

CHAPTER 18

PUBLIC FINANCE

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

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

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

COMMONWEALTH FINANCE

Financial provisions of the Constitution

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

Section 69 provides for the transfer from the States to the Commonwealth of certain specified departments, and Section 51, in outlining the powers of the Commonwealth Parliament, implies the transfer or creation of other departments. Sections 87 and 96 deal with the financial relations between the Commonwealth and the States. The full text of the Financial Agreement of 1927 was given in Year Book No. 31, page 21; accounts of this Agreement as affected by subsequent Agreements were included in later issues of the Year Book up to No. 37 (*see* pages 685–90); details of the main provisions appeared in further issues of the Year Book up to No. 50 (*see* pages 952–3). Details of current provisions for financial assistance to the States are given on pages 547 to 555.

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

Commonwealth Budget

The Commonwealth Budget records the transactions of those Commonwealth authorities whose receipts and payments are summarised in the statements of Treasury balances. In 1970-71 the change in cash balances was represented by the following—

	\$'000
Cash receipts of the Consolidated Revenue Fund	7,837,823
<i>plus</i> cash receipts of Loan Fund	1,471,489
<i>plus</i> cash receipts of Trust Fund	3,957,021
<i>Total</i>	<i>13,266,333</i>
<i>less</i> cash payments from Consolidated Revenue Fund	7,837,823
<i>less</i> cash payments from Loan Fund	1,471,488
<i>less</i> cash payments from Trust Fund (including increase in investments of the Trust Fund)	3,799,635
<i>Total</i>	<i>13,108,946</i>
<i>equals</i> increase in cash balances	<i>157,387</i>

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

The receipts and outlay of the Commonwealth Budget for 1971-72 are set out in the table which follows, together with figures for the years 1967-68 to 1970-71. The national accounting presentation of the budget is shown in order to be consistent with other transactions figures given in this chapter.

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

RECEIPTS AND OUTLAY OF COMMONWEALTH BUDGET, 1967-68 TO 1971-72 (ESTIMATED)
(\$ million)

(Source: Supplement to the Treasury Information Bulletin, August 1971)

	1967-68	1968-69	1969-70	1970-71	1971-72 Budget Estimate
Outlay—					
Net expenditure on goods and services—					
Current	1,661	1,783	1,812	1,977	2,216
Capital(a)	162	179	186	223	227
Total	1,823	1,962	1,998	2,200	2,443
Transfer payments—					
Cash benefits to persons	1,294	1,406	1,598	1,771	2,001
Grants to States	1,312	1,419	1,620	2,207	2,281
Interest paid	476	502	546	576	600
Transfers overseas	154	159	180	185	197
Subsidies	179	261	247	309	347
Grants for private capital purposes	57	31	33	35	36
Total	3,471	3,779	4,223	5,083	5,462
Total expenditure	5,294	5,741	6,221	7,283	7,905
Net advances—					
States	629	625	667	520	561
Commonwealth authorities	296	235	271	340	380
Other sectors	30	31	36	47	54
Total	955	891	974	907	995
Total outlay	6,249	6,633	7,195	8,190	8,900
Receipts—					
Taxation—					
Indirect taxes	1,847	2,035	2,244	2,501	2,580
Income tax on companies	859	1,039	1,197	1,444	1,566
Income tax on persons	2,175	2,377	2,855	3,175	3,659
Estate and gift duties	63	70	80	78	86
Other direct taxes, fees, fines, etc.	37	43	46	47	48
Total	4,981	5,564	6,422	7,244	7,939
Other receipts—					
Interest, rent and dividends	583	642	711	800	877
Public enterprises income	47	50	52	60	64
Net sales of existing assets(b)	-2	-7	3	10	9
Total	628	685	766	870	950
Total receipts	5,608	6,248	7,188	8,114	8,890
Deficit	642	385	7	75	11

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

Financing of the Commonwealth deficit

The deficit shown in the last line of the preceding table represents the net excess of Budget outlay over receipts. In other words, the estimated deficit shown for 1971-72 represents the Commonwealth budget sector's 'financing requirement', and the actual deficits shown for earlier years represents the net outcome of the financing transactions of the budget sub-sector. Most such transactions involve the issue, repurchase, redemption or acquisition of Commonwealth securities, but some involve or are represented by changes in other assets or liabilities of the Commonwealth.

Specifically the deficit is financed as follows.

