industry.

(l) *Grants for Railway Standardization.* (i) *South Australia.* Under the Railway Standardization (South Australia) Agreement Act 1949, the Commonwealth is providing funds for the conversion of lines in the south-eastern division of the State as an initial step towards eventual standardization on 4' 8½" gauge. The State is to repay three-tenths of the cost of this work over a period of 50 years and is to bear the full cost of subsequent conversion from broad to standard gauge.

(ii) *Albury to Melbourne.* Under the Railway Standardization (New South Wales and Victoria) Agreement Act 1958 the Commonwealth has agreed to provide funds for the construction of a standard gauge rail link between Albury and Melbourne on the basis that the States of Victoria and New South Wales will each bear 15 per cent. of the cost by instalments over a period of 50 years.

The total expenditure on Railway Standardization (the 30 per cent. advances to the States and the 70 per cent. grants to the States), is charged to the Capital Works and Services vote of the Department of Shipping and Transport.

13. **Other Expenditure.**—Expenditure under this item represents the proceeds of special industry taxes and profits from marketing schemes which are paid to trust funds or other authorities for the purposes of the industries concerned. Advance payments in respect of sales of uranium paid to the Atomic Energy Commission are also included.

Information relating to the taxes levied is given in sub-section II.—Revenue, of this section (*see p. 790*). Details of expenditure from the trust funds are given in § 3, Commonwealth Trust Funds. Details of the price stabilization and other assistance schemes for primary industries may be found in Chapter XXII.—Agricultural Production. Details of expenditure from the Consolidated Revenue Fund during the last five years are given in the following table.

**OTHER EXPENDITURE : RECEIPTS AND EXPENDITURE FROM
COMMONWEALTH CONSOLIDATED REVENUE FUND.**

(£'000.)

Receipts, from—	Expenditure on—	1953-54.	1954-55.	1955-56.	1956-57.	1957-58.
Taxes—						
Export Charges ..	Export Control Boards (a)	168	301	414	375	390
Stevedoring Industry Charge ..	Stevedoring Industry Board	1,630	998	973	1,926	3,337
Tobacco Charge ..	Tobacco Industry (b) ..	..	..	5	41	61
Wheat Export Charge ..	Wheat Industry Price Stabilization (c) ..	..	5,063	4,294	..	443
Wheat Tax	Wheat Research(d) ..	..	784	851	979	185
Wool Tax	Wool Use Promotion ..	772	..	..	..	1,328
<i>Total</i> .. ..	.. ..	2,570	7,146	6,537	3,321	5,744
Other—						
Advance Payments— Sales of Uranium ..	Atomic Energy Commission ..	2,791	1,082	30	..	..
Australian New Guinea Production Trust Account ..	Papua and New Guinea Copra Fund ..	..	..	836	..	..
Dried Vine Fruits Support Price Agreement— United Kingdom Government ..	Dried Fruits Board ..	..	..	107	147	..
Australian Meat Board— General Meat Account ..	Australian Meat Board— Meat Export Fund ..	..	..	..	..	447
Meat Export Deficiency Payments — United Kingdom Government ..	Australian Meat Board ..	..	..	153	3,254	5,927
Hide and Leather Industries — Moneys paid by Hide and Leather Industries Board ..	Hide and Leather Industries Trust Fund ..	..	5	..	..	..
Australian Wheat Board —Undistributed balances from Wheat Pools ..	Wheat Research(d) ..	..	..	..	..	285
Treaty of Peace with Japan—Article 16 receipts ..	Japanese Assets Distribution Trust Account ..	..	..	..	696	..
Wheat Prices Stabilization Fund ..	Repayment of Wheat Export Charge ..	..	..	..	192	5
Wool Stores—Moneys paid by Wool Realization Commission ..	Australian Wool Bureau ..	730	..	..	..	..
<i>Total</i> .. ..	.. ..	3,521	1,087	1,126	4,289	6,664
Grand Total .. ..	.. ..	6,091	8,233	7,663	7,610	12,408

(a) Paid to Apple and Pear Export Fund, Canned Fruits Export Fund, Dairy Produce Export Fund, Dried Fruits Export Fund, Egg Export Fund and Wine Export Fund. (b) Paid to Tobacco Industry Trust Fund. (c) Paid to Wheat Prices Stabilization Fund. (d) Paid to Wheat Research Fund.

§ 3. Commonwealth Trust Funds.

1. Receipts, Expenditure and Balances, 1956-57 and 1957-58.—The following table shows the opening and closing balances, and receipts and expenditure of some of the more important Trust Funds of the Commonwealth for the years ended 30th June, 1957 and 1958.

**COMMONWEALTH TRUST FUNDS : RECEIPTS, EXPENDITURE AND
BALANCES, 1956-57 AND 1957-58.
(£'000.)**

Fund.	Balance at 30th June, 1956.	Year ended 30th June, 1957.		Balance at 30th June, 1957.	Year ended 30th June, 1958.		Balance at 30th June, 1958.
		Receipts.	Expenditure.		Receipts.	Expenditure.	
Australia New Guinea Production ..	5	..	5	..	..	..	..
Canadian Loan ..	6,459	256	27	6,688	320	333	6,675
Coal Mining Industry Long Service Leave ..	1,210	634	360	1,484	658	308	1,834
Coinage ..	3,891	1,808	5,699	1,578	1,578	..	..
Commonwealth Aid Roads ..	3,479	32,219	31,520	4,178	32,614	32,716	4,076
Commonwealth Aid Roads (Supplementary) ..	3,118	..	162	2,956	..	661	2,295
Defence Equipment and Supplies ..	20,000	Dr 19,479	521	..	..	..	..
Defence Forces Retirement Benefits ..	8,485	3,177	2,431	9,231	3,164	2,283	10,112
Enemy Subjects ..	1,319	Dr. 390	712	217	Dr. 1	146	70
Insurance Deposits ..	5,035	508	262	5,281	556	551	5,286
International Development and Relief ..	338	3,981	4,072	247	363	389	221
Korean Operations Pool ..	10,000	3,293	3,293	10,000	4,129	629	13,500
Lend Lease Settlement ..	1,411	47	129	1,329	55	252	1,132
Loan Consolidation and Investment Reserve ..	161,733	199,914	44,314	317,333	116,013	134,168	299,178
National Debt Sinking Fund ..	238,336	63,673	58,058	243,951	75,813	89,112	230,652
National Welfare ..	193,124	225,861	223,923	195,062	249,443	247,485	197,020
Parliamentary Retiring Allowances ..	208	71	29	250	75	31	294
Public Trustee and Custodian ..	201	67	252	16	76	82	10
Strategic Stores and Equipment Reserve ..	48,637	Dr 46,568	2,069	..	..	..	..
Superannuation ..	44,388	11,056	5,543	49,901	12,578	6,364	56,115
Swiss Loan ..	12,438	556	..	12,994	560	..	13,554
Temple Society ..	428	358	192	594	148	291	451
Tobacco Industry ..	51	174	201	24	166	141	49
War Gratuity ..	158	Dr. 136	22	..	..	..	..
War Service Homes ..	..	31,080	31,080	..	36,115	36,115	..
War Service Homes—Insurance ..	343	239	163	419	281	156	544
Wheat Industry Stabilization ..	293	..	..	293	..	Cr. 4	297
Wheat Prices Stabilization ..	9,604	157	..	9,761	825	1,224	9,362
Wheat Research ..	..	..	..	..	507	60	447
Wine Research ..	510	21	60	471	20	65	426
Wool Contributory Charge ..	8	..	8	..	..	..	..
Wool Disposals Profit ..	203	54	15	242	87	10	310
Wool Industry ..	6,714	222	600	6,336	Dr 6,336	..	..
Wool Research ..	..	936	936	..	8,016	1,526	6,490
Other ..	36,263	393,362	404,436	25,189	372,421	369,977	27,633
Total ..	818,390	907,151	821,094	904,447	910,244	926,658	888,033

2. Summary, 1938-39 and 1953-54 to 1957-58.—In the following table, the balances and total receipts and expenditure of the Trust Funds are shown for each of these years.

**COMMONWEALTH TRUST FUNDS.
(£'000.)**

Particulars.	1938-39.	1953-54.	1954-55.	1955-56.	1956-57.	1957-58.
Balances brought forward ..	25,609	566,571	647,290	733,398	818,390	904,447
Receipts ..	84,167	764,365	792,431	843,177	907,151	910,244
Expenditure ..	85,550	683,646	706,323	758,185	821,094	926,658
Balance carried forward ..	24,226	647,290	733,398	818,390	904,447	888,033

§ 4. Commonwealth Loan Fund.

Brief historical notes relating to the Commonwealth Loan Fund are given in earlier issues of the Official Year Book (see No. 37, p. 640). In the following table, details are given of the net expenditure from the Commonwealth Loan Fund for the years 1938-39 and 1953-54 to 1957-58 and of the aggregate expenditure to 30th June, 1958. The figures shown represent "net" loan expenditure, i.e., after adjustments have been made for refunds of amounts expended in earlier years.

COMMONWEALTH NET EXPENDITURE FROM LOAN FUND.
(£'000.)

Particulars.	1938-39.	1953-54.	1954-55.	1955-56.	1956-57.	1957-58.	Total to 30th June, 1958.
War Loans—							
Defence and War (1914-18, 1939-45) Services		(a)4,199	(a)4,039	(a)7,622	(a)8,019	(a)8,703	2,030,062
Other Loans—							
Capital Works and Services—							
Defence(b)	1,912	..	..	..	..	..	8,682
Repatriation Services(b)—							
War Service Homes(b) .. .. .	..	..	..	..	..	..	7,329
Other .. .. .	..	..	..	..	..	..	47
Postmaster-General's Department	-1	..	-2	..	-6	-3	40,413
Broadcasting Services .. .. .	..	..	..	..	..	..	104
Railways .. .. .	..	-1	-1	-5	..	-3	13,741
Territories(c)	-7	-12	-4	-4	-3	-4	8,709
Other—							
Ships, Yards and Docks	-305	..	..	..	..	..	7,694
Civil Aviation .. .. .	..	..	..	..	..	..	213
Immigration .. .. .	..	..	..	..	..	..	1,681
All other works, buildings, etc.	-1	..	..	..	..	..	4,224
Other Purposes—							
Assistance to States—							
Farmers Debt Adjustment	2,000	..	..	..	..	..	7,967
Housing .. .. .	..	37,200	29,150	33,200	32,150	33,160	305,869
Other	-4	..	..	..	..	..	5,976
Wheat Bounty .. .. .	..	..	..	..	..	..	3,430
Emergency Wheat Storage .. .. .	..	..	..	3,182	-60	-30	3,092
Loan Qantas Empire Airways .. .. .	..	..	..	..	3,899	3,311	7,210
Total Capital Works and Services and Other Purposes	3,594	37,187	29,143	36,373	35,980	36,431	426,381
International Bank Dollar Loan(d) .. .. .	..	21,468	23,575	19,369	5,367	14,565	130,153
Swiss Loan(e) .. .. .	..	5,792	5,930	..	..	..	11,722
Canadian Loan(f) .. .. .	..	..	..	6,459	..	..	6,459
Grand Total	3,594	68,646	62,687	69,823	49,366	59,699	2,604,777

(a) Financial assistance to the States in connexion with War Service Land Settlement. (b) Excludes amounts charged to War Loan Fund. (c) Includes administration and other public buildings, Australian Capital Territory. (d) Payment to National Debt Sinking Fund. See p. 852. (e) Payment to Swiss Loan Trust Account. See p. 851. (f) Payment to Canadian Loan Trust Account. See p. 851.

NOTE.—Minus sign (—) indicates excess of repayments to Loan Fund.

Information relating to the Public Debt of the Commonwealth is given in Division D, Commonwealth and State Public Debt, of this chapter.

B. STATE FINANCE.

§ 1. General.

1. **Functions of State Governments.**—In comparing the financial returns of the States, allowances must be made for the various functions discharged by the respective Governments, and for local conditions in each case. Direct comparisons of the revenue, expenditure and debt of the individual States are difficult, owing to the fact that functions which in one State are assumed by the Central Government are in another relegated to municipal or semi-governmental bodies which are vested with certain defined borrowing powers and whose financial transactions are not included with those of the Central Government. Care, therefore, is needed in making comparisons, and the particulars contained in this Chapter should be read with those contained in Chapter XIX.—Local Government. In many respects, moreover, the budgets of the Australian Governments differ materially from those of most European countries, owing to the inclusion therein of the revenue and expenditure of departments concerned with rendering public services, such as railways, tramways, water supply, etc., which in other countries are often left to private enterprise.

2. **Accounts of State Governments.**—The various financial transactions of the States are in each case mainly concerned with one or other of three Funds—the Consolidated Revenue Fund, the Trust Fund, and the Loan Fund. All revenue (except certain items paid into special funds) collected by a State is paid into its Consolidated Revenue Fund, from which payments are made under the authority of an annual Appropriation Act passed by the Legislature, or by a permanent appropriation under a special act.

Figures in § 2 following relating to New South Wales represent the transactions of the Consolidated Revenue Fund and the business undertakings included in the annual budget papers. These latter are as follows:—Railways, Tramways and Omnibuses, and Sydney Harbour Trust Section of the Maritime Services Board. Adjustments have been made to the Budget figures, however, in order to eliminate duplications caused by inter-fund payments. Particulars for all other States relate to the transactions of the Consolidated Revenue Fund.

The Trust Fund comprises all moneys held in trust by the Government, and includes such items as superannuation funds, road funds, insurance companies' deposits, etc.

The Loan Fund is debited with all loan moneys raised by the State, and credited with the expenditure therefrom on public works or other purposes.

3. *Inter-relation of Commonwealth and State Finances.*—A statement in some detail, covering the inter-relation of Commonwealth and State Finances during the period from the inception of Federation to the passing of the Financial Agreement Act 1928, was published in Official Year Book No. 22, pages 379–380. Changes in the financial relations between the Commonwealth and States since the passing of the Financial Agreement Act have been described in issues of the Official Year Book from year to year (*see also* pp. 831–833).

§ 2. State Consolidated Revenue Funds.

I.—Revenue.

1. General.—The principal sources of State revenue are:—

(a) Taxation; (b) The business undertakings controlled by the State Governments; (c) Sale of and rental from crown lands; (d) Payments by Commonwealth Government under the Financial Agreement, Special Grants and Tax Reimbursement Acts, etc.; (e) Interest on advances; and (f) Miscellaneous sources, comprising fines, fees, etc.

Of these sources, that yielding the largest revenue for the States as a whole is the group of business undertakings, the principal contributors being the government railways and tramways. Next in magnitude are Commonwealth payments under the Tax Reimbursement Acts, followed in order by taxation receipts, Commonwealth special financial assistance and special grants, and lands receipts. With the introduction of uniform taxation by the Commonwealth in 1942–43, the States vacated the fields of income and entertainment taxation, and payments by the Commonwealth under the Income and Entertainments Tax Reimbursements Acts and, from 1946–47, under the Tax Reimbursement Act, replaced revenue previously received from those sources. The Commonwealth, however, ceased to impose Entertainments Tax in 1953–54 and in the same year Victoria, Western Australia and Tasmania re-imposed an Entertainments Tax.

2. *Revenue Received.*—The following table shows particulars of the total amounts, and the amounts per head of population, of consolidated revenue received by the several States during the years 1938–39 and 1953–54 to 1957–58.

STATE CONSOLIDATED REVENUE.

Year.	N.S.W.(a)	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
TOTAL REVENUE. (£'000.)							
1938–39 ..	51,099	26,985	19,330	12,304	10,950	3,615	124,283
1953–54 ..	188,692	106,748	69,696	48,376	43,596	13,285	470,393
1954–55 ..	195,438	116,789	73,820	48,684	46,070	14,495	495,296
1955–56 ..	204,399	123,152	75,669	55,352	49,612	17,827	526,011
1956–57 ..	223,829	133,254	85,158	61,561	54,331	18,801	576,934
1957–58 ..	231,510	142,336	87,955	66,342	57,054	19,986	605,183
PER HEAD OF POPULATION. £ s. d.							
1938–39 ..	18 13 7	14 8 3	19 3 6	20 13 6	23 9 0	15 4 2	17 19 5
1953–54 ..	55 8 2	44 1 2	53 11 10	61 11 0	69 2 5	42 18 8	53 2 6
1954–55 ..	56 9 10	46 18 9	55 14 0	60 5 10	70 19 10	46 6 3	54 15 6
1955–56 ..	57 19 11	48 0 4	55 18 10	66 6 8	74 3 1	55 17 0	56 15 6
1956–57 ..	62 7 8	50 9 6	61 13 9	71 9 4	79 7 5	57 12 11	60 17 1
1957–58 ..	63 5 8	52 11 6	62 13 7	74 17 7	81 13 6	59 16 5	62 9 5

(a) See § 1, para. 2, above.

3. Sources of Revenue.—(i) *General.* Classifying the revenue of the several States in the manner indicated in para. 1 above, particulars for the years 1956-57 and 1957-58 were as follows:—

STATE CONSOLIDATED REVENUE: SOURCES, 1956-57.

Source of Revenue.	N.S.W. (a)	Vic.	Q'land.	S. Aust.	W.Aust.	Tas.	Total.
TOTAL REVENUE. (£'000.)							
Taxation(b)	30,323	25,433	10,199	9,311	4,665	4,030	83,961
Business Undertakings	95,836	44,393	35,583	19,484	19,057	..	214,353
Lands	5,926	2,701	4,452	527	1,216	441	15,263
Interest, n.e.i.	1,280	5,081	2,294	4,611	2,100	3,287	18,653
Commonwealth Grants—							
Tax Reimbursements	58,342	40,228	24,367	14,049	12,251	5,385	154,622
Other(c)	9,844	7,953	4,311	8,498	11,129	4,406	46,141
Commonwealth National Welfare Fund Payments(d)	5,366	850	617	623	477	262	8,195
Miscellaneous	16,912	6,615	3,335	4,458	3,436	990	35,746
Total	223,829	133,254	85,158	61,561	54,331	18,801	576,934

PER HEAD OF POPULATION.

	£			s.			d.														
Taxation(b)	8	9	0	9	12	8	7	7	9	10	16	2	6	16	4	12	7	2	8	17	2
Business Undertakings	26	14	2	16	16	4	25	15	6	22	12	5	27	16	9	..	..	..	22	12	2
Lands	1	13	0	1	0	6	3	4	6	0	12	3	1	15	6	1	7	0	1	12	2
Interest, n.e.i.	0	7	2	1	18	6	1	13	3	5	7	1	3	1	4	10	1	7	1	19	4
Commonwealth Grants—																					
Tax Reimbursements	16	5	3	15	4	9	17	13	0	16	6	2	17	18	0	16	10	3	16	6	2
Other(c)	2	14	11	3	0	3	3	2	5	9	17	4	16	5	2	13	10	2	4	17	4
Commonwealth National Welfare Fund Payments(d)	1	9	11	0	6	5	0	9	0	14	5	0	13	11	0	16	0	0	17	4	5
Miscellaneous	4	14	3	2	10	1	2	8	4	5	3	6	5	0	3	0	9	3	15	5	5
Total	62	7	8	50	9	6	61	13	9	71	9	4	79	7	5	57	12	11	60	17	1

For footnotes see table below.

STATE CONSOLIDATED REVENUE : SOURCES, 1957-58.

Source of Revenue.	N.S.W. (a)	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
TOTAL REVENUE. (£'000.)							
Taxation(b)	34,736	28,387	10,879	9,772	5,549	3,653	92,976
Business Undertakings	91,153	43,775	34,135	20,778	17,751	..	207,592
Lands	5,310	2,854	4,619	546	1,258	463	15,050
Interest, n.e.i.	1,394	5,075	2,554	5,094	2,436	3,622	20,175
Commonwealth Grants—							
Tax Reimbursement	61,721	43,996	25,919	15,258	13,061	5,864	165,819
Other(c)	14,431	9,594	6,297	9,495	12,842	4,912	57,571
Commonwealth National Welfare Fund Payments(d)	5,316	1,313	4	725	454	273	8,085
Miscellaneous	17,449	7,342	3,548	4,674	3,703	1,199	37,915
Total	231,510	142,336	87,955	66,342	57,054	19,986	605,183

PER HEAD OF POPULATION.

	£			s.			d.														
Taxation(b)	9	10	0	10	9	9	7	15	1	11	0	7	7	18	11	10	18	8	9	11	11
Business Undertakings	24	18	4	16	3	5	24	6	6	23	9	1	25	8	3	..	..	..	21	8	7
Lands	1	9	0	1	3	0	3	5	11	0	12	4	1	16	0	1	7	9	1	11	8
Interest, n.e.i.	0	7	7	1	17	6	1	16	5	5	15	0	3	9	9	10	16	10	2	1	8
Commonwealth Grants—																					
Tax Reimbursements	16	17	5	16	5	0	18	9	5	17	4	5	18	13	11	17	11	0	17	2	5
Other(c)	3	18	11	3	10	11	4	9	7	10	14	4	18	7	8	14	14	0	5	18	10
Commonwealth National Welfare Fund Payments(d)	1	9	1	0	9	8	0	0	1	0	16	4	0	13	0	0	16	4	0	16	8
Miscellaneous	4	15	4	1	17	6	2	10	7	5	5	6	5	6	0	3	11	10	3	13	6
Total	63	5	8	52	11	6	62	13	7	74	17	7	81	13	6	59	16	5	62	9	5

(a) See § 1, para. 2, p. 814. (b) In all States certain taxation collections are not paid into Consolidated Revenue Fund. For total collections see next page. (c) Includes payments under Financial Agreement, Special Grants, Special Financial Assistance, Grants to Universities, etc. (d) Consolidated Revenue Fund receipts only. Excludes payments to Trust Funds.

(ii) *Revenue from Taxation.* (a) *General.* The following tables show, for the years 1956-57 and 1957-58, particulars of all State taxation collections irrespective of whether such moneys have been paid into the Consolidated Revenue Funds or not. For this reason, the particulars hereunder differ from those shown in the tables relating to the Consolidated Revenue Funds and represent a comprehensive statement of all taxation collections by the

Government in each State. In this and the succeeding statements of taxation, the collections have been grouped according to the nature of the tax rather than the method of collection. For example, stamp duties on betting tickets and bookmakers' licences have been included under "Racing Tax" instead of under "Stamp Duties" and "Licences" respectively. Commonwealth payments under the State Grants (Tax Reimbursement) Act are not included.

STATE REVENUE FROM TAXATION: TOTAL NET COLLECTIONS(a) 1956-57.

(£'000.)

Tax.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
<i>Motor Taxes—</i>							
Registration Fees and Taxes	9,792	6,240	4,609	3,252	1,585	853	26,331
Drivers', etc., Licences	1,106	416	(b) 152	335	134	47	2,190
Other	1,210	2,534	957	83	92	142	5,018
<i>Total Motor</i>	<i>12,108</i>	<i>9,190</i>	<i>5,718</i>	<i>3,670</i>	<i>1,811</i>	<i>1,042</i>	<i>33,539</i>
Probate and Succession Duties	10,891	7,005	2,914	1,872	1,011	684	24,377
Stamp Duties, n.e.i.	9,904	5,249	2,994	1,351	1,250	588	21,336
Land	3,348	4,170	1,428	1,401	1,108	371	11,826
Income (Arrears)	10	9	2	1	1		23
Liquor	3,123	2,515	852	130	367	233	7,220
Lotteries		2,979	305			1,049	4,333
Racing	2,903	2,179	301	1,163	595	354	7,495
Entertainments		1,406			272	160	1,838
Poker Machines Licence Fees	764						764
Licences, n.e.i.	144	258	194	63	44	6	709
Other			958	83	34		1,075
Grand Total	43,195	34,960	15,666	9,734	6,493	4,487	114,535

For footnotes see table below.

STATE REVENUE FROM TAXATION: TOTAL NET COLLECTIONS(a) 1957-58.

(£'000.)

Tax.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
<i>Motor Taxes—</i>							
Registration Fees and Taxes	10,308	7,953	4,798	3,337	1,984	1,012	29,392
Drivers', etc., Licences	1,189	439	(b) 160	341	143	69	2,346
Other	1,484	2,975	1,005	82	93	143	5,782
<i>Total Motor</i>	<i>12,981</i>	<i>11,367</i>	<i>5,963</i>	<i>3,760</i>	<i>2,225</i>	<i>1,224</i>	<i>37,520</i>
Probate and Succession Duties	10,756	8,065	3,138	2,059	1,090	572	25,680
Stamp Duties, n.e.i.	11,387	6,253	3,295	1,514	1,416	662	24,527
Land	6,002	4,607	1,468	1,390	1,522	407	15,396
Income (Arrears)	25	3	2	1	2		33
Liquor	3,460	2,818	965	188	423	241	8,095
Lotteries		2,835	337			430	3,602
Racing	2,953	2,385	328	1,113	719	372	7,870
Entertainments		1,525			285	172	1,982
Poker Machines Licence Fees	835						835
Licences, n.e.i.	153	253	224	67	62	6	765
Other			1,651	81	17		1,749
Grand Total	48,552	40,111	17,371	10,173	7,761	4,086	128,054

(a) From all sources of taxation irrespective of whether paid to Consolidated Revenue or to other funds.