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

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

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

The following table summarises the financing transactions of the Commonwealth budget sector for the years 1966-67 to 1970-71. Further details of Commonwealth loan transactions and of government securities on issue on account of the Commonwealth and the States are given in a later section of this Chapter.

COMMONWEALTH FINANCING TRANSACTIONS, 1966-67 TO 1970-71
(\$ million)

(Source: Statement No. 7 attached to the *Budget Speech*, 1971-72)

	1966-67	1967-68	1968-69	1969-70	1970-71
Overseas—					
Credit arrangements for defence purchases in the United States of America	90.6	132.1	91.2	51.1	63.8
<i>Less</i> —repayments . . . . .	..	14.1	36.6	53.7	57.2
Net drawings	90.6	118.0	54.6	-2.5	6.6
Aircraft loans for Qantas and Australian National Airlines Commission	30.7	64.8	14.6	11.3	47.1
<i>Less</i> —repayments	12.9	15.8	27.0	27.2	27.6
Net drawings	17.9	49.0	-12.4	-15.9	19.5
Other overseas loan proceeds	54.4	77.0	168.5	48.0	14.8
<i>Less</i> —redemptions, etc.	134.7	111.6	68.5	160.4	86.5
Net proceeds	-80.2	-34.8	100.0	-112.4	-71.7
<i>Total net proceeds overseas</i>	28.2	132.2	142.2	-130.9	-45.6
Funds provided for International Monetary Fund	-27.2	-58.8	-5.0	..	-36.8
Australia—					
Proceeds of loans raised in Australia	666.5	589.4	615.7	677.6	770.1
<i>Less</i> —redemptions, etc.	258.5	292.6	234.9	414.3	565.5
Net proceeds of loans raised in Australia	408.0	296.8	380.8	263.3	204.6
Net change in Treasury Notes on issue	-25.9	183.6	-68.3	46.5	17.9
Net advance to the Australian Wheat Board	382.0	480.4	312.5	309.8	222.4
<i>Less</i> —net issue of other securities to the Reserve Bank	..	..	..	-184.0	65.3
Net issue of other securities to the Reserve Bank	382.0	480.4	312.5	125.8	287.7
Other financing transactions	4.7	37.4	62.4	45.1	27.4
Residual Financing—					
Net increase in Treasury Bills on issue	10.0	51.0	-127.0	-14.0	..
Net issue of other securities to the Reserve Bank	155.0	..	..	..	..
Use of cash balances	-0.9	0.2	0.2	-19.4	-157.4
<i>Total residual financing</i>	164.1	51.2	-126.8	-33.4	-157.4
<i>Total Australian financing transactions</i>	550.8	569.0	248.0	137.6	157.7
Total financing transactions	551.8	642.4	385.3	6.8	75.3

COMMONWEALTH AUTHORITIES

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

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

The transactions of Commonwealth bodies not covered by the Budget may be brought together and consolidated with the transactions recorded in the Budget to yield figures of the transactions of all Commonwealth authorities. The remaining tables in this section have been prepared on that basis.

There are two major conceptual differences between the tables which follow, and the table already given showing the transactions of the Commonwealth Budget. The tables for all Commonwealth authorities exclude borrowing and the corresponding advances in respect of State works programmes: borrowing by the Commonwealth on behalf of the States is treated as borrowing by the States, and recorded in the table of receipts and outlay of State authorities given in the next section. The figures of interest and income of public enterprises also differ in that, in the following tables, certain public lending bodies (such as the War Service Homes Division of the Department of Housing, and the War Service Land Settlement Scheme administered by the Department of Primary Industry) are not treated as public financial enterprises as they are for the purposes of the national accounting presentation of the Budget and the Australian National Accounts. The interest on advances made to the private sector by these bodies is excluded from public enterprises income and included in interest received. Depreciation has also been added back to public enterprises income to give instead the gross operating surplus of public enterprises.

The tables given on pages 540-4 have been taken largely from Section I of the *Public Authority Finance: Commonwealth Authorities, 1970-71*. While these figures have been prepared on a national accounting basis, there are differences in concept and presentation as compared with *Australian National Accounts* as has already been mentioned: these differences are explained in *Public Authority Finance: Commonwealth Authorities*, and reference should also be made to that publication for definitions and descriptions of items included in these tables.