(b) As from October, 1952 no charge has been made for drivers' licences. Instead an annual driving fee is charged upon registration of a vehicle.

STATE REVENUE FROM TAXATION : PROPORTIONS OF INDIVIDUAL TAXES TO TOTAL, 1957-58.

(Per Cent.)

Tax.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
Motor	26.74	28.34	34.33	36.96	28.67	29.96	29.30
Probate and Succession Duties	22.15	20.11	18.06	20.24	14.04	14.00	20.05
Stamp Duties, n.e.i.	23.45	15.59	18.97	14.88	18.25	16.20	19.15
Land	12.36	11.49	8.45	13.66	19.61	9.96	12.02
Income (Arrears)	0.05	0.01	0.01	0.01	0.03	..	0.03
Liquor	7.13	7.02	5.56	1.85	5.45	5.90	6.32
Lotteries .. .. .	..	7.07	1.94	..	..	10.52	2.81
Racing	6.08	5.94	1.89	10.94	9.26	9.10	6.15
Entertainments .. .. .	..	3.80	..	..	3.67	4.21	1.55
Poker Machines Licence Fees	1.72	..	..	..	..	..	0.65
Licences, n.e.i.	0.32	0.63	1.29	0.66	0.80	0.15	0.60
Other .. .. .	..	..	9.50	0.80	0.22	..	1.37
Grand Total	100.00	100.00	100.00	100.00	100.00	100.00	100.00

(b) 1938-39 and 1953-54 to 1957-58. Prior to federation, customs and excise duties were the principal source of revenue from taxation. Thereafter, until the introduction of the uniform income tax scheme in 1942-43, the most productive State taxes were the various income taxes which, in 1941-42, included unemployment relief, State development and hospital taxes. Since 1941-42, the States have been reimbursed by the Commonwealth for the revenue lost by the discontinuance of these taxes. Details of the reimbursement grants are given on pages 804 and 815. Information relating to the State income taxes which were levied prior to 1942-43 may be found in earlier issues of the Official Year Book.

The total amounts and the amounts per head raised from all sources of taxation by the several State Governments, including amounts not paid into the Consolidated Revenue Fund, during the years 1938-39 and 1953-54 to 1957-58 are shown in the following table:—

STATE REVENUE FROM TAXATION : TOTAL NET COLLECTIONS.(a)

Year.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
TOTAL NET COLLECTIONS.							
(£'000.)							
1938-39(b) ..	20,263	12,023	8,657	4,199	3,597	1,779	50,518
1953-54 ..	29,749	22,300	12,817	6,911	4,682	3,941	80,400
1954-55 ..	32,079	27,497	13,644	7,920	5,210	3,136	89,486
1955-56 ..	34,931	30,004	14,724	8,497	5,670	4,175	98,001
1956-57 ..	43,195	34,960	15,666	9,734	6,493	4,487	114,535
1957-58 ..	48,552	40,111	17,371	10,173	7,761	4,086	128,054

PER HEAD OF POPULATION.

(£ s. d.)

1938-39(b) ..	7 8 2	6 8 5	8 11 6	7 1 1	7 14 1	7 9 8	7 6 1
1953-54 ..	8 14 9	9 4 1	9 17 1	8 15 10	7 8 5	12 14 9	9 1 7
1954-55 ..	9 5 5	11 1 1	10 5 11	9 16 2	8 0 7	10 0 4	9 17 11
1955-56 ..	9 18 3	11 14 0	10 17 8	10 3 7	8 9 6	13 1 7	10 11 7
1956-57 ..	12 0 9	13 4 10	11 7 0	11 6 0	9 9 9	13 15 2	12 1 8
1957-58 ..	13 5 5	14 16 4	12 7 7	11 9 8	11 2 3	12 4 7	13 4 4

(a) Excluding Commonwealth Tax Reimbursements.

(b) Includes Income Taxes.

The following table shows for the years 1938-39 and 1953-54 to 1957-58 the aggregate amounts collected by the several State Governments, under the various forms of State taxation and includes amounts paid to funds other than Consolidated Revenue.

STATE REVENUE FROM TAXATION : TOTAL NET COLLECTIONS.(a)
(£'000.)

Tax.	1938-39.	1953-54.	1954-55.	1955-56.	1956-57.	1957-58.
Motor	6,961	25,877	27,783	28,919	33,539	37,520
Probate and Succession Duties	5,000	18,700	21,602	23,388	24,377	25,680
Stamp Duties, n.e.i. .. .	3,466	14,543	16,027	18,181	21,336	24,527
Land	1,408	4,138	4,998	5,969	11,826	15,396
Income Taxes	29,796	(b) 92	(b) 52	(b) 74	(b) 23	(b) 33
Liquor	1,045	5,346	5,563	6,617	7,220	8,095
Lotteries	532	1,804	3,478	4,256	4,333	3,602
Racing	1,251	7,503	6,992	7,430	7,495	7,870
Entertainments	633	906	1,341	1,446	1,838	1,982
Poker Machines Licence Fees	..	..	..	..	764	835
Licences and all other .. .	426	1,491	1,650	1,721	1,784	2,514
Total	50,518	80,400	89,486	98,001	114,535	128,054

(a) From all sources of taxation irrespective of whether paid to Consolidated Revenue or to other funds. Excludes Commonwealth Tax Reimbursements. (b) Arrears of State income taxes.

Details of taxation collections paid into special funds and included in the above table are shown below:—

STATE REVENUE FROM TAXATION : PAYMENTS INTO SPECIAL FUNDS.
(£'000.)

Tax.	1938-39.	1953-54.	1954-55.	1955-56.	1956-57.	1957-58.
Unemployment Relief .. .	1,119	..	..	..	..	..
Hospital	264	..	..	..	..	..
Motor	5,858	20,774	22,879	23,718	27,803	31,593
Stamp Duties, n.e.i. .. .	..	155	181	180	190	188
Land .. .. .	..	..	..	..	100	100
Liquor	92	185	208	135	193	219
Lotteries .. .. .	..	..	..	101	82	60
Racing	83	554	549	596	596	573
Poker Machines Licence Fees	..	..	..	..	764	835
Other	173	765	847	864	846	1,510
Total	7,589	22,433	24,664	25,594	30,574	35,078

(iii) *Business Undertakings.* (a) 1956-57 and 1957-58. A very large proportion of State gross revenue is made up of receipts from business undertakings under the control of the Governments. The most important of these are railways and tramways, harbour works, water supply and sewerage, and electricity supply and, in addition, State batteries for the treatment of auriferous ores in Western Australia and various minor revenue-producing services rendered by the Governments of all States are included. For the year 1956-57, the revenue from these sources was £214,353,000 or 37.1 per cent. of the revenue from all sources and in 1957-58, £207,592,000 or 34.3 per cent. of the revenue from all sources. Details of revenue are as follows:—

STATE REVENUE FROM BUSINESS UNDERTAKINGS, 1956-57.
(£'000.)

Source.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.(a)	Total.
Railways(b)	78,689	(c)37,463	35,583	13,377	14,374	..	179,486
Tramways and Omnibuses	14,260	..	..	..	1,007	..	15,267
Harbours, Rivers, Lights ..	2,887	(d) 503	..	2,121	321	..	5,832
Water Supply, Sewerage, Irrigation and Drainage..	..	3,186	..	3,820	2,897	..	9,903
Electricity Supply .. .. .	..	2,216	..	..	..	..	2,216
Other .. .. .	..	1,025	..	166	458	..	1,649
Total	95,836	44,393	35,583	19,484	19,057	..	214,353

(a) Tasmanian transport services are under the separate control of the Transport Commission. (b) The following contributions to Railways revenue from Consolidated Revenue Fund are excluded—New South Wales, £1,000,000; South Australia, £4,200,000. (c) Includes electric tramways operated by the Railways Department. (d) Includes Harbour Trust Fund contribution £372,000.

STATE REVENUE FROM BUSINESS UNDERTAKINGS, 1957-58.
(£'000.)

Source.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.(a)	Total.
Railways(b)	74,432	(c)35,948	34,135	13,648	12,849	..	171,012
Tramways and Omnibuses	13,821	..	..	..	984	..	14,805
Harbours, Rivers, Lights	2,900	(d) 543	..	2,121	397	..	5,961
Water Supply, Sewerage, Irrigation and Drainage	..	3,893	..	4,798	3,144	..	11,835
Electricity Supply	..	2,431	..	..	..	..	2,431
Other	..	960	..	211	377	..	1,548
Total	91,153	43,775	34,135	20,778	17,751	..	207,592

(a) Tasmanian transport services are under the separate control of the Transport Commission. (b) The following contributions to Railways revenue from Consolidated Revenue Fund are excluded—New South Wales, £1,000,000; South Australia, £4,300,000. (c) Includes electric tramways operated by the Railways Department. (d) Includes Harbour Trust Fund contribution, £399,000.

(b) 1938-39 and 1953-54 to 1957-58. The total revenue from business undertakings and the revenue per head in each State are shown in the following table:—

STATE REVENUE FROM BUSINESS UNDERTAKINGS.

Year.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
TOTAL REVENUE. (£'000.)							
1938-39	24,676	11,649	7,642	4,937	5,633	(a) 511	55,048
1953-54	88,616	41,163	28,952	16,733	15,271	..	190,735
1954-55	87,929	44,021	30,805	17,807	16,695	..	197,257
1955-56	89,496	44,160	30,404	18,435	17,405	..	199,900
1956-57	95,836	44,393	35,583	19,484	19,057	..	214,353
1957-58	91,153	43,775	34,135	20,778	17,751	..	207,592

PER HEAD OF POPULATION.
(£ s. d.)

1938-39	9 0 5	6 2 6	7 11 7	8 5 10	12 1 4	(a)2 3 0	7 19 2
1953-54	26 0 5	16 19 10	22 5 3	21 5 10	24 4 3	..	21 10 10
1954-55	25 8 4	17 13 10	23 4 10	22 1 1	25 14 7	..	21 16 4
1955-56	25 7 10	17 4 4	22 9 7	22 1 10	26 0 4	..	21 11 6
1956-57	26 14 2	16 16 4	25 15 6	22 12 5	27 16 9	..	22 12 2
1957-58	24 18 4	16 3 5	24 6 6	23 9 1	25 8 3	..	21 8 7

(a) Includes Tasmanian transport services which were subsequently placed under the control of the Transport Commission.

In the table below, particulars of total State revenue from business undertakings for the various types of undertakings are shown for the years 1938-39 and 1953-54 to 1957-58:—

STATE REVENUE FROM BUSINESS UNDERTAKINGS.
(£'000.)

Source.	1938-39.	1953-54.	1954-55.	1955-56.	1956-57.	1957-58.
Railways, Tramways and Omnibuses	48,134	176,127	179,878	181,185	194,753	185,817
Harbour Services	2,357	4,782	5,887	5,833	5,832	5,961
Water Supply, Sewerage, Irrigation and Drainage	2,543	6,535	7,872	8,997	9,903	11,835
Other	2,014	3,291	3,620	3,885	3,865	3,979
Total	55,048	190,735	197,257	199,900	214,353	207,592

(iv) *Lands.* The revenue from the sale and rental of Crown lands has, with few exceptions, been treated from the earliest times as forming part of the Consolidated Revenue Funds, and has been applied to meet ordinary expenses. The following table shows the revenue from sales and rentals of Crown lands for the year 1956-57 and 1957-58.

STATE LAND REVENUE 1956-57.
(£'000.)

Source.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
Sales ..	190	169	..	36	39	14	448
Conditional Purchases ..	235	..	..	3	116	..	354
Rentals(a) ..	4,117	59	2,916	488	189	26	7,795
Forestry ..	1,311	2,294	1,383	..	872	390	6,250
Other ..	73	405	153	..	..	11	642
Total ..	5,926	2,927	4,452	527	1,216	441	15,489

(a) Including mining royalties, rents, etc.

STATE LAND REVENUE, 1957-58.
(£'000.)

Source.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
Sales ..	247	111	..	70	63	18	509
Conditional Purchases ..	210	..	..	3	114	..	327
Rentals(a) ..	3,497	158	3,029	199	186	27	7,096
Forestry ..	1,277	2,227	1,397	..	895	409	6,205
Other ..	79	358	193	274	..	9	913
Total ..	5,310	2,854	4,619	546	1,258	463	15,050

(a) Includes mining royalties, rents, etc.

The total land revenue for all States for the years 1938-39 and 1953-54 to 1957-58 respectively was:—£4,144,000, £11,880,000, £12,787,000, £13,937,000, £15,489,000 and £15,050,000.

(v) *Commonwealth Grants.* Commonwealth grants to the States represent a considerable proportion of the States' Revenue. In 1956-57, the total amount (excluding sundry minor items) paid to the Consolidated Revenue Funds of the States was £201,438,000 (34.9 per cent.) and in 1957-58, £223,390,000 (36.9 per cent.). Details for 1956-57 and 1957-58 were as follows—Contribution towards interest on States' debts under the Financial Agreement, £7,585,000, £7,585,000, special grants to the States of South Australia, Western Australia and Tasmania, £18,500,000, £19,500,000, special financial assistance, £19,405,000, £29,145,000, tax reimbursement grants, £154,622,000, £165,819,000, grants to Universities, £581,000, £714,000 and other grants, £745,000, £625,000.

In addition to these, the States receive a number of other grants which are paid to trust funds. The main items in this class are the contribution to the sinking fund on States' debts (£4,640,000 and £5,065,000 in 1956-57 and 1957-58) paid to the National Debt Sinking Fund and grants for Commonwealth Aid Roads (£31,269,000 and £34,614,000 in 1956-57 and 1957-58) paid to State trust funds.

More detailed information concerning Commonwealth grants to the States is given on pages 803-811.

(vi) *Commonwealth National Welfare Fund Payments.* The States also receive payments from the Commonwealth in respect of Hospital and Pharmaceutical Benefits, Nutrition of Children and reimbursement of maintenance expenditure on Tuberculosis Sanatoria. These receipts are paid into Consolidated Revenue Funds or Trust Funds according to the varying accounting procedures in the States. In 1956-57, the total amount paid to State Consolidated Revenue Funds was £8,195,000 (1.4 per cent.) and in 1957-58 £8,085,000 (1.3 per cent.). These amounts were made up of Hospital Benefits, £2,457,000, £2,212,000; Pharmaceutical Benefits, £581,000, £623,000; Nutrition of Children, £1,094,000, £1,140,000; and Tuberculosis—Reimbursement of maintenance expenditure, £4,063,000, £4,120,000.

(vii) *Interest and Miscellaneous.* In addition to the foregoing, there are in each State several miscellaneous sources of revenue, including such items as interest, fines, fees, etc. Interest, mainly from loans to local governing bodies, on public account balances and for soldier land settlement amounted to £18,653,000 in 1956-57 and to £20,175,000 in 1957-58, whilst "Miscellaneous" revenue, which includes fines of the courts and fees for services, amounted to £34,845,000 in 1956-57 and to £37,915,000 in 1957-58.

II.—Expenditure.

1. *General.*—The principal heads of State expenditure from Consolidated Revenue Funds are:—

(a) Interest, exchange and debt redemption charges in connexion with public debt; (b) Working expenses of business undertakings; (c) Education; (d) Health and charitable expenditure; (e) Justice; (f) Police; (g) Penal establishments; and (h) All other expenditure, under which heading are included public works, lands and surveys, agriculture and forestry, legislative and general administration, pensions and miscellaneous.

In earlier years, the working expenses of railways and tramways were the most important item of State Government expenditure but, for a period prior to 1941-42, public debt charges were the heaviest item. Since then, however, railways and tramways expenditure has again taken the major place. In the years 1956-57 and 1957-58, the working expenses of the railways, tramways and omnibuses were 32.9 per cent. and 30.2 per cent. respectively of the total expenditure from the State Consolidated Revenue Funds; next in importance were education, 16.4 per cent and 17.1 per cent.; public debt charges, 14.8 per cent. and 15.9 per cent.; charitable, public health and hospitals, 13.5 per cent. and 13.8 per cent.; and law, order and public safety, 5.6 per cent. and 5.7 per cent. respectively.

2. *Total Expenditure.*—The total expenditure from the Consolidated Revenue Funds of the several States and the expenditure per head of population during each of the years 1938-39 and 1953-54 to 1957-58 are shown in the following table:—

STATE EXPENDITURE: CONSOLIDATED REVENUE FUNDS.

Year.	N.S.W.(a)	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
TOTAL EXPENDITURE.							
(£'000.)							
1938-39 ..	53,558	27,773	19,316	12,701	11,170	3,641	128,159
1953-54 ..	188,564	106,037	69,353	46,566	43,699	13,270	467,489
1954-55 ..	197,586	115,453	73,602	50,918	46,554	14,707	498,820
1955-56 ..	211,232	126,398	77,392	56,782	51,443	17,712	540,959
1956-57 ..	223,700	137,565	85,142	61,610	56,243	19,615	583,875
1957-58 ..	231,464	145,549	89,470	66,742	58,177	20,798	612,200

PER HEAD OF POPULATION.

(£ s. d.)

1938-39 ..	19 11 7	14 16 8	19 3 3	21 6 10	23 18 5	15 6 5	18 10 8
1953-54 ..	55 7 5	43 15 4	53 6 7	59 4 11	69 5 8	42 17 9	52 15 11
1954-55 ..	57 2 3	46 8 0	55 10 8	63 1 2	71 14 9	46 19 9	55 3 4
1955-56 ..	59 18 8	49 5 7	57 4 4	68 0 11	76 17 10	55 9 10	58 7 10
1956-57 ..	62 6 11	52 2 1	61 13 6	71 10 6	82 3 4	60 2 10	61 11 9
1957-58 ..	63 5 5	53 15 3	63 15 2	75 6 7	83 5 8	62 5 0	63 3 11

(a) See § 1, para. 2, page 814.

3. Details of Expenditure.—(i) 1956-57 and 1957-58. The following tables show the total expenditure and expenditure per head of population for each of the principal items:—

STATE EXPENDITURE: DETAILS, 1956-57.

Particulars.	N.S.W.(a)	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.(b)	Total.
TOTAL EXPENDITURE.							
(£'000.)							
Public Debt (interest, exchange, debt redemption, etc.)	26,003	21,080	11,959	13,153	8,893	5,605	86,693
Railways	70,898	37,154	36,738	14,982	16,934	..	176,706
Tramways and Omnibuses	13,981	..	..	..	1,234	..	15,215
Harbours and Rivers, etc.	2,065	494	..	1,314	486	..	4,359
Water Supply, Sewerage, Irrigation and Drainage .. .. .	..	3,017	..	2,922	2,454	..	8,393
Other Business and Industrial Undertakings .. .. .	..	1,117	..	178	1,560	1,295	4,150
Education	37,835	26,007	11,351	8,165	8,062	4,267	95,687
Health and Charitable	28,474	22,912	10,947	6,732	6,494	3,074	78,633
Justice	2,859	1,701	897	397	494	251	6,599
Police	7,503	5,899	3,377	1,517	1,602	823	20,721
Penal establishments	1,887	831	276	382	266	137	3,779
Public Safety	413	44	299	780	103	55	1,694
Adjustment of surplus of previous year(c) .. .. .	..	..	..	40	98	-157	-19
All other expenditure	31,782	17,309	9,298	11,048	7,563	4,265	81,265
Total	223,700	137,565	85,142	61,610	56,243	19,615	583,875

(a) See § 1, para. 2, page 814.

(b) Tasmanian Transport Services are under the separate control of the Transport Commission.

(c) Balance of Special Grant 1954-55. The special Grant for 1956-57 taken into Tasmanian Consolidated Revenue Fund was £3,657,000 although the Commonwealth payment was £3,500,000. The difference was offset in the Tasmanian accounts against the adjusted surplus for 1954-55.

Particulars.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
PER HEAD OF POPULATION.							
(£ s. d.)							
Public Debt (interest, exchange, debt redemption, etc.)	7 4 11	7 19 8	8 13 3	15 5 5	12 19 10	17 3 9	9 2 11
Railways	19 15 2	14 1 5	26 12 3	17 7 11	24 14 9	..	18 12 9
Tramways and Omnibuses	3 17 11	..	..	..	1 16 1	..	1 12 1
Harbours and Rivers, etc.	0 11 6	0 3 9	..	1 10 6	0 14 2	..	0 9 2
Water Supply, Sewerage, Irrigation and Drainage .. .. .	..	1 2 10	..	3 7 10	3 11 9	..	0 17 9
Other Business and Industrial Undertakings .. .. .	..	0 8 6	..	0 4 2	2 5 7	3 19 5	0 8 9
Education	10 10 11	9 17 0	8 4 5	9 9 7	11 15 7	13 1 8	10 1 10
Health and Charitable	7 18 9	8 13 7	7 18 7	7 16 4	9 9 9	9 8 6	8 5 11
Justice	0 15 11	0 12 11	0 13 0	0 9 2	0 14 5	0 15 5	0 13 11
Police	2 1 10	2 4 8	2 8 11	1 15 3	2 6 10	2 10 6	2 3 9
Penal Establishments	0 10 6	0 6 4	0 4 0	0 8 10	0 7 9	0 8 5	0 8 0
Public Safety	0 2 4	0 0 4	0 4 4	0 18 1	0 3 0	0 3 4	0 3 7
Adjustment of surplus of previous years .. .. .	..	..	..	0 0 11	0 2 10	-0 9 8	-0 0 1
All other expenditure	8 17 2	6 11 1	6 14 9	12 16 6	11 1 0	13 1 6	8 11 5
Total	62 6 11	52 2 1	61 13 6	71 10 6	82 3 4	60 2 10	61 11 9

STATE EXPENDITURE: DETAILS, 1957-58.

Particulars.	N.S.W.(a)	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.(b)	Total.
TOTAL EXPENDITURE.							
(£'000.)							
Public Debt (interest, exchange, debt redemption, etc.)	28,571	23,919	13,436	14,596	10,066	6,535	97,123
Railways	67,584	35,932	35,757	14,944	15,904	..	170,121
Tramways and Omnibuses	13,720	..	..	..	1,242	..	14,962
Harbours and Rivers, etc.	2,126	568	..	1,340	503	..	4,537
Water Supply, Sewerage, Irrigation and Drainage .. .. .	..	3,268	..	3,688	2,542	..	9,498
Other Business and Industrial Undertakings .. .. .	..	986	765	215	1,198	1,537	4,701
Education	41,173	28,680	12,339	9,128	9,020	4,362	104,702
Health and Charitable	30,243	24,915	11,738	7,080	7,267	3,206	84,449
Justice	3,086	1,898	938	417	493	267	7,099
Police	8,078	6,426	3,522	1,703	1,712	835	22,276
Penal establishments	1,994	907	315	421	301	146	4,084
Public Safety	471	44	271	158	121	53	1,118
Adjustment of surplus of previous years(c)	..	..	..	842	322	-816	348
All other expenditure	34,418	18,006	10,389	12,210	7,486	4,673	87,182
Total	231,464	145,549	89,470	66,742	58,177	20,798	612,200

(a) See § 1, para. 2, page 814.

(b) Tasmanian transport services are under the separate control of the Transport Commission.

(c) Balance of Special Grant, 1955-56. The Special Grant for 1957-58 taken into Tasmanian Consolidated Revenue Fund was £4,466,000, although the Commonwealth payment was £3,650,000. The difference was offset in the Tasmanian accounts against the adjusted surplus for 1955-56.

Particulars.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
PER HEAD OF POPULATION.							
(£ s. d.)							
Public Debt (interest, exchange, debt redemption, etc.)	7 16 2	8 16 9	9 11 6	16 9 6	14 8 5	19 11 2	10 0 6
Railways	18 9 6	13 5 6	25 9 7	16 17 4	22 15 4	..	17 11 3
Tramways and Omnibuses	3 15 0	..	..	..	1 15 6	..	1 10 11
Harbours and Rivers, etc.	0 11 8	0 4 2	..	1 10 3	0 14 5	..	0 9 4
Water Supply, Sewerage, Irrigation and Drainage .. .. .	..	1 4 2	..	4 3 3	3 12 9	..	0 19 7
Other Business and Industrial Undertakings .. .. .	..	0 7 3	0 10 11	0 4 10	1 14 3	4 12 0	0 9 8
Education	11 5 1	10 12 0	8 15 10	10 6 1	12 18 3	13 1 1	10 16 2
Health and Charitable	8 5 4	9 4 1	8 7 4	7 19 10	10 8 1	9 11 11	8 14 4
Justice	0 16 10	0 14 0	0 13 5	0 9 5	0 14 1	0 16 0	0 14 8
Police	2 4 2	2 7 3	2 10 2	1 18 5	2 9 0	2 10 0	2 6 0
Penal establishments	0 10 11	0 6 9	0 4 6	0 9 6	0 8 7	0 8 9	0 8 5
Public safety	0 2 7	0 0 4	0 3 10	0 3 7	0 3 5	0 3 2	0 2 4
Adjustment of surplus of previous years .. .. .	..	..	..	0 19 0	0 9 3	-2 8 10	0 0 9
All other expenditure	9 8 2	6 13 0	7 8 1	13 15 7	10 14 4	13 19 9	9 0 0
Total	63 5 5	53 15 3	63 15 2	75 6 7	83 5 8	62 5 0	63 3 11

(ii) 1938-39 and 1953-54 to 1957-58. Combined expenditure by the several States for these years on each of the principal items is shown in the following table.

STATE EXPENDITURE.
(£'000.)

Particulars.	1938-39.	1953-54.	1954-55.	1955-56.	1956-57.	1957-58.
Public Debt (interest, exchange, debt redemption, etc.) ..	40,158	61,225	70,394	79,540	86,693	97,123
Railways, Tramways and Omnibuses (working expenses) ..	38,138	170,209	173,915	185,236	191,921	185,083
Harbours and Rivers, etc. ..	680	3,916	4,444	4,421	4,359	4,537
Water Supply, Sewerage, Irrigation and Drainage ..	1,076	6,438	7,051	7,650	8,393	9,498
Other Business and Industrial Undertakings ..	1,035	3,522	3,554	3,494	4,150	4,701
Education ..	12,639	67,162	76,249	87,110	95,687	104,702
Health and Charitable ..	15,307	60,672	67,338	70,888	78,633	84,449
Justice ..	1,323	5,071	5,349	6,031	6,599	7,099
Police ..	3,733	15,688	16,679	18,788	20,721	22,276
Penal establishments ..	646	2,747	2,928	3,207	3,779	4,084
Public Safety ..	297	867	852	930	1,694	1,118
Reduction of previous deficits or adjustment of surpluses ..	..	300	-250	-159	-19	348
All other expenditure ..	13,127	69,672	70,317	73,823	81,265	87,182
Total	128,159	467,489	498,820	540,959	583,875	612,200

Division III.—Surplus Revenue.

The following table shows for each of the years 1938-39 and 1953-54 to 1957-58 the total amount and amount per head of population of the surplus or deficit of each State:—

STATE SURPLUS REVENUE.

Year.	N.S.W.(a)	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
TOTAL AMOUNT. (£'000.)							
1938-39 ..	-2,459	- 787	14	- 397	- 221	- 26	- 3,876
1953-54 ..	128	711	343	1,810	- 103	15	2,904
1954-55 ..	-2,148	1,336	218	-2,234	- 484	-212	- 3,524
1955-56 ..	-6,833	- 3,246	-1,723	-1,430	-1,831	115	-14,948
1956-57 ..	129	-4,311	16	- 49	-1,912	-814	- 6,941
1957-58 ..	46	-3,213	-1,515	- 400	-1,123	-812	- 7,017

PER HEAD OF POPULATION.
(£ s. d.)

1938-39 ..	-0 18 0	-0 8 5	0 0 3	-0 13 4	-0 9 5	-0 2 3	-0 11 3
1953-54 ..	0 0 9	0 5 10	0 5 3	2 6 1	-0 3 3	0 0 11	0 6 7
1954-55 ..	-0 12 5	0 10 9	0 3 4	-2 15 4	-0 14 11	-0 13 6	-0 7 10
1955-56 ..	-1 18 9	-1 5 3	-1 5 6	-1 14 3	-2 14 9	0 7 2	-1 12 4
1956-57 ..	0 0 9	-1 12 7	0 0 3	-0 1 2	-2 15 11	-2 9 11	-0 14 8
1957-58 ..	0 0 3	-1 3 8	-1 1 7	-0 9 0	-1 12 2	-2 8 7	-0 14 5

(a) See § 1, para. 2, page 814.

NOTE.—Minus sign (–) indicates deficit.

§ 3. State Trust Funds.

In addition to the moneys received as revenue and paid to the credit of the Consolidated Revenue Funds, considerable sums are held in trust for various purposes by the State Governments. The balances of trust funds held at 30th June for each of the years 1939 and 1954 to 1958 were as follows:—

STATE TRUST FUND BALANCES.

(£'000.)

At 30th June—			N.S.W.(a)	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
1939	..	..	15,684	8,189	3,062	1,448	3,744	530	32,657
1954	..	..	63,284	29,023	47,808	4,131	13,925	1,671	159,842
1955	..	..	63,435	30,649	50,549	4,127	11,686	739	161,185
1956	..	..	52,993	29,850	47,165	4,517	13,535	838	148,898
1957	..	..	55,412	32,138	48,034	4,718	14,537	1,151	155,990
1958	..	..	63,826	16,352	53,921	5,650	14,565	1,560	155,874

(a) Special Deposits Account and Special Accounts.

§ 4. State Loan Funds.

1. **General.**—As far back as 1842, revenue collections were supplemented by borrowed moneys, the earliest loan being raised by New South Wales for the purpose of assisting immigration, at rates of interest varying from 2½d. to 5½d. per £100 per diem, or approximately from 4½ per cent. to 8 per cent. per annum. State public borrowing however is mainly due to the fact that the State Governments, in addition to ordinary administrative duties, undertake functions which in other countries are usually entrusted to local authorities or left to private enterprise. Foremost amongst these are the construction and operation of the railway systems. Loan moneys have also been largely used for improvements to harbours and rivers, and for the construction of roads, water supply and sewerage works. The State loan expenditure and public debt thus differ very materially from those of most European countries, and from those of the Commonwealth, where such expenditure was very largely incurred for defence or war purposes, as the State debts consist chiefly of moneys raised and expended with the object of assisting the development of the resources of the country, and are to a very large extent represented by tangible assets.

Statements relating to "gross" loan expenditure are shown below. The gross expenditure represents the amounts disbursed during each year. Details of "net" loan expenditure, i.e., gross expenditure less any credits to the Loan Fund during the year on account of repayments of advances to local governing bodies, settlers, etc., the sale of assets, and transfers from other funds may be found in *Finance, Part I, Public and Private Finance* Bulletin No. 48, 1956–57 and No. 49, 1957–58. Such moneys are credited to the Loan Fund in the year of repayment irrespective of when the advance was made. (See also following page).

2. **Gross Loan Expenditure.**—(i) 1956–57 and 1957–58. Particulars of gross loan expenditure on works, services, etc., are shown in the following table:—

STATE GROSS LOAN EXPENDITURE ON WORKS, SERVICES, ETC., 1956-57.
(£'000.)

Particulars.	N.S.W.	Vic.(a)	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
Public Works and Services—							
Railways ..	12,500	7,407	5,510	2,314	3,820	566	32,117
Tramways and Omnibuses ..	1,000	..	..	500	111	151	1,762
Roads ..	159	{ 626 }	{ -451 }	10	..	..	..
Bridges ..	2,394	{ 107 }	..	..	..	..	..
Harbours and Rivers ..	..	{ 299 }	{ -35 }	1,052	{ 694 }	672	5,527
Lights and Lighthouses ..	..	..	..	..	..	..	..
Water Supply ..	..	{ 6,590 }	{ 2,242 }	4,723	{ 2,653 }	172	21,599
Sewerage ..	2,762	{ 1,008 }	..	972	477	..	..
Electricity Supply ..	10,500	{ 3,400 }	..	5,000	2,100	6,634	27,634
Gas supply ..	..	{ 130 }	..	..	..	..	130
Public Buildings ..	13,333	14,686	3,079	6,224	2,847	2,128	42,297
Loans and Grants to Local Bodies ..	196	164	5,626	..	73	..	6,059
Housing (b) ..	86	321	1,654	2,811	1,360	232	6,464
Other Public Works, etc.	381	371	..	62	89	243	1,146
Primary Production—							
Soldier Settlement ..	3,837	3,580	301	2	..	30	7,750
Land for Settlement ..	..	..	241	47	41	..	329
Advances to Settlers ..	..	50	..	130	..	95	275
Water Conservation ..	..	..	2,339	{ 591 }	{ 203 }	..	10,551
Irrigation and Drainage ..	6,622	..	..	{ 538 }	{ 258 }	..	..
Vermi-proof Fencing ..	..	..	(c) 90	(d)	..	..	90
Agriculture ..	..	..	..	..	150	..	150
Agricultural Bank ..	..	..	920	..	80	..	1,000
Forestry ..	130	750	1,406	1,051	100	268	3,705
Mines and Mineral Resources ..	..	..	54	267	407	..	1,182
Other ..	311	143	..	49	8	1	219
Other Purposes ..	85	76	..	42	2,465	41	3,790
Total Public Works, Services, etc.	54,296	40,950	22,976	26,385	17,936	11,233	173,776
Per Head of Population ..	£15 2 8	£15 10 3	£16 12 10	£30 12 8	£26 4 1	£34 8 10	£18 6 7

(a) Expenditure from Loan Funds and on account of Loans; includes expenditure from Loan Funds, from Treasurer's Advance Account and from State Loans Repayment Fund. (b) Excludes expenditure from Commonwealth loans under Commonwealth-State Housing Agreement. (c) £90,000 transferred to Barrier Fences Trust Fund. (d) Included with Advances to Settlers. (e) Includes Rural Finance Corporation, for advances to rural industries, £920,000.

STATE GROSS LOAN EXPENDITURE ON WORKS, SERVICES, ETC., 1957-58.
(£'000.)

Particulars.	N.S.W.	Vic.(a)	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
Public Works and Services—							
Railways ..	12,600	7,049	4,940	1,989	2,904	221	29,703
Tramways and Omnibuses ..	1,300	..	..	700	79	100	2,179
Roads ..	150	{ 739 }	{ -415 }	15	..	..	..
Bridges ..	..	{ 845 }	..	..	..	..	..
Harbours and Rivers ..	2,731	{ 290 }	22	1,160	{ 946 }	524	7,007
Lights and Lighthouses ..	..	..	..	..	..	..	..
Water Supply ..	..	{ 6,960 }	{ -4,520 }	4,649	{ 2,696 }	147	16,298
Sewerage ..	4,090	{ 500 }	..	1,311	465	..	..
Electricity Supply ..	10,250	{ 3,200 }	..	3,000	1,240	5,985	23,675
Gas Supply ..	..	{ 150 }	..	..	..	..	150
Public Buildings ..	15,458	15,342	3,761	6,198	2,997	2,516	46,272
Loans and Grants to Local Bodies ..	237	613	11,812	..	162	..	12,824
Housing(b) ..	170	..	2,100	2,555	1,151	258	6,234
Other Public Works, etc.	169	300	..	94	1,134	558	2,255
Primary Production—							
Soldier Settlement ..	3,808	3,599	322	2	..	42	7,773
Land for Settlement ..	..	..	174	100	..	..	274
Advances to Settlers ..	..	121	..	185	..	105	411
Water Conservation ..	..	..	2,345	{ 561 }	{ 309 }	..	10,296
Irrigation and Drainage ..	6,157	..	..	{ 509 }	{ 415 }	..	..
Vermi-proof Fencing ..	..	3 (c)	40	(d)	..	..	43
Agriculture ..	..	..	147	..	177	..	324
Agricultural Bank ..	..	..	1,050	..	377	..	1,427
Forestry ..	125	616	1,376	986	100	282	3,485
Mines and Mineral Resources ..	..	23	36	158	636	..	1,104
Other ..	251	77	..	23	11	..	212
Other Purposes ..	101	91	..	577	115	144	1,747
Total Public Works, Services, etc.	57,597	41,338	23,190	24,772	15,914	10,882	173,693
Per Head of Population ..	£15 14 11	£15 5 5	£16 10 6	£27 19 2	£22 15 7	£32 11 5	£17 18 7

(a) Expenditure from Loan Funds and on account of Loans; includes expenditure from Loan Funds, from Treasurer's Advance Account and from State Loans Repayment Fund. (b) Excludes expenditure from Commonwealth loans under Commonwealth-State Housing Agreement. (c) £40,000 transferred to Barrier Fences Trust Fund. (d) Included with Advances to Settlers. (e) Includes Rural Finance Corporation, for advances to rural industries, £700,000.

(ii) 1938-39 and 1953-54 to 1957-58. Particulars of gross loan expenditure on works, etc., for these years are shown in the following table :—

STATE GROSS LOAN EXPENDITURE ON WORKS, SERVICES, ETC.

Year.	N.S.W.	Vic.(a)	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
GROSS LOAN EXPENDITURE. (£'000.)							
1938-39 ..	8,789	3,218	3,393	2,529	1,783	1,687	21,399
1953-54 ..	60,021	45,665	20,630	25,452	15,824	15,356	182,948
1954-55 ..	53,336	40,952	20,498	26,897	16,433	17,211	175,327
1955-56 ..	55,369	39,131	21,655	29,019	14,983	17,354	177,511
1956-57 ..	54,296	40,950	22,976	26,385	17,936	11,233	173,776
1957-58 ..	57,597	41,338	23,190	24,772	15,914	10,882	173,693

PER HEAD OF POPULATION.
(£ s. d.)

1938-39 ..	3 4 3	1 14 5	3 7 4	4 5 0	3 16 4	7 2 0	3 1 11
1953-54 ..	17 12 6	18 16 11	15 17 3	32 7 8	25 1 10	49 12 7	20 13 3
1954-55 ..	15 8 4	16 9 2	15 9 4	33 6 2	25 6 6	54 19 10	19 7 9
1955-56 ..	15 14 2	15 5 2	16 0 2	34 15 6	22 7 11	54 7 4	19 3 2
1956-57 ..	15 2 8	15 10 3	16 12 10	30 12 8	26 4 1	34 8 10	18 6 7
1957-58 ..	15 14 11	15 5 5	16 10 6	27 19 2	22 15 7	32 11 5	17 18 7

(a) See footnote (a) to previous table.

The above tables do not include particulars of expenditure on loan discounts and flotations, the funding of deficits, the retirement of treasury bills, and similar items of a nature other than works, services, etc. Summaries of the gross and net expenditure and repayments in respect of all loan purposes for the years 1955-56 to 1957-58 are shown in paragraph 3 following.

3. Total Loan Expenditure.—The following table shows particulars, in summary form, of the total loan expenditure in each State during each of the years, 1955-56 to 1957-58.

STATE LOAN EXPENDITURE : SUMMARY.
(£'000.)

Particulars.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
1955-56.							
<i>Works and Services—</i>							
Gross Expenditure ..	55,369	39,131	21,655	29,019	14,983	17,354	177,511
Net Expenditure ..	49,750	36,343	19,015	24,152	13,314	13,301	155,875
Repayments ..	5,619	2,788	2,640	4,867	1,669	4,053	21,636
<i>Other than Works, etc.(a)—</i>							
Gross Expenditure ..	8	31	1	107	160	252	559
Net Expenditure ..	8	31	94	9	146	223	511
Repayments ..	..	..	-93	98	(b) 14	29	48
Total Loan Expenditure—							
Gross ..	55,377	39,162	21,656	29,126	15,143	17,606	178,070
Net ..	49,758	36,374	19,109	24,161	13,460	13,524	156,386
Repayments ..	5,619	2,788	2,547	4,965	1,683	4,082	21,684

For footnotes see next page.

STATE LOAN EXPENDITURE : SUMMARY—continued.
(£'000.)

Particulars.	N.S.W.	Vic.	O'land.	S. Aust.	W. Aust.	Tas.	Total.
1956-57.							
<i>Works and Services—</i>							
Gross Expenditure ..	54,296	40,950	22,976	26,385	17,936	11,233	173,776
Net Expenditure ..	48,975	38,449	20,114	23,953	16,278	10,535	158,304
Repayments ..	5,321	2,501	2,862	2,432	1,658	698	15,472
<i>Other than Works, etc.(a)—</i>							
Gross Expenditure ..	2,671	4,747	—1	1,062	2,072	539	11,090
Net Expenditure ..	2,671	4,747	79	1,031	2,049	484	11,061
Repayments ..	..	..	—80	31	(b) 23	55	29
Total Loan Expenditure—							
Gross ..	56,967	45,697	22,975	27,447	20,008	11,772	184,866
Net ..	51,646	43,196	20,193	24,984	18,327	11,019	169,365
Repayments ..	5,321	2,501	2,782	2,463	1,681	753	15,501
1957-58.							
<i>Works and Services—</i>							
Gross Expenditure ..	57,597	41,338	23,190	24,772	15,914	10,882	173,693
Net Expenditure ..	52,610	38,421	20,022	21,752	14,136	10,044	156,985
Repayments ..	4,987	2,917	3,168	3,020	1,778	838	16,708
<i>Other than Works, etc.(a)—</i>							
Gross Expenditure ..	—986	3,965	..	57	1,364	813	5,213
Net Expenditure ..	—986	3,965	—590	..	1,308	789	4,486
Repayments ..	..	..	590	57	(b) 56	24	727
Total Loan Expenditure—							
Gross ..	56,611	45,303	23,190	24,829	17,278	11,695	178,906
Net ..	51,624	42,386	19,432	21,752	15,444	10,833	161,471
Repayments ..	4,987	2,917	3,758	3,077	1,834	862	17,435

(a) Includes exchange, discounts and flotation expenses, revenue and general cash deficits.

(b) From Consolidated Revenue Fund.

Information relating to the State Public Debt is given in division D. Commonwealth and State Public Debt (pp. 833-846).

C. COMMONWEALTH AND STATE FINANCE.

1. Revenue and Expenditure.—(i) *Consolidated Revenue Funds.* The following tables show the aggregate revenue and expenditure of the Consolidated Revenue Funds of the Commonwealth and States for each of the years 1938-39 and 1953-54 to 1957-58. In these tables, the combined Commonwealth and State totals have been adjusted to exclude major duplications, but the separate Commonwealth and State figures are as shown in other divisions of this chapter. The items excluded from the total figures are :—payments made by the Commonwealth to the States and included in the State Consolidated Revenue Funds on account of tax reimbursements, interest under the Financial Agreement, special grants, special financial assistance, coal strike emergency grants, price control reimbursements, grants to universities, cattle tick control, tuberculosis capital expenditure, National Welfare Fund payments, and estimated payments of pay-roll tax by the States to the Commonwealth. There are other relatively minor payments for which adjustments have not been made and the adjusted figures are therefore still slightly overstated.

COMMONWEALTH AND STATES : REVENUE AND EXPENDITURE.

Year ended 30th June—	Revenue.			Expenditure.		
	Commonwealth.	States.	Total.	Commonwealth.	States.	Total.
	£'000.	£'000.	£m.	£'000.	£'000.	£m.
1939 ..	95,065	124,283	209.6	95,065	128,159	213.5
1954 ..	1,022,790	470,393	1,314.2	1,022,790	467,489	1,311.3
1955 ..	1,067,441	495,296	1,378.2	1,067,441	498,820	1,381.7
1956 ..	1,138,358	526,011	1,466.1	1,138,358	540,959	1,481.0
1957 ..	1,311,835	576,934	1,672.4	1,311,835	583,875	1,679.4
1958 ..	1,323,771	605,183	1,690.7	1,323,771	612,200	1,697.7

(ii) *Loan Expenditure.* The aggregate gross loan expenditures of the Commonwealth and States on works and services for the years 1938-39 and 1953-54 to 1957-58 are shown in the following table :—

COMMONWEALTH AND STATE GROSS LOAN EXPENDITURE : WORKS AND SERVICES.(a)
(£'000.)

Gross Loan Expenditure.	1938-39.	1953-54.	1954-55.	1955-56.	1956-57.	1957-58.
Commonwealth(b)	3,913	41,399	33,189	44,003	44,068	45,174
State	21,399	182,948	175,327	177,511	173,776	173,693
Total	25,312	224,347	208,516	221,514	217,844	218,867

(a) Excludes expenditure on loan flotations, funding deficits, etc. (b) Includes expenditure on Defence, War (1939-45) and Repatriation Services. Excludes payments to the National Debt Sinking Fund from proceeds of the loan from the International Bank for Reconstruction and Development, payments to the Swiss Loan Trust account from proceeds of the Swiss Loan and payments to the Canadian Loan Trust account from proceeds of the Canadian Loan (see p. 850).

2. *Taxation.*—The following table shows the combined Commonwealth and State taxation, and the amount per head of population, for the years 1938-39 and 1953-54 to 1957-58. Taxation collections by the State Governments which are not paid into the Consolidated Revenue Funds have been included.

COMMONWEALTH AND STATE TAXATION : TOTAL NET COLLECTIONS.(a)

Particulars.	1938-39.	1953-54.	1954-55.	1955-56.	1956-57.	1957-58.
NET COLLECTIONS. (£'000.)						
Customs and Excise Duties ..	47,632	220,217	244,403	255,772	286,037	303,051
Sales Tax	9,308	95,689	100,446	110,001	125,752	137,777
Land Tax	2,897	4,359	5,011	5,969	11,827	15,407
Pay-roll Tax .. ..	..	40,384	41,455	45,543	48,675	48,552
Income Taxes	41,679	528,273	532,968	574,062	620,321	650,452
Probate and Succession Duties	6,916	28,525	31,216	33,508	37,089	39,477
Stamp Duties n.e.i.	3,466	14,543	16,027	18,181	21,336	24,527
Motor Taxes	6,961	25,877	27,783	28,199	33,539	37,520
Liquor Taxes	1,045	5,346	5,563	6,617	7,220	8,095
Racing	1,251	7,503	6,992	7,430	7,495	7,870
Entertainments Tax	633	2,883	1,339	1,445	1,838	1,982
Licences, n.e.i., and other Taxes	2,841	7,251	13,891	14,334	12,142	14,877
Total	124,629	980,850	1,027,094	1,101,781	1,213,271	1,289,587

PER HEAD OF POPULATION.
(£ s. d.)

Customs and Excise Duties ..	6 17 5	24 14 10	26 17 9	27 9 1	30 0 0	31 2 1
Sales Tax	1 6 10	10 15 0	11 1 0	11 16 2	13 3 9	14 2 8
Land Tax	0 8 4	0 9 10	0 11 0	0 12 10	1 4 10	1 11 7
Pay-roll Tax .. ..	..	4 10 9	4 11 2	4 17 9	5 2 1	4 19 8
Income Taxes	6 0 3	59 7 1	58 12 7	61 12 6	65 1 2	66 14 10
Probate and Succession Duties	0 19 11	3 4 1	3 8 8	3 11 11	3 17 9	4 1 0
Stamp Duties n.e.i.	0 10 0	1 12 8	1 15 3	1 19 0	2 4 9	2 10 4
Motor Taxes	1 0 1	2 18 2	3 1 2	3 2 1	3 10 4	3 17 0
Liquor Taxes	0 3 0	0 12 0	0 12 3	0 14 2	0 15 2	0 16 7
Racing .. ..	..	0 16 10	0 15 5	0 15 11	0 15 9	0 16 2
Entertainments Tax	0 5 6	0 6 6	0 3 0	0 3 1	0 3 10	0 4 1
Licences, n.e.i., and other Taxes	0 8 1	0 16 4	1 10 7	1 11 0	1 5 6	1 10 6
Total	17 19 5	110 4 1	112 19 10	118 5 6	127 4 11	132 6 6

(a) For separate details of Commonwealth and State taxation collections, see pages 785 and 815.

D. COMMONWEALTH AND STATE PUBLIC DEBT.**§ 1. General.**

Under the Financial Agreement between the Commonwealth and the States in 1927, the Commonwealth and State public debts were amalgamated and the Commonwealth Government accepted responsibility for the State public debts. The Commonwealth is reimbursed by the States for interest, exchange, etc., paid on their behalf and the debt is redeemed from the National Debt Sinking Fund to which both the Commonwealth and the States make contributions. Under the agreement, the Commonwealth arranges for all borrowings on behalf of the Commonwealth and the States, and Commonwealth securities are issued for all money borrowed.

In the statistical tables relating to public debt, the units of currency for debt outstanding and interest payable, except in § 3, para. 5, are :—Debt in Australia—£ Australian ; Debt in London—£ Sterling ; Debt in New York—£ (converted from dollars at the rate of \$4.8665 to £1) ; Debt in Canada—£ (converted from dollars at the rate of \$4.8665 to £1) ; Debt in Switzerland—£ (converted from Swiss francs at the rate of 1,000 Swiss francs = £A.102 1s. 10d).

The totals shown represent the total “ face ” or “ book ” value of the debt without adjustment on account of the difference in currency mentioned above.

In § 3, para. 5 only, details of the debt for the Commonwealth and each State are given in Australian currency.

§ 2. The Financial Agreement between the Commonwealth and the States.

1. **General.**—Full details of the Financial Agreement between the Commonwealth and the States are given in earlier issues of the Official Year Book (*see* No. 37, pp. 685–690). In this issue, a summary of the main provisions only is given.

2. **Australian Loan Council.**—The Australian Loan Council was set up to co-ordinate the public borrowings of the Commonwealth and the States. It consists of the Prime Minister of the Commonwealth, or another Minister nominated by him in writing, as Chairman, and the State Premiers, or Ministers nominated by them in writing. Each year the Loan Council examines the loan programmes of the Commonwealth and the States and determines the total amount to be borrowed during the year. Borrowings by the Commonwealth for defence purposes are not subject to decisions of the Loan Council.

3. **Loan Raisings for the Commonwealth and States.**—Subject to the decisions of the Loan Council, the Commonwealth arranges for all borrowings for or on behalf of the Commonwealth or any State, and for all conversions, renewals, redemptions, and consolidations of the public debts of the Commonwealth and of the States.