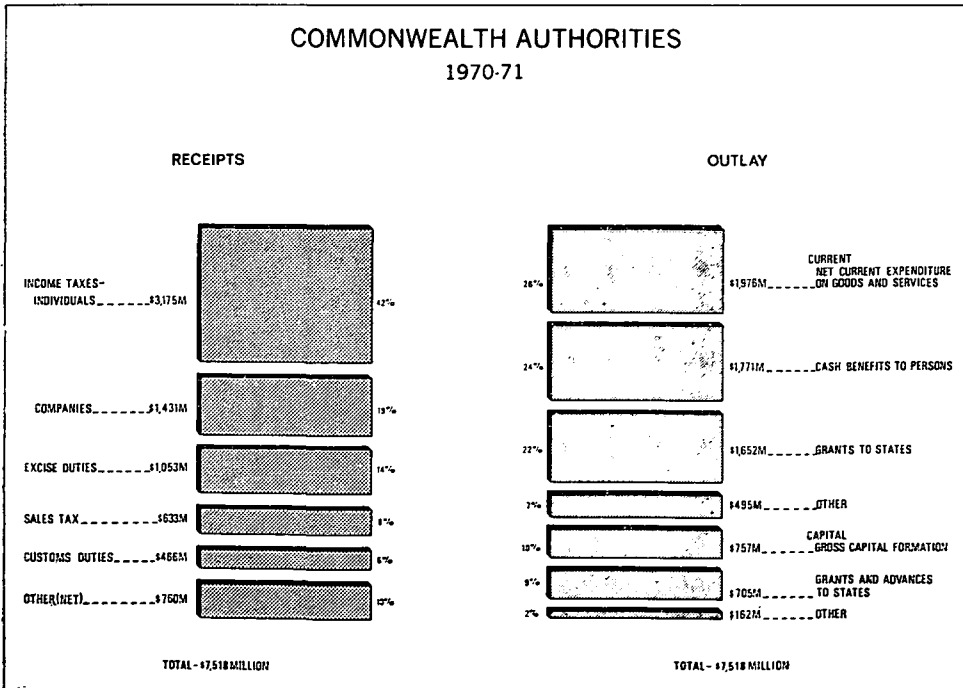


PLATE 33

Summary of receipts and outlay

The receipts and outlay of all Commonwealth authorities for the five year period ended 1970-71 are given in the following table.

COMMONWEALTH AUTHORITIES: RECEIPTS AND OUTLAY, 1966-67 TO 1970-71
(\$ million)

	1966-67	1967-68	1968-69	1969-70	1970-71
RECEIPTS					
Current receipts—					
Taxes, fees, fines, etc.	4,492	4,954	5,530	6,382	7,185
Public enterprises—Gross operating surplus	238	315	386	435	475
Interest	71	55	62	65	81
Rent, royalties and dividends	8	9	11	15	17
<i>Total current receipts</i>	<i>4,810</i>	<i>5,332</i>	<i>5,988</i>	<i>6,896</i>	<i>7,756</i>
Capital receipts—					
Net borrowing—					
Government securities—					
Australia	15	136	-258	57	-93
Overseas	121	210	167	-42	-22
Public corporation securities	1	1	..	12	..
Net receipts of private trust funds	20	52	62	61	80
Other funds available (including errors and omissions)	24	15	60	81	12
<i>Total capital receipts</i>	<i>181</i>	<i>415</i>	<i>30</i>	<i>169</i>	<i>-22</i>
Reduction in—					
Cash and bank balances	-8	-2	-15	-34	-83
Security holdings	-10	-176	-156	-374	-133
<i>Total receipts</i>	<i>4,974</i>	<i>5,569</i>	<i>5,848</i>	<i>6,658</i>	<i>7,518</i>
OUTLAY					
Current outlay—					
Net current expenditure on goods and services	1,434	1,664	1,784	1,817	1,976
Interest	24	35	26	23	13
Cash benefits to persons	1,246	1,294	1,406	1,598	1,771
Subsidies	146	151	231	215	261
Transfers overseas	151	154	160	180	185
Grants for private capital purposes	45	57	32	33	35
Grants to States	965	1,057	1,155	1,309	1,652
<i>Total current outlay</i>	<i>4,010</i>	<i>4,411</i>	<i>4,794</i>	<i>5,174</i>	<i>5,894</i>
Capital outlay—					
Gross capital formation—					
Expenditure on new fixed assets	485	581	580	667	713
Expenditure on existing assets	11	6	8	-2	-4
Increase in stocks	1	-3	-3	-1	48
<i>Total</i>	<i>497</i>	<i>584</i>	<i>585</i>	<i>664</i>	<i>757</i>
Advances to other sectors	112	149	95	334	163
Grants to States	218	255	264	312	555
Advances to States	136	170	110	175	150
<i>Total capital outlay</i>	<i>964</i>	<i>1,157</i>	<i>1,053</i>	<i>1,484</i>	<i>1,624</i>
<i>Total outlay</i>	<i>4,974</i>	<i>5,569</i>	<i>5,848</i>	<i>6,658</i>	<i>7,518</i>