If the Loan Council unanimously decides, however, a State may borrow outside Australia in its own name, and may issue securities for the amount so borrowed. The Commonwealth then guarantees that the State will fulfil all its obligations to bondholders in respect of the money so borrowed and the money is deemed to be borrowed by the Commonwealth for and on behalf of the State.

Subject to any maximum limits decided upon by the Loan Council for interest, brokerage, discount and other charges, the Commonwealth or any State may—

- (i) borrow within its own territory, for any purpose, money from any authorities, bodies, funds or institutions (including Savings Banks) constituted or established under Commonwealth or State law or practice ;
- (ii) borrow from the public by means of counter sales of securities ; and
- (iii) use any available public moneys.

However, any securities issued for money so borrowed or used must be Commonwealth securities on terms approved by the Loan Council.

4. **Taking over of State Public Debts.**—The Commonwealth took over on 1st July, 1929—

- (a) the balance then unpaid of the gross public debt of each State existing on 30th June, 1927 ; and
- (b) all other debts of each State existing on 1st July, 1929, for money borrowed by that State deemed by the Agreement to be money borrowed by the Commonwealth for and on behalf of the State,

and in respect of these debts assumed, as between the Commonwealth and the States the liabilities of the States to bond holders.

5. *Transferred Properties.*—In relation to State properties transferred to the Commonwealth under Section 85 of the Constitution, the States as from 1st July, 1929, were discharged from any liability in respect of principal, interest or debt redemption on so much of the debts bearing interest at 5 per cent. per annum, taken over by the Commonwealth as amounted to the agreed value of these properties, namely £10,924,323.

6. *Payment of Interest.*—For a period of 58 years from 1st July, 1927, the Commonwealth agreed to contribute the sum of £7,584,912 each year towards the interest payable on the State debts. The balance of the interest payable on the State debts is paid to the Commonwealth by the States.

7. *Sinking Fund.*—(i) *State Public Debt existing at 30th June, 1927.* A sinking fund at the rate of 7s. 6d. per annum for each £100 of the net public debts of the States existing on 30th June, 1927, and conversions thereof, was established under the terms of the Agreement. The Commonwealth contributes annually from revenue 2s. 6d. per £100 on the net public debts of the States existing at 30th June, 1927, and each State contributes annually 5s. per £100 on the net public debt of such State at 30th June, 1927. The payments of the Commonwealth and of all States except New South Wales will continue for a period of 58 years from 1st July, 1927, and those of New South Wales for a similar period from 1st July, 1928.

(ii) *New Borrowings.* On new borrowings after 1st July, 1927, (except those for redemptions or conversions, or funding a State deficit) a sinking fund at the rate of 10s. per £100 per annum was established and the State and the Commonwealth contribute from revenue equal shares for a period of 53 years from the date of raising. (New South Wales did not commence sinking fund contributions in respect of new loans raised in the financial year 1927–28 until 1st July, 1928.)

(iii) *Loans raised to meet a Revenue Deficit.* In respect of any loan (except any of the loans referred to in para. (iv) below) raised by a State after 30th June, 1927, to meet a revenue deficit accruing after that date, no sinking fund contribution is made by the Commonwealth, but the State makes a sinking fund contribution at the rate of not less than 4 per cent. per annum of the loan for a period sufficient to provide for the redemption of the loan, the contributions being deemed to accumulate at the rate of 4½ per cent. per annum compound interest.

(iv) *Loans raised to meet Revenue Deficits between 30th June, 1927 and 1st July, 1935.* Special contributions are payable in respect of loans raised by a State or by the Commonwealth on behalf of a State, on the security of Commonwealth Treasury Bills, to meet a revenue deficit which accrued after 30th June, 1927, and before 1st July, 1935. Details of these contributions are given in Official Year Book No. 37, pages 688 and 689.

(v) *National Debt Commission.* The sinking funds established are controlled by the National Debt Commission, which may arrange with any State to act as its agent in connexion with payments due to bond holders. Except where the conditions relating to sinking funds, redemption funds, and funds of a like nature held by a State on 30th June, 1929, precluded such transfer, all such funds were transferred to the National Debt Commission.

(vi) *Operation of Sinking Fund.* Sinking fund contributions made in respect of the debts of a State, and funds of that State transferred to the National Debt Commission, are not accumulated but must be applied, whenever expedient, to the redemption and repurchase of loan securities. When such a loan security is repurchased or redeemed by the National Debt Commission, it is cancelled, and the State, in addition to sinking fund contributions otherwise payable, pays a further annual sinking fund contribution at the rate of 4½ per cent. on the face value of the cancelled security for the balance of the period during which the original contribution is payable in respect of that debt.

(vii) *Oversea Debt.* Sinking fund contributions in respect of oversea debt shall be calculated at the mint par of exchange prevailing on 1st July, 1927.

8. Borrowing by Semi-Governmental Authorities.—It was realized from the inception of the Loan Council that, in the interests of co-ordinated borrowing, the Council should be advised of the borrowing of large amounts by semi-governmental authorities. In May, 1936, all resolutions passed by the Loan Council in connexion with semi-governmental borrowings were consolidated into one set of rules, which superseded all previous resolutions. This set of rules provides, *inter alia*, for the submission of annual loan programmes in respect of semi-governmental authorities proposing to raise £100,000 or more in a year, for the consideration of such programmes in conjunction with the loan programme of the Government concerned, and for the fixing of the terms of individual semi-governmental loans coming within the scope of the annual programme.

§ 3. Commonwealth and State Public Debt Outstanding.

1. Public Debt, Annual Interest Payable and Average Rate of Interest at 30th June, 1957 and 1958.—In the following tables, details are given of the Commonwealth and State Public Debt, annual interest payable and average rate of interest at 30th June, 1957 and 1958.

COMMONWEALTH AND STATE PUBLIC DEBT AND ANNUAL INTEREST PAYABLE AT 30th JUNE, 1957.

Particulars.	Maturing in—					Total.
	Australia.	London.	New York.	Canada.	Switzer-land.	
DEBT.						
	£A.'000.	£Stg.'000.	£'000.(a)	£'000.(a)	£'000.(a)	£'000.(a)
<i>Commonwealth Debt—</i>						
<i>War (1914–18) Debt(b)—</i>						
Stock and Bonds	112,518	7,534	..	..	..	120,052
Other Debt(c)	88	..	..	..	..	88
<i>Total War (1914–18) Debt</i>	<i>112,606</i>	<i>7,534</i>	<i>..</i>	<i>..</i>	<i>..</i>	<i>120,140</i>
<i>War (1939–45) Debt—</i>						
Stock and Bonds	919,395	5,725	..	..	..	925,120
Treasury Bill, Internal	240,990	..	..	..	..	240,990
Treasury Bills, Public	150,000	..	..	..	..	150,000
Other Debt(d)	23,708	..	..	..	..	23,708
<i>Total War (1939–45) Debt</i>	<i>1,334,093</i>	<i>5,725</i>	<i>..</i>	<i>..</i>	<i>..</i>	<i>1,339,818</i>
<i>Works and Other Purposes—</i>						
Stock and Bonds	288,487	48,711	9,011	3,069	12,251	361,529
Treasury Bills, Internal	10,810	..	..	..	..	10,810
International Bank Dollar Loan .. .. .	..	..	51,537	..	..	51,537
Serial Notes .. .. .	..	..	1,597	..	..	1,597
<i>Total Works and Other Purposes</i>	<i>299,297</i>	<i>48,711</i>	<i>62,145</i>	<i>3,069</i>	<i>12,251</i>	<i>425,473</i>
<i>Total Commonwealth Debt</i>	<i>1,745,996</i>	<i>61,970</i>	<i>62,145</i>	<i>3,069</i>	<i>12,251</i>	<i>1,885,431</i>
<i>State Debt—</i>						
Stock and Bonds	1,786,806	257,380	22,414	..	..	2,066,600
Debentures	35,636	..	..	..	..	35,636
Balance of Debts of States taken over by Commonwealth and still represented by State Securities .. .. .	..	4,241	..	..	..	4,241
<i>Total State Debt</i>	<i>1,822,442</i>	<i>261,621</i>	<i>22,414</i>	<i>..</i>	<i>..</i>	<i>2,106,477</i>
Grand Total Commonwealth and State Debt	3,568,438	323,591	84,559	3,069	12,251	3,991,908

(a) See § 1, p. 831. (b) Excludes War (1914–18) Debt due to United Kingdom Government (£79,724,000). Repayment of this debt and interest thereon (£3,919,774) was suspended in 1931. (c) War and Peace Savings Certificates and Stamps and War Gratuity Bonds. (d) Advance Loan Subscriptions, National Savings Bonds, War Savings and Savings Certificates, War Savings and National Savings Stamps.

COMMONWEALTH AND STATE PUBLIC DEBT AND ANNUAL INTEREST PAYABLE AT 30TH JUNE, 1937—continued.

Particulars	Maturing in—					Total.
	Australia.	London.	New York.	Canada.	Switzer-land.	
DEBT PER HEAD OF POPULATION.						
	£ s. d. (Aust.)	£ s. d. (Stg.)	£ s. d. (a)	£ s. d. (a)	£ s. d. (a)	£ s. d. (a)
<i>Commonwealth Debt—</i>						
War (1914-18) Debt(b) ..	11 13 6	0 15 8	..	..	..	12 9 2
War (1939-45) Debt ..	138 7 0	0 11 10	..	..	..	138 18 10
Works and Other Purposes	31 0 9	5 1 0	6 8 11	0 6 4	1 5 5	44 2 5
<i>Total Commonwealth Debt ..</i>	<i>181 1 3</i>	<i>6 8 6</i>	<i>6 8 11</i>	<i>0 6 4</i>	<i>1 5 5</i>	<i>195 10 5</i>
<i>Total State Debt ..</i>	<i>190 2 4</i>	<i>27 5 10</i>	<i>2 6 9</i>	<i>..</i>	<i>..</i>	<i>219 14 11</i>
Grand Total Commonwealth and State Debt ..	370 1 1	33 11 2	8 15 4	0 6 4	1 5 5	413 19 4

ANNUAL INTEREST PAYABLE.						
	£A.'000.	£Stg.'000.	£'000.(a)	£'000.(a)	£'000.(a)	£'000.(a)
<i>Commonwealth Debt—</i>						
War (1914-18) Debt(b) ..	3,930	228	..	..	..	4,158
War (1939-45) Debt ..	35,903	229	..	..	..	36,132
Works and Other Purposes.	11,500	1,746	2,754	123	475	16,598
<i>Total Commonwealth Debt ..</i>	<i>51,333</i>	<i>2,203</i>	<i>2,754</i>	<i>123</i>	<i>475</i>	<i>56,888</i>
<i>Total State Debt ..</i>	<i>70,370</i>	<i>8,490</i>	<i>879</i>	<i>..</i>	<i>..</i>	<i>79,739</i>
Grand Total Commonwealth and State Debt ..	121,703	10,693	3,633	123	475	136,627

ANNUAL INTEREST PAYABLE PER HEAD OF POPULATION:						
	£ s. d. (Aust.)	£ s. d. (Stg.)	£ s. d. (a)	£ s. d. (a)	£ s. d. (a)	£ s. d. (a)
<i>Commonwealth Debt—</i>						
War (1914-18) Debt(b) ..	0 8 2	0 0 6	..	..	..	0 8 8
War (1939-45) Debt ..	3 14 6	0 0 5	..	..	..	3 14 11
Works and Other Purposes	1 3 10	0 3 8	0 5 9	0 0 3	0 0 11	1 14 5
<i>Total Commonwealth Debt ..</i>	<i>5 6 6</i>	<i>0 4 7</i>	<i>0 5 9</i>	<i>0 0 3</i>	<i>0 0 11</i>	<i>5 18 0</i>
<i>Total State Debt ..</i>	<i>7 6 9</i>	<i>0 17 9</i>	<i>0 1 10</i>	<i>..</i>	<i>..</i>	<i>8 6 4</i>
Grand Total Commonwealth and State Debt ..	12 12 5	1 2 3	0 7 6	0 0 3	0 0 11	14 3 4

AVERAGE RATE OF INTEREST PAYABLE (PER £100 PER ANNUM).						
	£ s. d. (Aust.)	£ s. d. (Stg.)	£ s. d. (a)	£ s. d. (a)	£ s. d. (a)	£ s. d. (a)
<i>Commonwealth Debt—</i>						
War (1914-18) Debt(b) ..	3 9 11	3 0 5	..	..	..	3 9 3
War (1939-45) Debt ..	2 13 10	4 0 0	..	..	..	2 14 0
Works and Other Purposes	3 16 10	3 11 9	4 8 8	4 0 0	3 17 6	3 18 0
<i>Total Commonwealth Debt ..</i>	<i>2 18 10</i>	<i>3 11 1</i>	<i>4 8 8</i>	<i>4 0 0</i>	<i>3 17 6</i>	<i>3 0 4</i>
<i>Total State Debt ..</i>	<i>3 17 3</i>	<i>3 4 11</i>	<i>3 18 6</i>	<i>..</i>	<i>..</i>	<i>3 15 9</i>
Grand Total Commonwealth and State Debt ..	3 8 3	3 6 1	4 5 11	4 0 0	3 17 6	3 8 6

(a) See §1, p. 831. (b) Excludes War (1914-18) Debt due to United Kingdom Government (£79,724,000). Repayment of this debt and interest thereon (£3,919,774) was suspended in 1931.

COMMONWEALTH AND STATE PUBLIC DEBT AND ANNUAL INTEREST
PAYABLE AT 30TH JUNE 1958.

Particulars.	Maturing in—					Total.
	Australia.	London.	New York.	Canada.	Switzer-land.	
DEBT.						
	£A.'000.	£Stg.'000.	£'000.(a)	£'000.(a)	£'000.(a)	£'000.(a)
<i>Commonwealth Debt—</i>						
<i>War (1914-18) Debt(b)—</i>						
Stock and Bonds	97,056	7,534	..	..	..	104,590
Other Debt(c)	84	..	..	..	..	84
<i>Total War (1914-18) Debt</i>	<i>97,140</i>	<i>7,534</i>	<i>..</i>	<i>..</i>	<i>..</i>	<i>104,674</i>
<i>War (1939-45) Debt—</i>						
Stock and Bonds	779,472	5,655	..	..	..	785,127
Treasury Bills, Internal ..	253,490	..	..	..	..	253,490
Treasury Bills Public	140,000	..	..	..	..	140,000
Other Debt(d)	17,596	..	..	..	..	17,596
<i>Total War (1939-45) Debt</i>	<i>1,190,558</i>	<i>5,655</i>	<i>..</i>	<i>..</i>	<i>..</i>	<i>1,196,213</i>
<i>Works and Other Purposes—</i>						
Stock and Bonds	290,696	48,476	9,650	2,907	12,251	363,980
Treasury Bills, Internal ..	10,810	..	..	..	..	10,810
International Bank Dollar Loan .. ..	..	..	57,602	..	..	57,602
Serial Notes .. ..	..	..	1,597	..	..	1,597
<i>Total Works and Other Purposes ..</i>	<i>301,506</i>	<i>48,476</i>	<i>68,849</i>	<i>2,907</i>	<i>12,251</i>	<i>433,989</i>
<i>Total Commonwealth Debt</i>	<i>1,589,204</i>	<i>61,665</i>	<i>68,849</i>	<i>2,907</i>	<i>12,251</i>	<i>1,734,876</i>
<i>State Debt—</i>						
Stock and Bonds	1,930,080	252,514	26,223	..	..	2,208,817
Debentures	34,874	..	..	..	..	34,874
Balance of Debt of States taken over by Commonwealth and still represented by State Securities .. ..	..	4,241	..	..	..	4,241
<i>Total State Debt</i>	<i>1,964,954</i>	<i>256,755</i>	<i>26,223</i>	<i>..</i>	<i>..</i>	<i>2,247,932</i>
<i>Grand Total Commonwealth and State Debt</i>	<i>3,554,158</i>	<i>318,420</i>	<i>95,072</i>	<i>2,907</i>	<i>12,251</i>	<i>3,982,808</i>

(a) See § 1, p. 831.

(b) Excludes War (1914-18) Debt due to United Kingdom Government (£79,724,000). Repayment of this debt and interest thereon (£3,919,774) was suspended in 1931.

(c) War and Peace Savings Certificates and Stamps and War Gratuity Bonds.

(d) Advance Loan Subscriptions National Savings Bonds, War Savings and Savings Certificates, War Savings and National Savings Stamps.

COMMONWEALTH AND STATE PUBLIC DEBT AND ANNUAL INTEREST PAYABLE AT 30TH JUNE, 1958—continued.

Particulars.	Maturing in—					Total.
	Australia.	London.	New York.	Canada.	Switzer-land.	
DEBT PER HEAD OF POLUPATION.						
	£ s. d. (Aust.)	£ s. d. (Stg.)	£ s. d. (a)	£ s. d. (a)	£ s. d. (a)	£ s. d. (a)
<i>Commonwealth Debt—</i>						
War (1914–18) Debt(b) ..	9 17 4	0 15 4	..	..	..	10 12 8
War (1939–45) Debt ..	120 18 4	0 11 6	..	..	..	121 9 10
Works and Other Purposes..	30 12 5	4 18 5	6 19 10	0 5 11	1 4 11	44 1 6
<i>Total Commonwealth Debt</i>	<i>161 8 1</i>	<i>6 5 3</i>	<i>6 19 10</i>	<i>0 5 11</i>	<i>1 4 11</i>	<i>176 4 0</i>
<i>Total State Debt</i>	<i>200 16 1</i>	<i>26 4 10</i>	<i>2 13 7</i>	..	..	<i>229 14 6</i>
Grand Total Commonwealth and State Debt ..	360 19 5	32 6 9	9 13 1	0 5 11	1 4 11	404 10 1

	ANNUAL INTEREST PAYABLE.					
	£A.'000.	£Stg.'000.	£'000.(a)	£'000.(a)	£'000.(a)	£'000.(a)
<i>Commonwealth Debt—</i>						
War (1914–18) Debt(b) ..	3,564	228	..	..	..	3,792
War (1939–45) Debt ..	31,303	226	..	..	..	31,529
Works and Other Purposes..	12,266	1,739	3,078	116	475	17,674
<i>Total Commonwealth Debt</i>	<i>47,133</i>	<i>2,193</i>	<i>3,078</i>	<i>116</i>	<i>475</i>	<i>52,995</i>
<i>Total State Debt</i>	<i>78,188</i>	<i>8,821</i>	<i>1,065</i>	..	..	<i>88,074</i>
Grand Total Commonwealth and State Debt ..	125,321	11,014	4,143	116	475	141,069

	ANNUAL INTEREST PAYABLE PER HEAD OF POPULATION.					
	£ s. d. (Aust.)	£ s. d. (Stg.)	£ s. d. (a)	£ s. d. (a)	£ s. d. (a)	£ s. d. (a)
<i>Commonwealth Debt—</i>						
War (1914–18) Debt(b) ..	0 7 3	0 0 6	..	..	..	0 7 9
War (1939–45) Debt ..	3 3 7	0 0 5	..	..	..	3 4 0
Works and Other Purposes..	1 4 11	0 3 6	0 6 3	0 0 3	0 1 0	1 15 11
<i>Total Commonwealth Debt</i>	<i>4 15 9</i>	<i>0 4 5</i>	<i>0 6 3</i>	<i>0 0 3</i>	<i>0 1 0</i>	<i>5 7 8</i>
<i>Total State Debt</i>	<i>7 19 10</i>	<i>0 18 0</i>	<i>0 2 2</i>	..	..	<i>9 0 0</i>
Grand Total Commonwealth and State Debt ..	12 14 7	1 2 4	0 8 5	0 0 3	0 1 0	14 6 7

	AVERAGE RATE OF INTEREST PAYABLE (PER £100 PER ANNUM).					
	£ s. d. (Aust.)	£ s. d. (Stg.)	£ s. d. (a)	£ s. d. (a)	£ s. d. (a)	£ s. d. (a)
<i>Commonwealth Debt—</i>						
War (1914–18) Debt(b) ..	3 13 6	3 0 5	..	..	..	3 12 6
War (1939–45) Debt ..	2 12 7	4 0 0	..	..	..	2 12 9
Works and Other Purposes..	4 1 6	3 11 9	4 9 5	4 0 0	3 17 6	4 1 7
<i>Total Commonwealth Debt</i>	<i>2 19 4</i>	<i>3 11 1</i>	<i>4 9 5</i>	<i>4 0 0</i>	<i>3 17 6</i>	<i>3 1 2</i>
<i>Total State Debt</i>	<i>3 19 7</i>	<i>3 8 9</i>	<i>4 1 2</i>	..	..	<i>3 18 4</i>
Grand Total Commonwealth and State Debt ..	3 10 7	3 9 2	4 7 2	4 0 0	3 17 6	3 10 10

(a) See § 1, p. 831. (b) Excludes War (1914–18) Debt due to United Kingdom Government (£79,724,000). Repayment of this debt and interest thereon (£3,919,774) was suspended in 1931.

2. Public Debt and Annual Interest Payable, 1939 and 1954 to 1958.—In the following table, details are given of the Public Debt and annual interest payable, including the average rate of interest, at 30th June, 1939 and 1954 to 1958. A dissection of debt for these years into debt payable in Australia, London, New York, Canada and Switzerland may be found in the annual bulletin *Finance, Part I, Public and Private Finance*.

COMMONWEALTH AND STATE PUBLIC DEBT AND ANNUAL INTEREST PAYABLE AT 30th JUNE.

Particulars.	1939.	1954.	1955.	1956.	1957.	1958.
DEBT. (£'000.) (a)						
<i>Commonwealth Debt—</i>						
War (1914–18) Debt ..	186,214	145,964	134,079	129,880	120,140	104,674
War (1939–45) Debt ..	1,464,767	1,464,767	1,444,832	1,405,072	1,339,818	1,196,213
Works and Other Purposes ..	131,313	307,124	344,806	391,615	425,473	433,989
<i>Total Commonwealth Debt</i>	<i>317,527</i>	<i>1,917,855</i>	<i>1,923,717</i>	<i>1,926,567</i>	<i>1,885,431</i>	<i>1,734,876</i>
<i>State Debt</i>	<i>897,772</i>	<i>1,688,948</i>	<i>1,825,727</i>	<i>1,962,027</i>	<i>2,106,477</i>	<i>2,247,932</i>
Grand Total Commonwealth and State Debt	1,215,299	3,606,803	3,749,444	3,888,594	3,991,908	3,982,808

ANNUAL INTEREST PAYABLE.
(£'000.) (a)

<i>Commonwealth Debt—</i>						
War (1914–18) Debt ..	7,376	4,851	4,501	4,408	4,158	3,792
War (1939–45) Debt ..	38,758	38,758	38,580	37,731	36,132	31,529
Works and Other Purposes ..	5,150	10,490	12,488	14,489	16,598	17,674
<i>Total Commonwealth Debt</i>	<i>12,526</i>	<i>54,099</i>	<i>55,569</i>	<i>56,628</i>	<i>56,888</i>	<i>52,995</i>
<i>State Debt</i>	<i>33,644</i>	<i>55,022</i>	<i>64,046</i>	<i>70,610</i>	<i>79,739</i>	<i>88,074</i>
Grand Total Commonwealth and State Debt	46,170	109,121	119,615	127,238	136,627	141,069

AVERAGE RATE OF INTEREST PAYABLE (PER £100 PER ANNUM).
(£ s. d.) (a)

<i>Commonwealth Debt—</i>						
War (1914–18) Debt ..	3 19 3	3 6 6	3 7 5	3 8 0	3 9 3	3 12 6
War (1939–45) Debt ..	2 12 11	2 12 11	2 13 5	2 13 9	2 14 0	2 12 9
Works and Other Purposes ..	3 18 5	3 8 4	3 12 6	3 14 0	3 18 0	4 1 7
<i>Total Commonwealth Debt</i>	<i>3 18 11</i>	<i>2 16 5</i>	<i>2 17 10</i>	<i>2 18 10</i>	<i>3 0 4</i>	<i>3 1 2</i>
<i>State Debt</i>	<i>3 14 11</i>	<i>3 5 2</i>	<i>3 10 2</i>	<i>3 12 0</i>	<i>3 15 9</i>	<i>3 18 4</i>
Grand Total Commonwealth and State Debt	3 16 0	3 0 6	3 3 10	3 5 5	3 8 6	3 10 10

(a) See § 1, p. 831.

3. State Public Debt and Annual Interest Payable at 30th June, 1957 and 1958.—In paragraphs 1 and 2, totals only of the States' Public Debt are given. In the following tables, the total debt of each State and the amounts outstanding per head of population at 30th June, 1957 and 1958, the annual interest payable and the average rate of interest payable are shown according to the place of flotation.

STATE PUBLIC DEBT AND ANNUAL INTEREST PAYABLE AT 30th JUNE, 1957.

State.	Maturing in Australia.	Maturing Overseas.			Grand Total.
		London.	New York.	Total Overseas.	

DEBT.

	£A.'000.	£Stg.'000.	£'000.(a)	£'000.(a)	£'000.(a)
New South Wales	619,791	112,081	10,824	122,905	742,696
Victoria	439,556	38,759	3,504	42,263	481,819
Queensland	221,617	43,449	4,254	47,703	269,320
South Australia	241,315	31,261	2,337	33,598	274,913
Western Australia	174,411	29,585	1,149	30,734	205,145
Tasmania	125,752	6,486	346	6,832	132,584
Total	1,822,442	261,621	22,414	284,035	2,106,477

DEBT PER HEAD OF POPULATION.

	£ s. d. (Aust.)	£ s. d. (Stg.)	£ s. d. (a)	£ s. d. (a)	£ s. d. (a)
New South Wales	171 1 6	30 18 9	2 19 9	33 18 6	205 0 0
Victoria	164 8 3	14 9 11	1 6 3	15 16 2	180 4 5
Queensland	158 13 4	31 2 2	3 0 11	34 3 1	192 16 5
South Australia	276 7 8	35 16 1	2 13 6	38 9 7	314 17 3
Western Australia	252 1 8	42 15 3	1 13 2	44 8 5	296 10 1
Tasmania	383 10 3	19 15 7	1 1 2	20 16 9	404 7 0
Total	190 2 4	27 5 10	2 6 9	29 12 7	219 14 11

ANNUAL INTEREST PAYABLE.

	£A.'000.	£Stg.'000.	£'000. (a)	£'000. (a)	£'000. (a)
New South Wales	23,640	3,638	418	4,056	27,696
Victoria	17,306	1,282	141	1,423	18,729
Queensland	8,393	1,442	161	1,603	9,996
South Australia	9,383	1,006	97	1,103	10,486
Western Australia	6,667	904	47	951	7,618
Tasmania	4,981	218	15	233	5,214
Total	70,370	8,490	879	9,369	79,739

AVERAGE RATE OF INTEREST PAYABLE (PER £100 PER ANNUM).

	£ s. d. (Aust.)	£ s. d. (Stg.)	£ s. d. (a)	£ s. d. (a)	£ s. d. (a)
New South Wales	3 16 3	3 4 11	3 17 3	3 6 0	3 14 7
Victoria	3 18 9	3 6 2	4 0 8	3 7 4	3 17 9
Queensland	3 15 9	3 6 4	3 15 10	3 7 3	3 14 3
South Australia	3 17 9	3 4 5	4 2 9	3 5 8	3 16 3
Western Australia	3 16 5	3 1 1	4 1 6	3 1 11	3 14 3
Tasmania	3 19 3	3 7 4	4 7 11	3 8 5	3 18 8
Total	3 17 3	3 4 11	3 18 6	3 6 0	3 15 9

(a) See § 1, p. 831.

STATE PUBLIC DEBT AND ANNUAL INTEREST PAYABLE AT 30th JUNE, 1958.

State.	Maturing in Australia.	Maturing Overseas.			Grand Total.
		London.	New York.	Total Overseas.	
DEBT.					
	£A.'000.	£Stg.'000.	£'000.(a)	£'000.(a)	£'000.(a)
New South Wales	667,470	107,956	12,036	119,992	787,462
Victoria	475,104	38,572	4,537	43,109	518,213
Queensland	237,958	43,270	4,719	47,989	285,947
South Australia	261,108	30,961	2,752	33,713	294,821
Western Australia	187,373	29,530	1,525	31,055	218,428
Tasmania	135,941	6,466	654	7,120	143,061
Total	1,964,954	256,755	26,223	282,978	2,247,932

DEBT PER HEAD OF POPULATION.

	£ s. d. (Aust.)	£ s. d. (Stg.)	£ s. d. (a)	£ s. d. (a)	£ s. d. (a)
New South Wales	180 18 6	29 5 3	3 5 3	32 10 6	213 9 0
Victoria	173 6 2	14 1 5	1 13 1	15 14 6	189 0 8
Queensland	167 17 8	30 10 7	3 6 7	33 17 2	201 14 10
South Australia	291 3 5	34 10 6	3 1 5	37 11 11	328 15 4
Western Australia	265 13 8	41 17 5	2 3 3	44 0 8	309 14 4
Tasmania	405 5 10	19 5 6	1 19 0	21 4 6	426 10 4
Total	200 16 1	26 4 10	2 13 7	28 18 5	229 14 6

ANNUAL INTEREST PAYABLE.

	£A.'000.	£Stg.'000.	£'000.(a)	£'000.(a)	£'000.(a)
New South Wales	26,335	3,994	477	4,471	30,806
Victoria	19,267	1,276	191	1,467	20,734
Queensland	9,216	1,436	184	1,620	10,836
South Australia	10,495	995	118	1,113	11,608
Western Australia	7,371	902	65	967	8,338
Tasmania	5,504	218	30	248	5,752
Total	78,188	8,821	1,065	9,886	88,074

AVERAGE RATE OF INTEREST PAYABLE (PER £100 PER ANNUM).

	£ s. d. (Aust.)	£ s. d. (Stg.)	£ s. d. (a)	£ s. d. (a)	£ s. d. (a)
New South Wales	3 18 11	3 14 0	3 19 2	3 14 6	3 18 3
Victoria	4 1 1	3 6 2	4 4 3	3 8 0	4 0 0
Queensland	3 17 6	3 6 5	3 17 11	3 7 6	3 15 10
South Australia	4 0 5	3 4 4	4 5 8	3 6 1	3 18 9
Western Australia	3 18 8	3 1 1	4 5 3	3 2 4	3 16 4
Tasmania	4 1 0	3 7 4	4 11 4	3 9 7	4 0 5
Total	3 19 7	3 8 9	4 1 2	3 9 10	3 18 4

(a) See § I, p. 831.

4. State Public Debt, 1939 and 1954 to 1958.—In the following table, the debt of each State and the amounts outstanding per head of population at 30th June, 1939 and 1954 to 1958 are shown.

STATE PUBLIC DEBT.

30th June—	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
DEBT. (£'000.)(a)							
1939	359,844	179,698	127,503	108,887	95,473	26,367	897,772
1954	614,495	376,964	220,396	213,619	165,783	97,691	1,688,948
1955	655,599	411,199	236,474	234,769	177,881	109,805	1,825,727
1956	698,136	445,713	252,799	254,423	188,733	122,223	1,962,027
1957	742,696	481,819	269,320	274,913	205,145	132,584	2,106,477
1958	787,462	518,213	285,947	294,821	218,428	143,061	2,247,932
DEBT PER HEAD OF POPULATION. (£ s. d.)(a)							
1939	130 18 7	95 13 3	125 4 11	182 10 6	203 2 4	111 1 2	129 3 11
1954	179 9 10	153 14 4	167 3 9	268 0 0	259 2 7	316 8 1	188 18 6
1955	187 16 8	162 19 7	175 17 5	286 9 3	270 2 3	358 18 10	199 10 4
1956	196 9 4	171 1 11	184 8 8	299 16 10	278 12 4	382 7 5	209 5 10
1957	205 0 0	180 4 5	192 16 5	314 17 3	296 10 1	404 7 0	219 14 11
1958	213 9 0	189 0 8	201 14 10	328 15 4	309 14 4	426 10 4	229 14 6

(a) See § 1, p. 831.

In some States, certain public utilities such as tramways, water supply and sewerage, harbour services, etc., are controlled by boards or trusts, which, in addition to receiving advances from the central Government, raise loans by public borrowing on their own behalf, while in other States these services are controlled by the central Government. Comparison of the debts of the States is therefore difficult, but on page 846 figures showing the aggregate debts of the States, including these local and semi-governmental authorities, are shown for the years 1938-39 and 1953-54 to 1957-58.

5. Public Debt and Interest Payable in Australian Currency.—In the foregoing tables relating to Commonwealth and State public debt, the debt outstanding in London is expressed in sterling, debt outstanding in New York and Canada is expressed in pounds converted from dollars at the rate of \$4.8665 to £1 and debt outstanding in Switzerland is expressed in pounds converted from Swiss francs at the rate of 1,000 Swiss francs = £A.102 1s. 10d. This method of showing the debt does not indicate the amount that the Australian Government would have to find to repay the debt at current rates of exchange. In the following tables, the public debt and the interest payable are shown in terms of Australian currency throughout. Debt in London, New York, Canada and Switzerland has been converted to Australian currency at the selling rate of exchange on 30th June.

**COMMONWEALTH AND STATE PUBLIC DEBT AND INTEREST PAYABLE
AT 30th JUNE, 1957 : AUSTRALIAN CURRENCY.
(£A.'000.)**

Particulars.	Maturing in—					Total.
	Australia.	London. (a)	New York. (b)	Canada. (c)	Switzer- land. (d)	
DEBT.						
<i>Commonwealth Debt—</i>						
War (1914-18) Debt ..	112,606	9,455	..	..	..	122,061
War (1939-45) Debt ..	1,334,093	7,185	..	..	..	1,341,278
Works and Other Purposes ..	299,297	61,132	136,180	7,056	12,383	516,048
<i>Total Commonwealth Debt</i>	<i>1,745,996</i>	<i>77,772</i>	<i>136,180</i>	<i>7,056</i>	<i>12,383</i>	<i>1,979,387</i>
<i>State Debt—</i>						
New South Wales ..	619,791	140,661	23,720	..	..	784,172
Victoria	439,556	48,643	7,678	..	..	495,877
Queensland	221,617	54,528	9,321	..	..	285,466
South Australia ..	241,315	39,233	5,122	..	..	285,670
Western Australia ..	174,411	37,130	2,516	..	..	214,057
Tasmania	125,752	8,140	759	..	..	134,651
<i>Total State Debt</i>	<i>1,822,442</i>	<i>328,335</i>	<i>49,116</i>	..	..	<i>2,199,893</i>
<i>Commonwealth and State Debt—</i>						
Short-term Debt	401,800	..	..	..	..	401,800
Other Debt	3,166,638	406,107	185,296	7,056	12,383	3,777,480
<i>Grand Total Commonwealth and State Debt</i>	<i>3,568,438</i>	<i>406,107</i>	<i>185,296</i>	<i>7,056</i>	<i>12,383</i>	<i>4,179,280</i>

(a) Converted at rate of £Stg.100 = £A.125 10s. (b) Converted at rate of \$2.2208 = £A.1.
(c) Converted at rate of \$2.1167 = £A.1. (d) Converted at rate of 9.691 francs = £A.1.

COMMONWEALTH AND STATE PUBLIC DEBT AND INTEREST PAYABLE
AT 30th JUNE, 1957 : AUSTRALIAN CURRENCY—*continued.*

(£A.'000.)

Particulars.	Maturing in—					Total.
	Australia.	London. (a)	New York. (b)	Canada. (c)	Switzer- land. (d)	
ANNUAL INTEREST PAYABLE.						
<i>Commonwealth Debt—</i>						
War (1914–18) Debt ..	3,930	286	..	..	..	4,216
War (1939–45) Debt ..	35,903	287	..	..	..	36,190
Works and Other Purposes ..	11,500	2,192	6,035	282	480	20,489
<i>Total Commonwealth Debt</i>	<i>51,333</i>	<i>2,765</i>	<i>6,035</i>	<i>282</i>	<i>480</i>	<i>60,895</i>
<i>State Debt</i>						
New South Wales ..	23,640	4,565	916	..	..	29,121
Victoria ..	17,306	1,608	310	..	..	19,224
Queensland ..	8,393	1,810	353	..	..	10,556
South Australia ..	9,383	1,263	212	..	..	10,858
Western Australia ..	6,667	1,135	102	..	..	7,904
Tasmania ..	4,981	274	34	..	..	5,289
<i>Total State Debt</i>	<i>70,370</i>	<i>10,655</i>	<i>1,927</i>	<i>..</i>	<i>..</i>	<i>82,952</i>
<i>Grand Total Commonwealth and State Debt</i>	<i>121,703</i>	<i>13,420</i>	<i>7,962</i>	<i>282</i>	<i>480</i>	<i>143,847</i>

(a) Converted at rate of £Stg.100 = £A.125 10s. (b) Converted at rate of \$2.2208 = £A1.
(c) Converted at rate of \$2.1167 = £A.1. (d) Converted at rate of 9.691 francs = £A.1.

COMMONWEALTH AND STATE PUBLIC DEBT AND INTEREST PAYABLE
AT 30th JUNE, 1958 : AUSTRALIAN CURRENCY.

(£A.'000.)

Particulars.	Maturing in—					Total.
	Australia.	London. (a)	New York. (b)	Canada. (c)	Switzer- land. (d)	
DEBT.						
<i>Commonwealth Debt—</i>						
War (1914–18) Debt ..	97,140	9,455	..	..	..	106,595
War (1939–45) Debt ..	1,190,558	7,097	..	..	..	1,197,655
Works and Other Purposes ..	301,506	60,837	150,140	6,603	12,379	531,465
<i>Total Commonwealth Debt</i>	<i>1,589,204</i>	<i>77,389</i>	<i>150,140</i>	<i>6,603</i>	<i>12,379</i>	<i>1,835,715</i>
<i>State Debt—</i>						
New South Wales ..	667,470	135,484	26,247	..	..	829,201
Victoria ..	475,104	48,408	9,893	..	..	533,405
Queensland ..	237,958	54,304	10,291	..	..	302,553
South Australia ..	261,108	38,856	6,002	..	..	305,966
Western Australia ..	187,373	37,061	3,326	..	..	227,760
Tasmania ..	135,941	8,115	1,426	..	..	145,482
<i>Total State Debt</i>	<i>1,964,954</i>	<i>322,228</i>	<i>57,785</i>	<i>..</i>	<i>..</i>	<i>2,344,367</i>
<i>Commonwealth and State Debt—</i>						
Short-term Debt ..	404,300	..	..	..	..	404,300
Other Debt ..	3,149,858	399,617	207,325	6,603	12,379	3,775,782
<i>Grand Total Commonwealth and State Debt</i>	<i>3,554,158</i>	<i>399,617</i>	<i>207,325</i>	<i>6,603</i>	<i>12,379</i>	<i>4,180,082</i>

For footnotes see next page.

COMMONWEALTH AND STATE PUBLIC DEBT AND INTEREST PAYABLE
AT 30TH JUNE, 1958: AUSTRALIAN CURRENCY—*continued.*
(£A.'000.)

Particulars.	Maturing in—					Total.
	Australia.	London. (a)	New York. (b)	Canada. (c)	Switzer- land. (d)	
ANNUAL INTEREST PAYABLE.						
<i>Commonwealth Debt—</i>						
War (1914-18) Debt ..	3,564	286	..	..	..	3,850
War (1939-45) Debt ..	31,303	284	..	..	..	31,587
Works and Other Purposes ..	12,266	2,182	6,713	264	480	21,905
<i>Total Commonwealth Debt</i>	<i>47,133</i>	<i>2,752</i>	<i>6,713</i>	<i>264</i>	<i>480</i>	<i>57,342</i>
<i>State Debt—</i>						
New South Wales ..	26,335	5,013	1,040	..	..	32,388
Victoria ..	19,267	1,601	416	..	..	21,284
Queensland ..	9,216	1,802	401	..	..	11,419
South Australia ..	10,495	1,250	257	..	..	12,002
Western Australia ..	7,371	1,132	142	..	..	8,645
Tasmania ..	5,504	273	65	..	..	5,842
<i>Total State Debt</i>	<i>78,188</i>	<i>11,071</i>	<i>2,321</i>	..	..	<i>91,580</i>
Grand Total Commonwealth and State Debt	125,321	13,823	9,034	264	480	148,922

(a) Converted at rate of £Stg.100 = £A.125 10s. (b) Converted at rate of \$2.2316 = £A.1.
(c) Converted at rate of \$2.1425 = £A.1. (d) Converted at rate of 9.694 francs = £A.1.

6. **Public Debt at each Rate of Interest.**—The following tables show particulars of the amounts of debt for Commonwealth and State purposes at 30th June, 1957 and 1958, at each rate of interest:—

COMMONWEALTH AND STATE PUBLIC DEBT AT 30th JUNE, 1957 : AMOUNTS
AT EACH RATE OF INTEREST.

Rate of Interest.	Maturing in—							Total.	
	Australia.		London.		New York.		Other Overseas.		
	Com- mon- wealth.	State.	Com- mon- wealth. (a)	State.	Com- mon- wealth.	State.	Com- mon- wealth.	Com- mon- wealth.	State.
Per cent. ..	£A.'000.	£A.'000.	£Stg.'000	£Stg.'000	£'000.(b)	£'000.(b)	£'000.(b)	£'000.(b)	£'000.(b)
5.5 ..	..	..	6,951	..	..	..	..	6,951	..
5.0 ..	72,467	177,040	..	1	1,190	2,920	..	73,657	179,961
4.75 ..	..	..	..	..	22,704	..	..	22,704	..
4.625 ..	..	..	..	..	11,199	..	..	11,199	..
4.5 ..	163,900	613,581	..	11,790	261	4,876	..	164,161	630,247
4.2625 ..	65	..	..	..	..	..	..	65	..
4.25 ..	37	..	..	..	19,231	..	..	19,268	..
4.0 ..	48,647	142,851	5,725	22,488	..	904 (c)	9,195	63,567	166,243
3.875 ..	58	703	..	..	..	..	..	58	703
3.75 ..	58,114	173,172	..	..	3,303	1,664 (d)	6,125	67,542	174,836
3.625 ..	..	107	..	..	..	..	..	107	..
3.5 ..	..	6,805	5,737	45,948	1,085	6,973	..	6,822	59,726
3.4875 ..	..	2	..	..	..	..	..	2	..
3.375 ..	..	..	..	..	3,172	5,077	..	3,172	5,077
3.25 ..	744,982	146,178	33,767	56,802	..	..	..	778,749	202,980
3.2391 ..	13,153	..	..	..	..	..	..	13,153	..
3.125 ..	235,066	474,086	..	..	..	..	..	235,066	474,086
3.1 ..	..	3,731	..	..	..	..	..	3,731	..
3.0 ..	4	42,970	9,790	90,199	..	..	..	9,794	133,169
2.8347 ..	6,890	..	..	..	..	..	..	6,890	..
2.75 ..	..	..	..	15,950	..	..	..	..	15,950
2.7125 ..	..	417	..	..	..	..	..	..	417
2.5 ..	..	2	..	18,441	..	..	..	..	18,443
2.325 ..	..	1,728	..	..	..	..	..	..	1,728
1.5 ..	..	3,420	..	..	..	..	..	..	3,420
1.0 ..	401,800	35,636	..	..	..	..	..	401,800	35,636
Miscellaneous (e)	813	13	..	2	..	..	..	813	15
Total Debt ..	1,745,996	1,822,442	61,970	261,621	62,145	22,414	15,320	1,885,431	2,106,477

(a) Excludes War (1914-18) Debt due to United Kingdom Government, £79,724,000 (rate of interest 4.91667 per cent.). (b) See § 1, p. 831. (c) Swiss debt, £6,126,000; Canadian debt, £3,069,000. (d) Swiss debt. (e) Consists of overdue debt, War (1914-18) and (1939-45) Savings Stamps and National Savings Stamps, etc.

COMMONWEALTH AND STATE PUBLIC DEBT AT 30th JUNE, 1958: AMOUNTS AT EACH RATE OF INTEREST.

Rate of Interest.	Maturing in—								Total.
	Australia.		London.		New York.		Other (Overseas).		
	Com-mon-wealth.	State.	Com-mon-wealth. (a)	State.	Com-mon-wealth.	State.	Com-mon-wealth.	State.	
Per cent.	£A.'000.	£A.'000.	£Stg.'000	£Stg.'000	£'000.(b)	£'000.(b)	£'000.(b)	£'000.(b)	£'000.(b)
6.0 ..	..	..	6,951	16,000	..	..	..	6,951	16,000
5.5 ..	..	..	..	..	..	..	..	..	..
5.0 ..	..	..	..	1	1,190	2,920	..	140,071	314,105
4.75 ..	138,881	311,184	..	..	30,659	4,285	..	45,466	32,499
4.625 ..	14,807	28,214	..	..	10,863	..	..	10,863	..
4.5 ..	161,382	613,581	..	11,790	256	4,781	..	161,638	630,152
4.2625 ..	59	..	..	..	..	..	..	59	..
4.25 ..	33	835	..	..	18,529	..	..	18,562	835
4.0 ..	32,046	265,498	5,655	22,343	..	737 (c)	9,033	46,734	288,578
3.875 ..	54	703	..	..	..	..	..	54	703
3.75 ..	11,055	67,820	..	..	3,148	1,586 (d)	6,125	20,328	69,406
3.625 ..	..	107	..	..	..	..	..	..	107
3.5 ..	..	6,730	5,667	45,834	1,069	6,896	..	6,736	59,460
3.4875 ..	..	2	..	..	..	..	..	..	2
3.375 ..	..	..	..	..	3,135	5,018	..	3,135	5,018
3.25 ..	606,630	110,700	33,602	56,510	..	..	..	640,232	167,210
3.2391 ..	10,626	..	..	..	..	..	..	10,626	..
3.125 ..	202,574	473,596	..	..	..	..	..	202,574	473,596
3.1 ..	..	3,661	..	..	..	..	..	..	3,661
3.0 ..	..	42,144	9,790	69,884	..	..	..	9,790	112,028
2.8347 ..	5,378	..	..	..	..	..	..	5,378	..
2.75 ..	..	..	..	15,950	..	..	..	..	15,950
2.7125 ..	..	377	..	..	..	..	..	..	377
2.5 ..	..	2	..	18,441	..	..	..	..	18,443
2.325 ..	..	1,543	..	..	..	..	..	..	1,543
1.5 ..	..	3,343	..	..	..	..	..	..	3,343
1.0 ..	404,300	34,874	..	..	..	..	..	404,300	34,874
Miscellaneous (e)	1,379	40	..	2	..	..	..	1,379	42
Total Debt ..	1,589,204	1,964,954	61,665	256,755	68,849	26,223	15,158	1,734,876	2,247,932

(a) Excludes War (1914-18) Debt due to United Kingdom £79,724,000 (rate of interest 4.91667 per cent). (b) See § 1, p. 831. (c) Swiss debt, £6,126,000; Canadian debt, £2,907,000. (d) Swiss debt. (e) Consists of overdue debt, War (1914-18) and (1939-45) Savings Stamps and National Savings Stamps, etc.

7. Dates of Maturity.—(i) *Commonwealth*. In the following tables the Commonwealth Public Debt at 30th June, 1957 and 1958 is classified according to the earliest and the latest years of maturity.

COMMONWEALTH PUBLIC DEBT AT 30th JUNE, 1957(a) : CLASSIFIED ACCORDING TO EARLIEST AND LATEST YEARS OF MATURITY.

Year of Maturity.	Earliest Year.					Latest Year.				
	Maturing in—				Total.	Maturing in—				Total.
	Aus-tralia.	Lon-don.	New York.	Other Overseas.		Aus-tralia.	Lon-don.	New York.	Other Overseas.	
£A.'000.	£Stg.'000.	£'000 (b)	£'000. (b)	£'000. (b)	£A.'000.	£Stg.'000.	£'000 (b)	£'000. (b)	£'000. (b)	
Before 30th June.	..	..	..	..	..	..	..	..	..	..
1957	814,099	16,166	4,257	..	834,522	..	..	..	..	538,679
1957-58(c)	504,438	..	..	..	504,438	538,679	..	..	..	222,072
1958-59	..	..	..	..	..	222,072	..	..	..	220,494
1959-60	..	..	..	..	..	220,494	..	..	..	..
1960-61	66,309	5,725	..	..	72,034	200,874	16,166	..	..	217,040
1961-62	61,699	5,737	..	..	67,436	142,834	..	3,172	..	146,006
1962-63	96,515	..	..	..	96,515	84,447	..	..	..	84,447
1963-64	..	..	..	..	..	66,309	5,725	..	..	72,034
1964-65	17,451	292	..	(d) 6,125	23,868	72,734	..	..	..	72,734
1965-66	10,962	17,309	..	(d) 6,126	34,397	23,030	..	..	..	23,030
1966-67	11,192	..	..	..	11,192	11,192	5,737	1,085	..	18,014
1967-68	30,765	..	..	..	30,765	30,765	..	..	..	30,765
1968-69	71,374	..	..	..	71,374	71,374	..	..	..	77,500
1969-70	..	..	3,303	..	3,303	..	17,309	3,303 (d)	6,126	26,737
1970-71 and later	40,172	16,741	1,451	(e) 3,069	61,433	40,172	17,033	1,451 (e)	3,069	61,725
Miscellaneous (f)	21,020	..	g 53,134	..	74,154	21,020	..	g 53,134	..	74,154
Total ..	1,745,996	61,970	62,145	15,320	1,885,431	1,745,996	61,970	62,145	15,320	1,885,431

(a) See note (a) to previous table. (b) See § 1, p. 831. (c) Includes Short-term Debt. (d) Swiss debt. (e) Canadian debt. (f) Consists of advance loan subscriptions, overdue debt, debt repayable in half-yearly instalments, War Savings and Savings Certificates, War Savings Stamps, National Savings Stamps and Peace Savings Certificates. (g) International Bank Dollar Loans £51,537,000 being repaid in half-yearly instalments from 1st September, 1955 to 1st September, 1975, 1st June, 1957 to 1st December, 1972, 1st March, 1957 to 1st March, 1969, 15th September, 1957 to 15th March, 1970, 15th July, 1959 to 15th January, 1972, and from 1st June, 1964 to 1st December, 1966; and Serial Notes £1,597,000 to be repaid in half-yearly instalments from 31st December, 1960 to 30th June, 1964.

**COMMONWEALTH PUBLIC DEBT AT 30th JUNE, 1958(a) : CLASSIFIED
ACCORDING TO EARLIEST AND LATEST YEARS OF MATURITY.**

Year of Maturity.	Earliest Year.					Latest Year.				
	Maturing in—				Total.	Maturing in—				Total.
	Aus- tralia.	Lon- don.	New York.	Other Overseas.		Aus- tralia.	Lon- don.	New York.	Other Overseas.	
£A.'000.	£Stg. '000.	£'000(b)	£'000.(b)	£'000.(b)	£A.'000.	£Stg. '000.	£'000(b)	£'000.(b)	£'000.(b)	
Before 30th June.										
1958	657,769	16,106	4,204	..	678,079	..	..	..	..	678,079
1958-59(c)	413,578	..	..	..	413,578	610,111	..	..	..	610,111
1959-60	9,158	..	..	..	9,158	181,072	..	..	..	181,072
1960-61	77,996	5,655	..	..	83,651	180,561	16,106	..	..	196,667
1961-62	58,153	5,667	..	..	63,820	128,752	..	3,135	..	131,887
1962-63	94,257	..	..	..	94,257	83,177	..	..	..	83,177
1963-64	..	..	..	..	..	64,386	5,655	..	..	70,041
1964-65	20,208	292	..	(d) 6,125	26,625	71,980	..	..	..	71,980
1965-66	10,582	17,204	..	(d) 6,126	33,912	21,662	..	..	..	21,662
1966-67	36,671	..	..	..	36,671	36,671	5,667	1,069	..	43,407
1967-68	29,899	..	..	..	29,899	29,899	..	..	..	29,899
1968-69	70,802	..	..	..	70,802	70,802	..	(d) 6,126	..	76,928
1969-70	..	..	3,148	..	3,148	..	17,204	3,148	(d) 6,125	26,477
1970-71	10,222	6,951	256	(e) 2,907	20,336	10,222	..	256	(e) 2,907	13,385
1971-72 and later	82,380	9,790	2,042	..	94,212	82,380	17,033	2,042	..	101,455
Miscellaneous(f)	17,529	g 59,199	..	..	76,728	17,529	g 59,199	..	..	76,728
Total	1,589,204	61,665	68,849	15,158	1,734,876	1,589,204	61,665	68,849	15,158	1,734,876

(a) See note (a) to previous table. (b) See § 1, p. 831. (c) Includes short-term debt.
 (d) Swiss debt. (e) Canadian debt. (f) Consists of advance loan subscriptions, overdue debt,
 debt repayable in half-yearly instalments, War Savings and Savings Certificates, War Savings Stamps,
 National Savings Stamps and Peace Savings Certificates. (g) International Bank Dollar Loans
 £57,602,000 being repaid in half-yearly instalments from 1st September, 1955 to 1st September, 1975,
 1st June, 1957 to 1st December, 1972, 1st March, 1957 to 1st March, 1969, 15th March, 1958 to 15th March
 1970, 15th July, 1959 to 15th January, 1972, and from 1st June, 1964 to 1st December, 1966; and Serial
 Notes £1,597,000 to be repaid in half-yearly instalments from 31st December, 1960 to 30th June, 1964.

(ii) States. Particulars of State Public Debt at 30th June, 1957 and 1958, have been
 classified in the following tables according to the earliest and the latest years of maturity.

**STATE PUBLIC DEBT AT 30th JUNE, 1957 : CLASSIFIED ACCORDING TO
EARLIEST AND LATEST YEARS OF MATURITY.**

Year of Maturity.	Earliest Year.				Latest Year.			
	Maturing in—			Total.	Maturing in—			Total.
	Aus- tralia.	London.	New York.		Aus- tralia.	London.	New York.	
£A.'000.	£Stg. '000.	£'000.(a)	£'000.(a)	£A.'000.	£Stg. '000.	£'000.(a)	£'000.(a)	
Before 30th June, 1957..	189,635	58,148	12,051	259,834	..	..	..
1957-58	285,895	..	..	285,895	284,410	20,090	..	304,500
1958-59	1,669	13,935	..	15,604	33,909	20,708	..	54,617
1959-60	2,732	..	..	2,732	74,488	..	..	74,488
1960-61	106,924	11,790	..	118,714	63,508	18,438	..	81,946
1961-62	195,328	23,399	..	218,727	47,903	..	5,077	52,980
1962-63	315,290	12,670	..	327,960	210,203	11,790	..	221,993
1963-64	4,076	9,790	..	13,866	106,722	..	..	106,722
1964-65	59,912	12,896	..	72,808	235,231	12,670	..	247,901
1965-66	62,972	64,887	..	127,859	168,059	9,790	..	177,849
1966-67	63,811	..	..	63,811	63,811	23,399	6,974	94,184
1967-68	130,171	15,950	..	146,121	130,171	25,484	..	155,655
1968-69	205,147	..	..	205,147	205,147	..	..	205,147
1969-70	3,242	18,441	1,663	23,346	3,242	41,244	1,663	46,149
1970-71	44,683	..	4,876	49,559	44,683	11,006	4,876	60,565
1971-72	2,177	12,175	2,920	17,272	2,177	15,950	2,920	21,047
1972-73	2,711	..	..	2,711	2,711	..	..	2,711
1973-74	3,336	..	..	3,336	3,336	12,175	..	15,511
1974-75	4,378	..	..	4,378	4,378	31,337	..	35,715
1975-76	76,128	4,351	..	80,479	76,128	..	..	76,128
1976-77	6,001	..	..	6,001	6,001	..	..	6,001
1977-78	7,088	..	..	7,088	7,088	4,351	..	11,439
1978-79	7,809	..	..	7,809	7,809	..	..	7,809
1979-80 and later	16,388	..	..	16,388	16,388	..	..	16,388
Miscellaneous (b)	24,939	3,189	904	29,032	24,939	3,189	904	29,032
Total	1,822,442	261,621	22,414	2,106,477	1,822,442	261,621	22,414	2,106,477

(a) See § 1, p. 831. (b) Consists of overdue indefinite and interminable debt, debt due at
 Treasurer's option and half-yearly drawings.

STATE PUBLIC DEBT AT 30th JUNE, 1958: CLASSIFIED ACCORDING TO EARLIEST AND LATEST YEARS OF MATURITY.

Year of Maturity.	Earliest Year.				Latest Year.			
	Maturing in—			Total.	Maturing in—			Total.
	Aus- tralia.	London.	New York.		Aus- tralia.	London.	New York.	
£A.'000.	£Stg. '000.	£'000.(a)	£'000.(a)	£A.'000.	£Stg. '000.	£'000.(a)	£'000.(a)	
Before 30th June, 1958 ..	191,120	37,994	11,914	241,028	132,822	20,675	..	153,497
1958-59	100,580	13,925	..	114,505	101,255	..	..	101,255
1959-60	29,499	..	..	29,499	..	..	..	..
1960-61	243,601	11,790	..	255,391	200,281	18,398	..	218,679
1961-62	195,328	23,319	..	218,647	47,903	..	5,018	52,921
1962-63	314,899	12,656	..	327,555	210,203	11,790	..	221,993
1963-64	4,076	9,590	..	13,666	106,623	..	..	106,623
1964-65	82,536	12,896	..	95,432	257,856	12,656	..	270,512
1965-66	62,972	64,625	..	127,597	167,668	9,590	..	177,258
1966-67	117,234	..	..	117,234	117,234	23,319	6,896	147,449
1967-68	130,408	15,950	..	146,358	130,408	25,484	..	155,892
1968-69	205,147	..	..	205,147	205,147	..	..	205,147
1969-70	3,242	18,441	1,586	23,269	3,242	40,981	1,586	45,809
1970-71	44,683	..	4,781	49,464	44,683	11,006	4,781	60,470
1971-72	2,177	12,175	2,920	17,272	2,177	15,950	2,920	21,047
1972-73	75,761	..	4,285	80,046	75,761	..	4,285	80,046
1973-74	3,336	..	..	3,336	3,336	12,175	..	15,511
1974-75	4,378	..	..	4,378	4,378	31,537	..	35,715
1975-76	89,675	4,351	..	94,026	89,675	..	..	89,675
1976-77	6,001	16,000	..	22,001	6,001	16,000	..	22,001
1977-78	7,088	..	..	7,088	7,088	4,351	..	11,439
1978-79	7,809	..	..	7,809	7,809	..	..	7,809
1979-80	8,238	..	..	8,238	8,238	..	..	8,238
1980-81 and later	12,141	..	..	12,141	12,141	..	..	12,141
Miscellaneous(b) ..	23,025	3,043	737	26,805	23,025	3,043	737	26,805
Total	1,964,954	256,755	26,223	2,247,932	1,964,954	256,755	26,223	2,247,932

(a) See § 1, p. 831. (b) Consists of overdue indefinite and interminable debt, debt due at Treasurer's option and half-yearly drawings.

8. Short-term Debt.—(i) *Amount.* Particulars of the short-term debt (Treasury Bills and Debentures) of the Commonwealth and States in London and in Australia at 30th June, 1939 and at intervals from 30th June, 1954, to 30th June, 1958, are shown in the following table. This debt is included in the public debt as shown elsewhere.

COMMONWEALTH AND STATE SHORT-TERM DEBT.(a)

Date.	Maturing in Australia. (£A.'000.).			Maturing in London. (£Stg.'000.)		
	Common- wealth.	States.	Total.	Common- wealth.	States.	Total.
30th June, 1939 ..	..	50,228	50,228	4,220	23,155	27,375
.. .. 1954 ..	190,000	..	190,000	470	22,868	23,338
.. .. 1955 ..	160,000	..	160,000	220	26,068	26,288
.. .. 1956 ..	165,000	..	165,000	..	26,068	26,068
30th September, 1956 ..	210,000	3,000	213,000	..	..	..
31st December, 1956 ..	270,000	14,000	284,000	..	..	..
31st March, 1957 ..	260,000	12,000	272,000	..	..	..
30th June, 1957 ..	150,000	..	150,000	..	..	..
30th September 1957 ..	185,000	3,000	188,000	..	..	..
31st December, 1957 ..	251,000	8,500	259,500	..	..	..
31st March, 1958 ..	241,000	6,000	247,000	..	..	..
30th June, 1958 ..	140,000	..	140,000	..	..	..

(a) Excludes Overdrafts and Internal Treasury Bills.

(ii) *Interest Rates.* (a) *London.* The rates of interest payable on Treasury Bills and Debentures in London during the following periods were : 1938-39—minimum rate, 2 per cent., maximum rate, 2½ per cent. ; 1949-50 to 1950-51—minimum rate, 2 per cent., maximum rate, 2½ per cent. On 8th November, 1951, the rates were increased to—minimum rate, 2½ per cent., maximum rate, 2¾ per cent.

(b) *Australia.* The Treasury Bill rates in Australia were as follows :—1½ per cent. from 1st January, 1935 ; 1½ per cent. from 1st May, 1940 ; 1½ per cent. from 1st May, 1943 ; 1 per cent. from 1st March, 1945 ; ¾ per cent. from 1st May, 1949 ; 1 per cent. from 1st August, 1952.

9. *State and Municipal and Semi-Governmental Authority Public Debt.*—For the reasons indicated on page 840, direct comparisons of the debts of the several States should be made with caution. The table following shows, for 1938-39 and 1952-53 to 1956-57, particulars of the debts of the States and the debts due to the public by municipal and semi-governmental authorities in each State.

STATE AND MUNICIPAL AND SEMI-GOVERNMENTAL AUTHORITY PUBLIC DEBT.

State.	State.	Municipal. (a)	Semi-Governmental. (a)	Total.	
DEBT. (£'000.) (b)					
1956-57.					
New South Wales	742,696	68,972	202,191	1,013,859	
Victoria	481,819	29,840	325,904	837,563	
Queensland	269,320	66,159	53,623	389,102	
South Australia	274,913	3,159	22,673	300,745	
Western Australi	205,145	6,990	13,556	225,691	
Tasmania	132,584	8,351	12,199	153,134	
Total	1956-57	2,106,477	183,471	630,146	2,920,094
	1955-56	1,962,027	170,839	570,068	2,702,934
	1954-55	1,825,727	158,712	505,710	2,490,149
	1953-54	1,688,948	141,642	440,602	2,271,192
	1952-53	1,543,648	126,086	382,835	2,052,569
	1938-39	897,772	78,126	120,512	1,096,410

DEBT PER HEAD OF POPULATION.

(£.) (b)

1956-57.

New South Wales	205.0	19.0	55.8	279.8	
Victoria	180.2	11.2	121.9	313.3	
Queensland	192.8	47.4	38.4	278.6	
South Australia	314.9	3.6	26.0	344.5	
Western Australia	296.5	10.1	19.6	326.2	
Tasmania	404.4	25.5	37.2	467.1	
Total	1956-57	219.7	19.1	65.7	304.5
	1955-56	209.3	18.3	60.7	288.3
	1954-55	199.5	17.4	55.2	272.1
	1953-54	188.9	16.0	49.2	254.1
	1952-53	175.8	14.4	43.5	233.7
	1938-39	129.2	11.2	17.4	157.8

(a) Due to the public and excludes amounts due to the Central Government. Includes bank overdrafts.
(b) See § 1 p. 831.

§ 4. Commonwealth Loan Raisings.

1. **General.**—Under the Financial Agreement between the Commonwealth and the States, the Commonwealth is responsible for raising all loan moneys required either by the Commonwealth or by the State Governments. Details of loan transactions given in this section relate therefore, to all loans raised for the Commonwealth and the States.

2. **New Loans Raised, 1955-56 to 1957-58.**—(i) *Australia.* The following table shows details of new loans raised in Australia by the Commonwealth during the three years 1955-56 to 1957-58.

COMMONWEALTH NEW LOANS(a) RAISED IN AUSTRALIA.

Month of Raising.	Amount Invited.	Amount Subscribed.	Rate of Interest per annum.	Year of Maturity.	Price of Issue per £100.	Allocation of Proceeds.		
						Commonwealth.		States.
						War (1939-45) etc.	Other Purposes.	
	£'000.	£'000.	%		£	£'000.	£'000.	£'000.
1955-56—								
August (Loan No. 94) ..	35,000	{ 16,050 16,408 7,173 8,519	{ 3 4½ 4½ 5	{ 1956 1965 1970 1956	{ 99 15s. 100 100 99 15s.	{	{ .. 17	{ .. 28,032
November (Loan No. 95) ..	30,000	{ 14,639 4,891 12,907	{ 4½ 4½ 3½	{ 1965 1970 1957	{ 100 100 99 10s.	{	{ .. 34	{ .. 33,000
May (Loan No. 97) ..	30,000	{ 20,127 76,000	{ 5 3½	{ 1963 1957	{ 99 10s. 99 10s.	{	{	{
June (Loan No. 98) (b) ..	93,205	{ 17,205	{ 5	{ 1963	{ 99 10s.	{ 8,354	{ 36,003	{ 48,848
1956-57—								
August (Loan No. 99) ..	30,000	{ 14,085 9,734 7,636 12,593	{ 3½ 5 5 4	{ 1957 1963 1976 1958	{ 99 15s. 99 15s. 100 99 10s.	{	{ .. 23	{ .. 31,432
October (Loan No. 101) ..	29,184	{ 7,998 9,506 12,202	{ 5 5 4	{ 1965 1976 1958	{ 100 100 100	{	{ .. 5	{ .. 30,092
March (Loan No. 102) ..	35,000	{ 14,008 10,092 40,000	{ 5 5 4	{ 1965 1976 1958	{ 100 100 100	{	{ .. 32	{ .. 36,270
June (Loan No. 104) (b) ..	99,000	{ 30,000 29,000	{ 5 5	{ 1965 1976	{ 100 100	{ 7,115	{ 31,931	{ 59,954
1957-58—								
August (Loan No. 105) ..	30,000	{ 9,539 15,637 6,252	{ 4 5 5	{ 1959 1965 1976	{ 99 5s. 100 100	{	{ .. 28	{ .. 31,400
November (Loan No. 107) ..	30,000	{ 14,468 9,909 8,183	{ 4 5 5	{ 1960 1967 1973	{ 99 100 100	{	{ .. 10	{ .. 32,550
April (Loan No. 109) ..	35,000	{ 10,807 5,370 23,073 31,000	{ 4 4½ 5 4	{ 1961 1967 1973 1961	{ 98 17s. 6d. 99 100 98 17s.	{	{ .. 9	{ .. 39,241
June (Loan No. 111) (b) ..	92,000	{ 27,000 34,000	{ 4½ 5	{ 1967 1973	{ 6d. 99 100	{ 8,262	{ 31,605	{ 52,133

(a) Includes loans raised for redemption of Treasury Bills, but excludes conversion loans, loans for redemption of debt maturing in London, short-term debt and certain miscellaneous debt (see below). (b) Special issue. For details see following paragraph.

NOTE.—Minus sign (–) indicates an excess of allocations over receipts.

The loans of £93,205,000, £99,000,000 and £92,000,000 raised in June, 1956, 1957 and 1958 respectively were for the purpose of fulfilling an undertaking given by the Commonwealth that the States would have access to loan funds for their works programmes up to the approved Loan Council borrowing programmes. These programmes totalled £190,000,000 in 1955-56, £192,000,000 in 1956-57 and £200,000,000 in 1957-58. Subscriptions to these special loans came from the following sources.

SPECIAL LOANS: SOURCE OF FINANCE.

	1955-56.	1956-57.	1957-58.
	£	£	£
National Debt Commission—			
Investment of Australian currency proceeds of			
International Bank Loan	10,800,000	3,000,000	9,600,000
Swiss Loan Trust Account .. .. .	.. .. .	.. .. .	.. .. .
Canadian Loan Trust Account	6,405,000	.. .. .	.. .. .
Loan Consolidation and Investment Reserve			
Trust Account	62,000,000	96,000,000	82,400,000
Other Commonwealth Trust Moneys—Investment	14,000,000	.. .. .	.. .. .
Total	93,205,000	99,000,000	92,000,000

Finance for the approved Loan Council programmes from 1955-56 to 1957-58 was provided from the following sources—

LOAN COUNCIL PROGRAMME(a): SOURCE OF FINANCE.

	1955-56.	1956-57.	1957-58.
	£	£	£
Public Loans, domestic raisings, etc.	98,808,000	98,822,000	105,900,000
Oversea Loans and Special Commonwealth			
Assistance	91,192,000	93,178,000	94,100,000
Total	190,000,000	192,000,000	200,000,000

(a) Excludes amounts provided for War Service Land Settlement; 1955-56, £8,354,000; 1956-57, £7,115,000; and 1957-58, £8,262,000 and for Emergency Wheat Storage 1955-56, £3,198,000.

In addition to the new loans raised, as shown in the foregoing tables, and the redemption and conversion loans shown in the following section, there were other miscellaneous debt operations during 1956-57 and 1957-58, namely:—Savings Certificates and War Saving Certificates (Five and Seven Years' Series), decreases of £3,323,000 and £4,039,000; War Savings and Savings Stamps, decreases of £1,000 each year; National Savings Bonds and Stamps, decreases of £1,000 each year; "Over the Counter Sales" (small amounts borrowed by the States by virtue of certain statutory rights) £1,211,250 and £3,299,600. Advance loan subscriptions in hand decreased from £7,943,000 at the end of 1955-56 to £3,516,000 at the end of 1956-57 and to £1,443,000 at the end of 1957-58.

(ii) *London.* No new loans were raised in London during the period 1955-56 to 1957-58.

(iii) *New York.* A cash loan was raised in New York in June, 1956, which was the first since May, 1928, except for loans raised from the International Bank for Reconstruction and Development (see para. 4, below). The following table gives details of the loans raised during the period 1955-56 to 1957-58.

COMMONWEALTH NEW LOANS RAISED IN NEW YORK.

Month of Raising.	Amount of Loan.	Rate of Interest per annum.	Price of Issue per \$100.	Year of Maturity.	Allocation of Proceeds.	
					Commonwealth.	States.
	\$,000.	%	\$		\$'000.	\$'000.
1955-56—						
June	6,972	4½	98.50	1971	1,270	5,702
1956-57—						
November	7,771	4½	100	(a) 1960-64	(b) 7,771	..
March	2,886	5	100	1972	488	2,398
1957-58—						
April	25,000	4½	99	1973	4,145	20,855

(a) Repayable in half-yearly instalments.

(b) Proceeds used for Qantas Empire Airways Loan.

3. Conversion and Redemption Loans, 1955-56 to 1957-58.—(i) *Australia.* Particulars of conversion loans raised in Australia during the three years 1955-56 to 1957-58 are given in the following table :—

COMMONWEALTH CONVERSION AND REDEMPTION LOANS RAISED IN AUSTRALIA.

Month of Raising.	Old Loan.		New Loan.				Increase in Annual Liability for Interest.
	Amount.	Rate of Interest per annum.	Amount.	Rate of Interest per annum.	Price of Issue per £100.	Year of Maturity.	
	£A.'000.	%	£A.'000.	%	£		£A.'000.
1955-56—							
November ..	{ 23,407 106,081	{ 3½ 3	{ 32,297 41,815 39,589	{ 3 4½ 4½	{ 99 15s. 100 100	{ 1956 1965 1970	{ 1,059
June ..	6,795	3	{ 4,500 2,295	{ 3½ 5	{ 99 10s. 99 10s.	{ 1957 1963	{ 80
1956-57—							
August ..	{ 16,050 54,124 250	{ 3 3½ 3½	{ 20,888 22,157 13,044	{ 3½ 5 5	{ 99 15s. 99 15s. 100	{ 1957 1963 1976	{ 292
October ..	40,816	3	{ 18,204 12,661 5,614	{ 4 5 5	{ 99 10s. 100 100	{ 1958 1965 1976	{ 427
December ..	5,575	3	{ 2,800 2,775	{ 4 5	{ 99 12s. 6d. 100	{ 1958 1976	{ 84
March ..	141,931	3	{ 102,570 10,066 17,481	{ 4 5 5	{ 100 100 100	{ 1958 1965 1976	{ 1,217
1957-58—							
August ..	150,527	3½	{ 98,650 9,592 34,701	{ 4 5 5	{ 99 5s. 100 100	{ 1959 1965 1976	{ 516
November ..	75,293	3½	{ 21,457 26,233 7,913	{ 4 5 5	{ 99 100 100	{ 1960 1967 1973	{ 119
April ..	173,371	4	{ 108,578 10,651 26,577	{ 4 4½ 5	{ 98 17s. 6d. 99 100	{ 1961 1967 1973	{ -757

NOTE.—Minus sign (-) indicates reduction in liability for interest.

(ii) *London.* The following table shows particulars of loans raised in London during the years 1956-57 and 1957-58 for the purpose of redeeming and converting London loans. There were no loans raised for this purpose in 1955-56.

COMMONWEALTH LOANS RAISED FOR THE CONVERSION AND REDEMPTION OF LOANS MATURING IN LONDON.

Month of Raising	Old Loan.		New Loan.				Increase in Annual Liability for Interest and Exchange. (a)	
	Amount.	Rate of Interest per annum.	Amount raised in—		Rate of Interest per annum.	Price of Issue per £100.		Year of Maturity.
	£Stg.'000.	%	£A.'000.	£Stg.'000.	%	£	£A.'000.	
1956-57—								
July ..	(b) 3,200	5½/10	4,000	..	5	100	1963	-5
August ..	{ b 1,491 c 21,377	{ 2½ 2½	28,708	..	3½	99 15s.	1957	293
October ..	6,951	3½	..	6,951	5½	97 10s.	1972	153
1957-58—								
February ..	16,000	3	..	16,000	6	99 10s.	1976	602

(a) No account has been taken of the cost of issuing the conversion loans at a discount. Exchange calculated at £A. 125.375 = £Stg. 100. (b) Debentures. (c) Treasury Bills.

(iii) *New York.* During 1946–47, four loans totalling \$128,000,000 were raised in New York to redeem loans which became due for redemption or which the Commonwealth had the option of redeeming. No further loans were raised in New York for this purpose until December, 1954. The following table shows particulars of redemption loans raised in 1955–56 and 1956–57. There were no loans raised for this purpose in 1957–58.

COMMONWEALTH LOANS RAISED IN NEW YORK FOR REDEMPTION OF EXISTING LOANS.

Month of Raising.	Old Loan.		New Loan.				Increase in Annual Liability for Interest.(a)	
	Amount.	Rate of Interest per annum.	Amount.	Rate of Interest per annum.	Price of Issue per \$100.	Year of Maturity.	United States of America Currency.	Australian Currency.
	\$'000.	%	\$'000.	%	\$.		\$'000.	£A.'000.
1955–56— June ..	20,000	3½	18,028	4½	98.5	1971	161	(b) 72
1956–57— March ..	17,114	3½	17,114	5	100	1972	299	(c) 135

(a) The cost of issuing the new loans at a discount has not been taken into account. (b) Converted at selling rate of exchange on 30th June, 1956, \$2.2265 = £A1. (c) Converted at selling rate of exchange on 30th June, 1957, \$2.2208 = £A1.

4. **International Bank for Reconstruction and Development Loans.**—To provide dollar funds for the purchase of certain types of capital equipment and plant which were indispensable to the furtherance of development in Australia and which could be obtained only in the United States of America or Canada, the Commonwealth Government, in August, 1950, arranged a loan of \$100,000,000 from the International Bank for Reconstruction and Development. The loan is for a term of 25 years with interest at 4½ per cent. per annum on the amount of the loan withdrawn and outstanding from time to time. In addition, there is a commitment charge of ¾ per cent. per annum on the amount of the loan not withdrawn from time to time. Repayment of the loan is to be made in half-yearly instalments commencing on 1st September, 1955. The last instalment is payable on 1st September, 1975. At 31st December, 1953, the whole of the loan had been drawn.

In July, 1952, a further loan of \$50,000,000 was arranged. This loan is for a term of 20 years with interest at 4½ per cent. per annum on the amount of the loan withdrawn and outstanding from time to time. There is also a commitment charge of ¾ per cent. per annum similar to that of the previous loan. Repayment of the loan is to be made in half-yearly instalments from 1st June, 1957, to 1st December, 1972. At 30th September, 1954, the whole of the loan had been drawn.

In March, 1954, a third loan of \$54,000,000 was arranged. This loan is for a term of 15 years with interest and commitment charges similar to those for the previous loan for \$50,000,000. Repayment of the loan is to be made in half-yearly instalments from 1st March, 1957, to 1st March, 1969. At 30th September, 1955, the whole of the loan had been drawn.

In March, 1955, a fourth loan of \$54,500,000 was arranged. This loan is for a term of 15 years with interest at 4½ per cent. per annum. There is also a commitment charge of ¾ per cent. per annum similar to that of previous loans. Repayment is to be made in half-yearly instalments from 15th March, 1958, to 15th March, 1970. At 31st December, 1956, the whole of the loan had been drawn.

In November, 1956, a fifth loan of \$9,230,000 was arranged. This loan is for a term of 10 years with interest at 4½ per cent. per annum. There is also a commitment charge of ¾ per cent. per annum similar to that of previous loans. Repayment is to be made in half-yearly instalments from 1st June, 1964, to 1st December, 1966. Drawings to 30th June, 1957, amounted to \$921,000 and to 30th June, 1958 to \$8,309,000. The proceeds of this loan are being advanced to Qantas Empire Airways.

In December, 1956, a sixth loan of \$50,000,000 was arranged. This loan is for a term of 15 years with interest at 4½ per cent per annum. There is also a commitment charge of ¾ per cent. per annum similar to that of previous loans. Repayment is to be made in half-yearly instalments from 15th July, 1959, to 15th January, 1972. Drawings to 30th June, 1957, amounted to \$469,000 and to 30th June, 1958, to \$33,171,000.

The capital equipment and plant purchased from the proceeds of these loans are made available to Commonwealth and State Government departments and agencies and private firms and individuals for use in the development of Australian resources. Subject to a special import licence being obtained, the goods are imported and distributed through normal channels and payment made through the Australian banking system. Periodically, schedules of dollar payments for goods imported against loan licences are submitted to the International Bank for Reconstruction and Development. These schedules form the basis for periodical drawings by the Commonwealth against the loan. The amounts drawn are paid to the Commonwealth Bank to replace the dollar funds used in making the purchases. In return, the Commonwealth Government receives Australian currency from the Commonwealth Bank. This is paid to the Commonwealth National Debt Sinking Fund out of which the loans will subsequently be redeemed.

5. Swiss Loan.—To foster industrial development in Australia and to stimulate trade relations between the two countries, the Commonwealth Government arranged for the issue in Switzerland in November, 1953, and February, 1955, of two public loans each of 60,000,000 Swiss francs. The loans were underwritten by a Swiss banking group headed by the Swiss Bank Corporation, the Crédit Suisse and the Union Bank of Switzerland. Certain Swiss taxes connected with the issue and servicing of the loan were paid on an agreed basis by the Australian Government.

The first loan was for a period of 15 years with an option on the part of the Australian Government to repay the loan in full or in part after 12 years. The rate of interest was 4 per cent. and the issue price £99. Bondholders have the option of requiring payment either in Australian pounds or in the foreign currency equivalent of Australian pounds.

The second Swiss loan was for a period of 15 years with an option to redeem after 10 years. The rate of interest was 3½ per cent. and the issue price £99 10s. Bonds and interest are payable only in Swiss francs.

The loans were both fully subscribed and Swiss franc proceeds, after deducting borrowing expenses, were sold by the Commonwealth Government to the Commonwealth Bank in return for an equivalent amount of Australian currency. A trust account, named the Swiss Loan Trust Account, was opened and the proceeds from the two loans were transferred to this account and were used in assisting the Loan Council borrowing programmes for the 1953–54 and 1954–55 financial years. The Swiss Loan Trust Account will also be used as a sinking fund for the loans, and, when the time comes for repayment, the trust account investments can be realized. The provisions of the National Debt Sinking Fund Act do not apply to the loans.

6. Canadian Loan.—In October, 1955, the Commonwealth Government arranged for the issue in Canada of a public loan of 15,000,000 Canadian dollars raised to assist Australia's development programme. The loan was underwritten by Wood, Gundy & Company Limited of Toronto, Canada.

The loan was for a period of 15 years with an option on the part of the Australian Government to repay the loan in full or in part at any time prior to 1st November, 1970. The rate of interest was 4 per cent. payable half-yearly and the issue price \$98.50. Bonds and interest are payable in Canadian dollars.

The loan was fully subscribed and the net Canadian dollar proceeds were sold to the Commonwealth Bank for Australian currency. A trust account, named the Canadian Loan Trust Account, was opened and the Australian currency proceeds of the loan were transferred to this account and used in assisting the Loan Council borrowing programme in 1955–56.

The Canadian Loan Trust Account will provide the necessary sinking fund payments and, when the time comes for repayment, the Trust Account investments will be realized to provide funds for that purpose. The provisions of the National Debt Sinking Fund Act do not apply to this loan.

7. Summary of Loan Transactions, 1953–54 to 1957–58.—The following table contains a summary of loan transactions on behalf of the Commonwealth and State Governments during the five years 1953–54 to 1957–58.

COMMONWEALTH LOAN TRANSACTIONS : SUMMARY.

Details.	Year ended 30th June—				
	1954.	1955.	1956.	1957.	1958.
New Loans—					
New Loans (a) raised in—					
Australia .. £A.'000.	198,383	175,753	193,919	196,854	195,236
New York(b) .. \$'000.	48,144	52,821	50,355	23,536	65,091
Switzerland .. Fracs '000.	60,000	60,000	..	..	..
Canada \$'000.	..	..	15,000	..	..
Miscellaneous Debt in Australia (c) £A.'000.	13,273	3,429	8,269	-3,214	1,229
Net Increase in Short Term Debt—					
Australia—Public .. £A.'000.	-35,000	-30,000	5,000	-15,000	-10,000
Internal .. £A.'000.	29,000	34,600	-8,200	20,200	12,500
London £Stg.'000.	-250	2,950	-220	-26,068	..
Loans raised for Conversion or Redemption of existing Debt maturing in—					
Australia £A.'000.	43,171	253,793	120,496	228,260	344,352
London—					
Raised in Australia .. £A.'000.	..	..	..	32,708	..
London .. £Stg.'000.	10,796	..	..	6,951	16,000
New York \$'000.	..	25,000	18,028	17,114	..

(a) Includes loans raised for redemption of Treasury Bills. No new loans were raised in London during this period. (b) Includes amounts drawn of \$100,000,000, \$50,000,000, \$54,000,000, \$54,500,000, \$9,230,000 and \$50,000,000, loans from International Bank for Reconstruction and Development. (c) "Over the Counter Sales", Instalment Stock, National Savings Bonds, War Savings and Savings Certificates and net increase in debt on account of advance loan subscriptions and, until the discontinuance of sales, War Savings and Savings Stamps and National Savings Stamps.

NOTE.—Minus sign (—) denotes a decrease in debt.

§ 5. National Debt Sinking Fund.

1. Commonwealth Public Debt.—Particulars relating to the creation of sinking funds are included in issues of the Official Year Book prior to No. 23.

The old sinking funds were merged in the National Debt Sinking Fund on 11th August, 1923. Particulars of receipts and expenditure of the Commonwealth Account for the years 1938-39 and 1953-54 to 1957-58 were as follows:—

NATIONAL DEBT SINKING FUND: COMMONWEALTH ACCOUNT.
(£'000.)

Item.	1938-39.	1953-54.	1954-55.	1955-56.	1956-57.	1957-58.
<i>Receipts—</i>						
From Consolidated Revenue	3,918	18,154	14,115	15,412	15,292	14,301
Loans and Advances Repaid	17	2,276	2,007	2,212	2,986	2,881
War Service Homes Money Repaid	629	5,326	5,734	5,865	5,660	6,566
Half Net Profit Commonwealth Bank	321	2,127	2,835	3,112	3,918	4,961
Reparation Moneys .. ..	..	..	2,662	..	200	63
Interest on Investments	32	(a) 3,371	(a) 4,621	(a) 7,997	(a) 9,169	(a) 9,413
Loan (International Bank for Reconstruction and Development) Act .. ..	..	21,467	23,575	19,369	5,367	14,564
Other Contributions	14	6	3	2	2	1
<i>Total Receipts</i>	<u>4,931</u>	<u>52,727</u>	<u>55,552</u>	<u>53,969</u>	<u>42,594</u>	<u>52,750</u>
<i>Expenditure—</i>						
Securities Repurchased and Redeemed in—						
Australia	4,230	16,993	36,218	17,955	32,891	60,001
London	608	722	609	298	88	318
New York	214	8,998	4,488	(b) 1,525	(b) 3,031	(b) 5,172
<i>Total Expenditure</i>	<u>5,052</u>	<u>26,713</u>	<u>41,315</u>	<u>19,778</u>	<u>36,010</u>	<u>65,491</u>
Balance at 30th June	1,131	188,073	202,310	236,501	243,085	230,344
<i>Face Value of Securities Repurchased and Redeemed in—</i>						
Australia	4,199	18,561	37,312	19,149	34,718	61,017
London	498	593	492	240	85	305
New York	167	4,152	2,065	(b) 699	(b) 1,397	(b) 2,387
<i>Total Face Value</i>	<u>4,864</u>	<u>23,306</u>	<u>39,869</u>	<u>20,088</u>	<u>36,200</u>	<u>63,709</u>

(a) Includes interest received under National Debt Sinking Fund (Special Payment) Act 1951, £1,970,000 in 1953-54, £2,149,000 in 1954-55, £3,683,000 in 1955-56, £4,205,000 in 1956-57, and £3,936,000 in 1957-58. (b) Includes instalment repayments of loans from International Bank for Reconstruction and Development. 1955-56 net cost £1,407,000; face value, £645,000; 1956-57, net cost, £2,668,000; face value, £1,221,000; and 1957-58, net cost £4,733,000; face value £2,173,000.

2. State Public Debt.—(i) States, 1956-57 and 1957-58. A sinking fund for the redemption of the debt of the States was established under the Financial Agreement. Details of contributions to be made to this fund are given on page 832. Particulars of the transactions of the National Debt Sinking Fund (States' Account) for each State during the years 1956-57 and 1957-58 are shown below.

NATIONAL DEBT SINKING FUND: STATE ACCOUNT, 1956-57.

(£'000.)

Item.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
Receipts—							
Contributions under Financial Agreement—							
Commonwealth	1,651	1,054	576	607	455	297	4,640
States	5,746	3,681	2,053	2,505	1,529	803	16,317
Interest from States on cancelled Securities	3	3	1	1	1	..	9
Special Contributions by States	80	6	..	2	1	1	90
Interest on Investments, etc.	8	7	2	3	2	1	23
Total Receipts	7,488	4,751	2,632	3,118	1,988	1,102	21,079
Expenditure—							
Securities Repurchased and Redeemed in—							
Australia	7,376	4,829	2,507	2,545	1,942	1,113	20,312
London	243	145	106	282	65	16	857
New York	197	106	129	393	48	6	879
Total Expenditure	7,816	5,080	2,742	3,220	2,055	1,135	22,048
Balance at 30th June, 1957	186	254	106	141	55	124	866
Face Value of Securities Repurchased and Redeemed in—							
Australia	7,421	4,898	2,507	2,545	1,947	1,113	20,431
London	241	144	105	246	57	16	809
New York	94	51	62	181	24	3	415
Total Face Value	7,756	5,093	2,674	2,972	2,028	1,132	21,655

NATIONAL DEBT SINKING FUND: STATE ACCOUNT, 1957-58.

Item.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
Receipts—							
Contributions under Financial Agreement—							
Commonwealth	1,787	1,155	631	668	497	327	5,065
States	6,070	4,163	2,221	2,693	1,709	902	17,758
Interest from States on cancelled Securities	3	3	2	2	1	..	11
Special Contributions by States	80	5	..	105	1	2	193
Interest on Investments, etc.	17	6	4	3	3	3	36
Total Receipts	7,957	5,332	2,858	3,471	2,211	1,234	23,063
Expenditure—							
Securities Repurchased and Redeemed in—							
Australia	2,503	5,221	2,646	2,818	2,079	1,300	16,567
London	5,265	189	180	336	54	19	6,043
New York	315	118	100	410	61	7	1,011
Total Expenditure	8,083	5,528	2,926	3,564	2,194	1,326	23,621
Balance at 30th June, 1958	60	58	38	48	72	32	308
Face Value of Securities Repurchased and Redeemed in—							
Australia	2,597	4,928	2,649	2,549	2,079	1,300	16,102
London	4,125	187	179	300	55	20	4,866
New York	149	57	48	189	30	3	476
Total Face Value	6,871	5,172	2,876	3,038	2,164	1,323	21,444

(ii) All States, 1938-39 and 1953-54 to 1957-58. The following table is a summary of the transactions of the National Debt Sinking Fund (State Account) for the years 1938-39 and 1953-54 to 1957-58:—

NATIONAL DEBT SINKING FUND: STATE ACCOUNT.
(£'000.)

Item.	1938-39.	1953-54.	1954-55.	1955-56.	1956-57.	1957-58.
<i>Receipts—</i>						
<i>Contributions under Financial Agreement—</i>						
Commonwealth States	1,478	3,463	3,947	4,310	4,640	5,065
Interest from States on cancelled Securities ..	4,327	12,357	13,680	15,416	16,317	17,758
Commonwealth Contributions under Federal Aid Roads and Works Act	15	45	18	26	9	11
Special Contributions by States	69	..	..	..	..	..
Interest on Investments, etc.	61	203	90	90	90	193
	56	33	16	32	23	36
<i>Total Receipts</i>	<i>6,006</i>	<i>16,101</i>	<i>17,751</i>	<i>19,874</i>	<i>21,079</i>	<i>23,063</i>
<i>Expenditure—</i>						
<i>Securities Repurchased and Redeemed in—</i>						
Australia	4,008	13,576	14,540	18,656	20,312	16,567
London	1,722	1,362	898	329	857	6,043
New York	347	4,792	2,688	773	879	1,011
<i>Total Expenditure</i>	<i>6,077</i>	<i>19,730</i>	<i>18,126</i>	<i>19,758</i>	<i>22,048</i>	<i>23,621</i>
<i>Balance at 30th June</i>	<i>1,885</i>	<i>2,094</i>	<i>1,719</i>	<i>1,835</i>	<i>866</i>	<i>308</i>
<i>Face Value of Securities Repurchased and Redeemed in—</i>						
Australia	3,996	14,445	14,780	19,235	20,431	16,102
London	1,561	1,154	732	275	809	4,866
New York	285	2,214	1,236	356	415	476
<i>Total Face Value</i>	<i>5,842</i>	<i>17,813</i>	<i>16,748</i>	<i>19,866</i>	<i>21,655</i>	<i>21,444</i>

E. TAXES ON INCOME.

NOTE.—The following section contains details of taxes on individuals and companies for the 1958-59 financial year.

1. **General.**—A description of the development of income taxes in Australia appeared in Official 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. Taxes on income are assessed and imposed under the Income Tax and Social Services Contribution Assessment Act 1936-1958 and the Income Tax and Social Services Contribution Act 1958. The latter Act is an annual measure and its primary purpose is to declare the rates of tax and contribution payable for the financial year. The rates for the financial year are levied, in the case of individuals, on the income of that year and, in the case of companies, on the income of the preceding year. Thus tax for the financial year 1958-59 is levied on the income of individuals in 1958-59 and on the income of companies in 1957-58.

2. **Present Taxes.**—For individuals, a single tax known as the Income Tax and Social Services Contribution is levied. All companies are liable for primary income tax and in addition, private companies are subject to tax on undistributed income.

3. **Assessable Income.**—Income taxes in Australia are levied, primarily, on all income derived from Australian sources by any person, rather than on income derived from all sources by Australian residents. Thus a non-resident is taxed on income derived in Australia, while a resident is, in general, not taxed on income other than dividends derived from overseas, if the income is taxed in the country in which it is derived.

Certain types of Australian income are exempt from tax in Australia, the more important being (i) pensions, child endowment and other payments under the Social Services Act 1947-1958 and the Tuberculosis Act 1948, (ii) income from gold-mining and uranium mining, (iii) twenty per cent. of certain mining profits, (iv) dividends paid out of exempt mining profits, and (v) income received from a scholarship, bursary or other education allowance.

No amount is included in assessable income on account of a house occupied by its owner. Profits derived from the sale of property are not assessable income if such property was not purchased with a view to resale at a profit.

Expenses incurred in earning income, certain subscriptions to business associations, and trade union dues, are allowable deductions. Losses incurred in previous years may be carried forward as a deduction.

Because of uncongenial climatic conditions, isolation, and high cost of living, taxpayers living in certain areas are allowed an additional deduction. Two zones have been prescribed, and the allowances are:—Zone A, £270 plus an amount equal to one half of the total deductions allowable to the taxpayer for the maintenance of dependants; and Zone B, £45 plus an amount equal to one twelfth of the deductions allowable to the taxpayer for the maintenance of dependants. A deduction equal to the deduction allowed to residents of Zone A is also allowed to members of the defence forces serving for more than one half of the year of income at declared localities outside Australia.

Income Tax and Social Services Contribution is levied on the taxable income remaining after making these deductions and the concessional deductions to which reference is made in paragraph 4 following.

4. **Concessional Deductions.**—Concessional allowances for dependants, medical expenses, life assurance and superannuation contributions, etc., are made by way of a deduction from income. The maximum deduction allowed for each dependant, for a parent or parent-in-law, or for a housekeeper employed by the taxpayer for the financial year 1958–59 is shown in the following table.

CONCESSIONAL DEDUCTIONS FOR DEPENDANTS, ETC.(a)
(£.)

Dependant, etc. (Resident).	Maximum Deduction.
Spouse	143
Daughter-housekeeper (b)	143
Housekeeper (b) having care of taxpayer's children under 16 years of age	143
Parent or Parent-in-law	143
One child under 16 years of age	91
Other children under 16 years of age	65
Invalid relative(c)	91
Child 16 to 21 years receiving full-time education (d)	91

(a) These deductions are allowed only if the dependant, parent or parent-in-law is a resident of Australia. If the dependant is maintained for part only of the year a partial deduction is allowed. (b) Of a widower or widow. (c) Child, step-child, brother or sister over 16 years of age. The amount of the deduction is reduced by any invalid pension received. (d) The amount of the deduction is reduced by the value of any assistance provided by the Commonwealth or a State.

When the dependant or person maintained derives separate income, the amount of the concessional deduction allowable is reduced as follows:—

In the case of a spouse or daughter-housekeeper, by £2 for every £1 by which the separate net income exceeds £65; for each parent or parent-in-law maintained, by £1 for each £1 of separate income; and for each dependent child or invalid relative, by £2 for every £1 by which the separate net income exceeds £52.

For the 1958–59 financial year, medical expenses paid by a taxpayer who is a resident, in respect of himself or dependants, including children under 21 years of age, up to £150 for each person, are allowed as a concessional deduction. Medical expenses include payments made to a legally qualified medical practitioner, nurse or chemist, or a hospital, in respect of an illness or operation, payments for dental services not exceeding £30 for any one person, payment for therapeutic treatment and eye tests, expenditure on medical or surgical appliances, artificial limbs or eyes, hearing aids and spectacles, and the remuneration of an attendant of a person who is blind or confined to bed or invalid chair.

Other concessional deductions allowed to resident taxpayers include, (i) payments of life, etc., insurance premiums and contributions to superannuation funds and friendly societies, not exceeding an aggregate of £300, (ii) payments to medical or hospital benefits funds, (iii) funeral expenses of a dependant not exceeding £30 and (iv) expenditure incurred for the full-time education of children or dependants who are less than 21 years of age (maximum £100 per child or dependant).

In addition to concessional deductions, all taxpayers (residents and non-residents) are allowed a deduction from income of rates and taxes on land which are annually assessed, gifts to charitable, benevolent or patriotic funds and one-third of amounts paid as calls to certain mining, forestry and oil-prospecting companies. Resident taxpayers only are allowed a deduction from income of the full amount paid as calls and as application and allotment moneys to certain companies engaged in the search for oil in Australia and New Guinea.

5. **Effective Exemptions from Tax.**—For the financial years 1950–51 to 1958–59, resident taxpayers without dependants were exempt from Income Tax and Social Services Contribution if their income did not exceed £104. The effect of the deductions for dependants was to exempt taxpayers up to the incomes shown hereunder.

RESIDENT TAXPAYERS : EFFECTIVE EXEMPTIONS FROM TAX.
(£.)

Taxpayer with—	Income Tax and Social Services Contribution— Financial Years 1950–51 to 1952–53.	Income Tax and Social Services Contribution— Financial Years 1953–54 to 1956–57.	Income Tax and Social Services Contribution— Financial Years 1957–58 and 1958–59.
No dependants	104	104	104
Wife	208	234	247
Wife and one child	286	312	338
„ „ two children	338	364	403
„ „ three children	390	416	468
„ „ four children	442	468	533

For the 1958–59 financial year, an aged person (i.e., a man who has attained the age of 65 years or a woman who has attained the age of 60 years) is exempt from Income Tax and Social Services Contribution if his net income (i.e., gross income less expenses of earning that income) does not exceed £410. A married couple both of whom qualify by age for the concession, are exempt from tax if their combined net incomes do not exceed £819.

6. **Rates of Income Tax and Social Services Contribution on Individuals.**—The following table shows the rates of income tax and social services contribution for the financial years 1953–54 to 1958–59.

INCOME TAX AND SOCIAL SERVICES CONTRIBUTION—INDIVIDUALS : RATES OF INCOME TAX AND SOCIAL SERVICES CONTRIBUTION—1953-54 TO 1958-59.

Total Taxable Income.		1953-54.		1954-55 to 1958-59.	
Column 1.	Column 2.	Tax and Contribution on Amount in Column 1.	Tax and Contribution on each £1 of Balance of Income.	Tax and Contribution on Amount in Column 1.	Tax and Contribution on each £1 of Balance of Income.
Exceeding—	Not Exceeding—	£ s. d.	d.	£ s. d.	d.
£	£	£ s. d.	d.	£ s. d.	d.
Nil	100	Nil	1	Nil	1
100	150	0 8 4	4	0 8 4	3
150	200	1 5 0	9	1 0 10	7
200	250	3 2 6	13	2 10 0	11
250	300	5 16 8	17	4 15 10	15
300	400	9 7 6	22	7 18 4	20
400	500	18 10 10	28	16 5 0	26
500	600	30 4 2	33	27 1 8	30
600	700	43 19 2	38	39 11 8	34
700	800	59 15 10	42	53 15 0	38
800	900	77 5 10	46	69 11 8	42
900	1,000	96 9 2	50	87 1 8	46
1,000	1,200	117 5 10	56	106 5 0	52
1,200	1,400	163 19 2	64	149 11 8	59
1,400	1,600	217 5 10	71	198 15 0	65
1,600	1,800	276 9 2	78	252 18 4	71
1,800	2,000	341 9 2	85	312 1 8	77
2,000	2,400	412 5 10	93	376 5 0	85
2,400	2,800	567 5 10	100	517 18 4	92
2,800	3,200	733 19 2	107	671 5 0	99
3,200	3,600	912 5 10	114	836 5 0	105
3,600	4,000	1,102 5 10	121	1,011 5 0	111
4,000	4,400	1,303 19 2	128	1,196 5 0	117
4,400	5,000	1,517 5 10	136	1,391 5 0	124
5,000	6,000	1,857 5 10	144	1,701 5 0	132
6,000	8,000	2,457 5 10	151	2,251 5 0	139
8,000	10,000	3,715 12 6	158	3,409 11 8	145
10,000	16,000	5,032 5 10	165	4,617 18 4	152
16,000	upwards	9,157 5 10	168	8,417 18 4	160

For primary producers, the rate of Income Tax and Social Services Contribution for the current year is determined by the average of the taxable incomes for the five years up to and including the current year. A taxpayer may elect not to have these averaging provisions applied to his assessment, but the election once made, is irrevocable. The application of the averaging provisions is limited to that part of the taxable income which does not exceed £4,000, and when the taxable income exceeds £4,000, the balance is taxed at the ordinary rates applicable to that part. When the taxable income is less than £4,000, the rate of tax for averaging purposes is limited to the rate on a taxable income of £4,000.

Commencing with 1953-54, the taxable income, including any abnormal receipts, of actors, artists, composers and inventors, is taxed at the rate appropriate to the normal taxable income plus one-third of the abnormal receipts.

Interest on Commonwealth Loans issued prior to 1st January, 1940, is subject to the condition that it shall not be taxed at rates higher than those for 1930-31. Interest on Commonwealth Loans issued after 1st January, 1940, and interest on certain State semi-governmental loans issued free of State income tax are subject to a rebate of 2s. for each £1 included in the taxable income.

The minimum amount of Income Tax and Social Services Contribution payable is 10s. and the amounts payable and rebates are calculated to the nearest shilling.

7. **The Income Tax (International Agreements) Act 1953.**—This Act provided for relief from double taxation of incomes flowing between Australia and the United States of America. It also provided similar relief in respect of the United Kingdom, which had been covered by the Income Tax Assessment Act since 1947.

8. **Taxes on Specified Incomes.**—The following table shows the Income Tax and Social Services Contribution payable by taxpayers, with various incomes and numbers of dependants, on income derived in each year from 1951-52 to 1958-59 :—

COMMONWEALTH TAXES ON INCOME.
(£.)

Income.	Income Tax and Social Services Contribution.				
	1951-52 Financial Year.	1952-53 Financial Year.	1953-54 Financial Year.	1954-55 to 1956-57 Financial Years.	1957-58 to 1958-59 Financial Years.
INCOME FROM PERSONAL EXERTION.—TAXPAYER WITH NO DEPENDANTS.					
150	1.80	1.65	1.25	1.05	1.05
200	4.35	3.95	3.10	2.50	2.50
250	8.05	7.30	5.85	4.80	4.80
300	12.80	11.65	9.35	7.90	7.90
350	18.80	17.10	13.95	12.10	12.10
400	24.75	22.50	18.55	16.25	16.25
500	39.45	35.85	30.20	27.10	27.10
600	56.80	51.65	43.95	39.60	39.60
800	99.00	90.00	77.30	69.60	69.60
1,000	148.50	135.00	117.30	106.25	106.25
1,500	309.80	281.65	246.85	225.85	225.85
2,000	515.20	468.35	412.30	376.25	376.25
3,000	1,021.20	928.35	823.10	753.75	753.75
5,000	2,297.20	2,088.35	1,857.30	1,701.25	1,701.25
INCOME FROM PERSONAL EXERTION.—TAXPAYER WITH DEPENDENT WIFE.					
150 .. .. .	..	..	..	..	..
200 .. .. .	..	..	..	..	..
250	1.70	1.55	0.75	0.65	0.50
300	4.10	3.75	2.00	1.60	1.25
350	7.70	7.00	4.20	3.60	2.80
400	12.45	11.30	7.25	6.05	5.25
500	24.25	22.05	15.80	13.75	12.65
600	38.85	35.30	26.70	23.85	22.40
800	76.15	69.25	55.05	49.50	47.65
1,000	121.90	110.80	90.70	81.85	79.55
1,500	271.85	247.15	209.30	191.35	188.20
2,000	469.40	426.75	366.25	334.55	330.35
3,000	964.00	876.35	765.15	700.10	694.75
5,000	2,224.70	2,022.45	1,783.60	1,634.10	1,627.35

COMMONWEALTH TAXES ON INCOME—*continued.*
(£.)

Income.	Income Tax and Social Services Contribution.				
	1951-52 Financial Year.	1952-53 Financial Year.	1953-54 Financial Year.	1954-55 to 1956-57 Financial Years.	1957-58 to 1958-59 Financial Years.
INCOME FROM PERSONAL EXERTION.—TAXPAYER WITH DEPENDENT WIFE AND ONE CHILD.					
150
200
250
300	..	0.95	0.85	..	..
350	..	2.75	2.50	1.10	0.95
400	..	5.65	5.15	2.80	2.25
500	..	14.95	13.60	8.80	7.40
600	..	27.40	24.90	17.80	15.60
800	..	60.45	54.95	42.85	38.60
1,000	..	103.30	93.90	75.90	68.30
1,500	..	246.10	223.75	188.50	172.20
2,000	..	435.10	395.55	338.85	309.70
3,000	..	921.10	837.35	730.60	668.20
5,000	..	2,170.35	1,973.05	1,739.40	1,593.80
1,580.35					

INCOME FROM PERSONAL EXERTION.—TAXPAYER WITH DEPENDENT WIFE AND TWO CHILDREN.

150	..	..	..	..	..
200	..	..	..	..	..
250	..	..	..	..	..
300	..	..	..	..	..
350	..	0.90	0.80	..	..
400	..	2.65	2.40	1.10	0.90
500	..	9.55	8.70	5.30	4.35
600	..	20.70	18.80	13.05	11.25
800	..	50.90	46.30	35.70	32.10
1,000	..	91.50	83.20	66.80	60.10
1,500	..	228.90	208.15	174.60	159.40
2,000	..	413.45	375.85	321.95	294.35
3,000	..	893.70	812.45	708.95	648.25
5,000	..	2,134.15	1,940.15	1,709.95	1,566.90
1,546.75					

INCOME FROM PROPERTY.—TAXPAYER WITH NO DEPENDANTS.

150	..	..	..	1.80	1.65	1.25	1.05	1.05
200	..	..	..	4.35	3.95	3.10	2.50	2.50
250	..	..	..	8.05	7.30	5.85	4.80	4.80
300	..	..	..	12.80	11.65	9.35	7.90	7.90
350	..	..	..	18.80	17.10	13.95	12.10	12.10
400	..	..	..	24.75	22.50	18.55	16.25	16.25
500	..	..	..	44.95	40.85	30.20	27.10	27.10
600	..	..	..	67.80	61.65	43.95	39.60	39.60
800	..	..	..	121.00	110.00	77.30	69.60	69.60
1,000	..	..	..	181.50	165.00	117.30	106.25	106.25
1,500	..	..	..	379.50	345.00	246.85	225.85	225.85
2,000	..	..	..	621.50	565.00	412.30	376.25	376.25
3,000	..	..	..	1,200.85	1,091.70	823.10	753.75	753.75
5,000	..	..	..	2,586.85	2,351.70	1,857.30	1,701.25	1,701.25

9. **Pay-as-you-earn.**—Individual taxpayers pay tax on a pay-as-you-earn basis. A similar scheme does not operate for companies.

(a) **Salary and Wage Earners.** Salary and wage earners are subject to instalment deductions for payment of tax at current rates out of weekly (or fortnightly) earnings. Employers are required to deduct tax and contribution from each payment of wages or salary to an employee at the appropriate rate, in accordance with a prescribed instalment scale. This scale shows the amount to be deducted according to the income and number of dependants of the employee.

Under the group scheme of deduction, which covers most employers of more than ten persons, the amount deducted is remitted to the Taxation Department, and after 30th June each year each employee is given a group certificate by his employer showing the amount of deductions made during the year. This certificate is forwarded to the Taxation Department with the employee's return of income for the year. If the tax assessed on the basis of this return is less than the amount shown on the group certificate, a refund is forwarded to the employee with his assessment. If the tax assessed is greater than the amount shown on the group certificate, the employee is required to pay the balance.

Under the stamp scheme used by small 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 the 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 Department. The employee's half is then used in the same way as a group certificate.

(b) **Taxpayers with Income other than Salary and Wages.** These taxpayers pay provisional tax in respect of income other than salary and wages. Collection of tax and contribution for the current year is made at the same time as collection and assessment for the previous year is adjusted. The notice of assessment shows an amount of provisional tax and contribution for the current year. This provisional amount is an approximation to the tax and contribution which will be payable 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 (for which a return has already been lodged) but the rates for the current year are applied to the income and not the rates for the year in which it was derived. The assessment notice shows the provisional tax and contribution paid in the previous year as a credit against the tax and contribution assessed on the basis of the return for that year. On receipt of his assessment, the taxpayer may elect to substitute his own estimate of income for the current year and pay tax on the basis of this estimate. To protect the revenue, a penalty is imposed if the taxpayer elects to pay provisional tax on an estimate of income more than 20 per cent. lower than the income of the previous year and he underestimates his income by more than 20 per cent.

An employee with income of £100 or more from sources other than salaries or wages is required to pay provisional tax in respect of that income.

10. **Lodgment of Returns and Assessment of Tax.**—All persons with assessable income in excess of £104 are required to lodge returns by the 31st July each year (31st August for business incomes). The Income Tax and Social Services Contribution payable is assessed, and assessment notices showing the amount payable are issued, during the year following the year of income (in most cases from September to June following the lodgment of the return). The approximate amount payable, however, has already been collected during the income year—from employees by deductions from 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.

11. **Company Income Taxes.**—(i) **General.** For taxation purposes, companies are divided into two main groups—public and private. 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 a subsidiary of a public company. All

other companies are regarded as public companies. Both public and private companies pay primary Income Tax and Social Services Contribution assessed on a taxable income ascertained on the same principles as for individuals.

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

(ii) *Rates of Tax.* The rates of Primary Tax, in the case of public companies, and Primary and Additional Tax for private companies, for the financial years 1953-54 to 1958-59, are shown in the table below.

Super Tax and Undistributed Income Tax ceased to be levied on public companies in the 1951-52 financial year and Additional Income Tax and Social Services Contribution ceased in the 1953-54 financial year. For details see Official Year Book No. 39, page 846 and No. 40, page 743.

RATES OF TAX : COMPANIES, 1953-54 TO 1958-59 FINANCIAL YEARS.

(Pence per £.)

Type of Company	Rate of Income Tax and Social Services Contribution—						Rate of Additional Tax on Undistributed Income.
	1953-54 to 1955-56.		1956-57.		1957-58 to 1958-59.		1953-54 to 1958-59.
	Up to £5,000.	On Remainder of Taxable Income.	Up to £5,000.	On Remainder of Taxable Income.	Up to £5,000.	On Remainder of Taxable Income.	Undistributed Amount—Additional Tax.
Private	48	72	60	84	54	78	120
Co-operative	60	84	72	96	66	90	..
Non Profit(a)—							
Friendly Society Dispensaries	60	84	72	96	66	66	..
Other(b)	60	84	72	96	66	90	..
Life Assurance—							
Mutual	48	72	60	84	54	78	..
Other—							
(1) Mutual Income	48	72	60	84	54	78	..
(2) Other Income(c)	(d) 72	84	(d) 84	96	(d) 78	90	..
Other	(d) 72	84	(d) 84	96	(d) 78	90	..
Interest paid to a Non Resident(e)	84	84	96	96	90	90	..

(a) Incomes not exceeding £104 are exempt from tax. (b) Where the taxable income does not exceed £208 (1953-54 to 1955-56), £228 (1956-57) or £231 (1957-58 to 1958-59) the tax may not exceed one half (1953-54 to 1955-56, 1957-58 to 1958-59) or eleven-twentieths (1956-57) of the amount by which the taxable income exceeds £104. (c) The rate of 72d. (1953-54 to 1955-56), 84d. (1956-57) or 78d. (1957-58 to 1958-59) is levied on the amount by which the £5,000 exceeds the mutual income. (d) For non-resident companies dividends included in this part of the taxable income are taxed at 60d. (1953-54 to 1955-56), 72d. (1956-57) and 66d. per £1 (1957-58 to 1958-59). (A resident company is allowed a rebate of tax in respect of dividends received.) (e) If the non-resident is not a company, tax is paid only on income in excess of £104.

A private company incurs liability for additional tax on its undistributed income if it fails to make a sufficient distribution of income within a specified period after the close of the year of income. The tax is levied on the undistributed amount which, for practical purposes, is the taxable income less—

(a) Primary income tax and social services contribution payable ;

(b) Retention allowance (i.e., the proportion of the reduced distributable income which a company may retain without incurring liability for undistributed income tax) ; and

(c) Certain dividends paid by the company.

For the financial years 1953-54 to 1958-59, the retention allowance is the following proportion of the reduced distributable income :—

- On the first £1,000 or part, 50 per cent.
- On the next £1,000 or part, 40 per cent.
- On the next £1,000 or part, 35 per cent.
- On the next £1,000 or part, 30 per cent.
- On the balance, 25 per cent., and
- Ten per cent. of distributable income from property, except dividends from other private companies.

For the financial years 1953-54 to 1958-59, the reduced distributable income is calculated by deducting from the taxable income the primary tax payable and the amount of all property income included in taxable income. The additional tax on undistributed income was imposed at a flat rate of 10s. in the £1 on the undistributed amount.

12. Yield of Income Taxes.—(i) *Collections from Income Taxes.* The following table shows the collections of taxes imposed on income for the years 1938-39 and 1953-54 to 1957-58 :—

INCOME TAX COLLECTIONS.

(£'000.)

Year.	Total.		
	Commonwealth.(a)	State.(b)	Total.
1938-39	11,883	29,796	41,679
1953-54	528,181	92	528,273
1954-55	532,916	52	532,968
1955-56	573,988	74	574,062
1956-57	620,298	23	620,321
1957-58	650,419	33	650,452

(a) Includes Social Services Contribution, War Time (Company) Tax, Super Tax, Undistributed Profits Tax and Wool Deduction. (b) Amounts shown for years other than 1938-39 are arrears of State Income Taxes.

(ii) *Commonwealth Income Tax Assessed.* The amounts of Commonwealth Taxes assessed on the income of recent years are shown in the following table. The amounts are shown under the year in which most of the assessments were made, i.e., the year following the income year. Income taxes assessed on income for past years and for the years shown after the close of the normal assessing period, are not included.

COMMONWEALTH INCOME TAXES ASSESSED.

(£'000.)

Tax.	1939-40.	1952-53.	1953-54.	1954-55.	1955-56.	1956-57.
Individuals—						
Income Tax and Social Services Contribution	(a) 7,423	(b) 379,760	351,147	320,174	316,027	346,355
Companies—						
Income Tax	8,041	151,246	119,348	158,887	174,997	210,664
Additional Tax on Undistributed Income of Private Companies ..	688	5,824	4,266	4,001	3,654	2,951
Total	16,152	536,830	474,761	483,062	494,678	559,970

(a) Income Tax.

(b) Includes assessments issued to 30th June, 1956.

(iii) *Commonwealth Income Tax and Social Services Contribution, 1956-57 Assessment Year.* The following tables show, for the 1956-57 assessment year, details of the number of taxpayers, income, and net income tax and social services contribution assessed for individuals and resident and non-resident companies.

**COMMONWEALTH INCOME TAX AND SOCIAL SERVICES CONTRIBUTION :
1956-57 ASSESSMENT(a)—NUMBER OF TAXPAYERS, ACTUAL INCOME,
TAXABLE INCOME AND NET INCOME TAX AND SOCIAL SERVICES CON-
TRIBUTION ASSESSED—INDIVIDUALS.**

(Incomes derived in year 1955-56.)

Grade of Actual Income(b) and State or Territory of Assessment.	Number of Taxpayers.			Actual Income.	Taxable Income.			Net Income Tax and Social Services Contri- bution Assessed.
	Males.	Females.	Total.	Total.	Salary and Wages.	Other Income.	Total.	
	No.	No.	No.	£'000.	£'000.	£'000.	£'000.	
£ 105-199 ..	56,103	106,706	162,809	25,163	20,503	3,658	24,161	208
200-299 ..	76,130	130,289	206,419	51,924	40,636	7,835	48,471	911
300-399 ..	98,281	146,520	244,801	85,748	66,502	12,174	78,676	2,477
400-499 ..	111,205	162,648	273,853	123,450	92,285	18,707	110,992	4,822
500-599 ..	129,382	188,908	318,290	174,690	131,285	23,486	154,771	8,436
600-699 ..	175,333	128,006	303,339	197,022	140,390	27,385	167,775	10,570
700-799 ..	283,979	73,155	357,134	268,394	185,525	31,630	217,155	15,109
800-899 ..	353,543	41,564	395,107	335,696	230,950	33,767	264,717	20,164
900-999 ..	339,703	23,372	363,075	344,238	234,485	34,383	268,868	22,513
1,000-1,099 ..	275,184	15,426	290,610	304,436	202,429	33,361	235,790	21,376
1,100-1,199 ..	198,751	10,858	209,609	240,450	154,896	31,487	186,383	18,273
1,200-1,299 ..	143,173	7,895	151,068	188,243	116,181	29,704	145,885	15,327
1,300-1,399 ..	101,729	6,463	108,192	145,705	85,901	27,745	113,646	12,807
1,400-1,499 ..	71,154	4,951	76,105	110,112	60,757	25,722	86,479	10,365
1,500-1,999 ..	166,505	14,720	181,225	307,340	142,413	103,773	246,186	34,332
2,000-2,999 ..	84,575	10,990	95,565	227,855	66,630	125,193	191,823	35,939
3,000-3,999 ..	27,879	3,990	31,869	109,228	22,527	73,288	95,815	23,466
4,000-4,999 ..	12,947	1,932	14,879	66,107	12,034	47,029	59,063	17,166
5,000-9,999 ..	15,681	2,557	18,238	120,422	19,155	90,792	109,947	47,359
10,000-14,999 ..	2,161	425	2,586	30,750	4,350	24,006	28,356	13,491
15,000 and over	1,148	209	1,357	32,613	3,614	25,311	28,925	16,116
<i>Total Residents</i>	<i>2,724,546</i>	<i>1,081,584</i>	<i>3,806,130</i>	<i>3,489,586</i>	<i>2,033,448</i>	<i>830,436</i>	<i>2,863,884</i>	<i>345,227</i>
Central Office ..	8,145	5,114	13,259	40,093	6,573	28,816	35,389	12,216
New South Wales	1,008,960	416,194	1,425,154	1,326,710	809,400	281,795	1,091,195	130,858
Victoria ..	774,937	334,300	1,109,237	1,017,260	605,778	237,195	842,973	100,427
Queensland ..	383,272	128,648	511,920	441,122	232,614	121,010	353,624	41,298
South Australia	252,684	95,064	347,748	311,043	175,563	79,708	255,271	28,858
Western Australia	191,055	65,601	256,656	227,179	126,622	57,422	184,044	20,639
Tasmania	88,791	30,833	119,624	102,368	60,536	21,436	81,972	8,461
Nor. Territory ..	5,008	1,400	6,408	6,983	4,602	1,007	5,609	696
Aust. Cap. Ter.	11,694	4,430	16,124	16,828	11,760	2,047	13,807	1,774
<i>Total Residents</i>	<i>2,724,546</i>	<i>1,081,584</i>	<i>3,806,130</i>	<i>3,489,586</i>	<i>2,033,448</i>	<i>830,436</i>	<i>2,863,884</i>	<i>345,227</i>
<i>Total Non-Res- idents ..</i>	<i>2,532</i>	<i>2,343</i>	<i>4,875</i>	<i>6,405</i>	<i>770</i>	<i>4,971</i>	<i>5,741</i>	<i>1,128</i>
Grand Total	2,727,078	1,083,927	3,811,005	3,495,991	2,034,218	835,407	2,869,625	346,355

(a) Assessments in respect of 1955-56 incomes issued to 30th September, 1957. Assessments issued after that date are not included. (b) Actual income is defined briefly as "Gross income including exempt income less expenses incurred in gaining that income".

**COMMONWEALTH INCOME TAX AND SOCIAL SERVICES CONTRIBUTION,
1956-57 ASSESSMENT(a)—NUMBER OF TAXPAYERS, ACTUAL INCOME,
TAXABLE INCOME AND NET TAX ASSESSED—RESIDENT AND NON-
RESIDENT COMPANIES.**

(Incomes derived in 1955-56.)

Grade of Taxable Income (b) and State or Territory of Assessment.		Number of Taxpayers.	Actual Income.	Taxable Income.	Net Tax Assessed.(c)
£	£	No.	£'000.	£'000.	£'000.
1-	999	10,610	5,497	3,584	904
1,000-	4,999	11,618	33,074	30,494	7,489
5,000-	9,999	4,914	37,456	34,479	9,332
10,000-	19,999	3,114	44,850	43,730	13,207
20,000-	49,999	2,301	73,421	71,293	22,817
50,000-	99,999	941	67,409	65,403	21,309
100,000-	199,999	522	74,493	72,499	23,957
200,000-	499,999	311	96,602	94,336	30,415
500,000-	999,999	81	58,795	53,621	18,860
1,000,000	and over	72	196,199	178,076	62,374
<i>Total</i>		<i>34,484</i>	<i>687,796</i>	<i>647,515</i>	<i>210,664</i>
Central Office		3,126	337,184	307,797	105,039
New South Wales		14,065	144,398	141,218	43,376
Victoria		9,465	106,183	103,337	31,539
Queensland		2,318	35,780	34,090	11,359
South Australia		3,235	33,670	33,013	9,949
Western Australia		1,356	19,767	17,498	5,932
Tasmania		728	9,409	9,234	3,203
Northern Territory		39	320	297	85
Australian Capital Territory		152	1,085	1,031	182
<i>Total</i>		<i>34,484</i>	<i>687,796</i>	<i>647,515</i>	<i>210,664</i>

(a) Assessments in respect of 1955-56 incomes issued to 31st December, 1957. Assessments issued after that date are not included. (b) Taxable income is the income remaining after deducting from assessable income all allowable deductions. (c) Excludes additional tax levied on the undistributed income of Private Companies £2,951,000.

(iv) *Commonwealth Income Tax on Residents—Grades of Income.*—Individual income taxes assessed on residents are distributed according to grades of actual income in the following table. The year shown in each case refers to the year in which assessment was made, i.e., the year following the income year. The figures relate only to assessments made on the income of the previous year during the normal assessing period. Assessments issued after the normal assessing period are not included.

COMMONWEALTH INCOME TAXES AND SOCIAL SERVICE CONTRIBUTIONS
ON RESIDENT INDIVIDUALS IN GRADES OF ACTUAL INCOME.(a)

Grade of Actual Income.(b)	1953-54.		1954-55.		1955-56.		1956-57.	
	No. of Tax-payers.	Tax.	No. of Tax-payers.	Tax.	No. of Tax-payers.	Tax.	No. of Tax-payers.	Tax.
£ £		£'000.		£'000.		£'000.		£'000.
105- 199 ..	171,542	333	166,549	258	164,808	214	162,809	208
200- 299 ..	236,185	1,545	220,238	1,181	216,963	965	206,419	911
300- 399 ..	267,598	3,790	247,650	2,903	248,479	2,521	244,801	2,477
400- 499 ..	309,511	7,403	281,456	5,614	280,227	4,984	273,853	4,822
500- 599 ..	338,499	11,574	329,867	9,645	322,109	8,521	318,290	8,436
600- 699 ..	386,310	16,830	339,308	12,540	314,943	10,737	303,339	10,570
700- 799 ..	512,708	27,291	472,930	21,129	406,000	16,723	357,134	15,109
800- 899 ..	387,149	25,140	428,201	23,229	417,227	21,140	395,107	20,164
900- 999 ..	248,599	19,636	308,464	20,564	343,406	21,132	363,075	22,513
1,000- 1,099 ..					257,924	18,807	290,610	21,376
1,100- 1,199 ..					174,712	15,032	209,609	18,273
1,200- 1,299 ..	290,659	30,365	382,728	33,422	118,569	12,084	151,068	15,327
1,300- 1,399 ..					79,891	9,478	108,192	12,807
1,400- 1,499 ..	106,361	16,915	134,385	17,922	56,835	7,787	76,105	10,365
1,500- 1,999 ..	86,565	22,042	101,130	21,930	134,831	26,067	181,225	34,332
2,000- 2,999 ..	65,865	32,713	70,043	30,330	79,743	30,953	95,565	35,939
3,000- 3,999 ..	27,722	25,628	27,762	22,690	28,800	21,499	31,869	23,466
4,000- 4,999 ..	13,877	19,983	13,155	16,681	13,592	15,799	14,879	17,166
5,000- 9,999 ..	17,527	49,956	16,995	42,617	17,428	39,381	18,238	41,359
10,000-14,999 ..	2,624	17,022	2,795	16,212	2,592	13,441	2,586	13,491
15,000-29,999 ..	1,302	15,094	1,286	13,716	1,246	11,857	1,156	10,972
30,000-49,999 ..	200	4,383	185	3,993	157	2,877	145	2,765
50,000 and over	63	2,412	57	2,532	68	2,735	56	2,379
Total ..	3,470,866	350,055	3,545,184	319,108	3,680,550	314,734	3,806,130	345,227

(a) Actual income is defined briefly as "Gross Income including exempt income less expenses incurred in gaining that income". (b) For the years prior to 1956-57 the grades of actual income were £105-200, 201-300, 301-400, etc. (c) Grades for years 1953-54 and 1954-55 were £1,001-£1,250 and £1,251-£1,500.