Outlay classified by economic type and function

In the following two tables the outlay of all Commonwealth authorities is shown in terms of a functional classification. The table on this page presents for 1970-71 the outlay under each functional head classified by economic type, highlighting the government's own demand for goods and services and the redistributive effect of its outlays. Current and capital outlay under each functional head are shown for the years 1966-67 to 1970-71 on page 542.

COMMONWEALTH AUTHORITIES: TOTAL OUTLAY, BY ECONOMIC TYPE AND FUNCTION, 1970-71

(\$ million)

	CURRENT OUTLAY						Total
	Expenditure on goods and services	Cash benefits	Subsidies	Transfers overseas	Current Grants to States	Grants for private capital purposes	
Law, order and public safety	18	..	..	..	..	..	18
Education	57	45	..	1	103	2	209
Cultural and recreational facilities	79	..	..	1	..	..	80
Health	43	420	..	1	..	..	464
Welfare	35	1,060	..	..	1	17	1,113
Defence	1,068	..	..	19	..	..	1,088
Repatriation	93	237	..	..	..	..	331
Development of resources and assistance to industry	176	..	222	1	17	..	416
Transport and communication	45	..	3	8	..	..	56
General administration and legislature	218	..	..	2	..	..	220
Foreign affairs	35	..	..	49	..	..	84
Immigration	60	6	..	1	..	..	66
Regulation of trade and industry	17	2	36	..	..	..	55
Housing	6	..	..	..	..	15	21
Other	6	..	..	102	..	..	108
Not allocated to function	20	..	..	..	1,531	..	(a)1,564
Total	1,976	1,771	261	185	1,652	35	5,894

CAPITAL OUTLAY

	Expenditure on new assets and stocks	Expenditure on existing assets	Capital grants to States	Advances to States	Advances to other sectors	Total
	Education	19	..	74	..		..	93
Cultural and recreational facilities	9	..	..	..	..	9
Health	8	..	5	..	..	13
Defence . . . . .	..	3	..	..	..	3
Development of resources and assistance to industry	73	..	33	14	-42	79
Transport and communication—						
Post office	363	6	..	..	..	369
Civil aviation	109	2	..	..	23	134
Roads	31	..	227	-1	..	257
Other	29	..	4	3	2	37
Power, fuel and light	39	..	..	3	..	42
Housing	15	-16	5	135	35	174
Other	64	1	6	..	75	146
Not allocated to function	4	..	200	-4	70	270
Total	761	-4	555	150	163	1,624

(a) Including interest.

COMMONWEALTH AUTHORITIES: TOTAL OUTLAY, BY FUNCTION
1966-67 TO 1970-71
(\$ million)

	1966-67	1967-68	1968-69	1969-70	1970-71
CURRENT OUTLAY					
Law, order and public safety	10	12	13	16	18
Education	91	108	122	158	209
Cultural and recreational facilities	50	57	63	74	80
Health	271	291	323	381	464
Welfare	797	826	891	1,027	1,113
Defence	914	1,067	1,097	1,042	1,088
Repatriation	266	276	302	316	331
Development of resources and assistance to industry	269	309	368	358	416
Transport and communication	37	40	43	49	56
General administration and legislature	135	149	160	184	220
Foreign affairs	50	61	67	75	84
Immigration	41	44	59	65	66
Regulation of trade and industry	37	39	44	50	55
Housing	16	18	18	18	21
Other	88	87	91	101	108
Not allocated to function	937	1,029	1,133	1,260	1,564
Total current outlay	4,010	4,411	4,794	5,174	5,894
CAPITAL OUTLAY					
Education	50	68	69	89	93
Cultural and recreational facilities	11	11	9	9	9
Health	11	8	8	11	13
Defence	2	2	6	2	3
Development of resources and assistance to industry	32	65	32	223	79
Transport and communication— Post office	235	267	305	349	369
Civil aviation	76	110	60	92	134
Roads	171	183	199	222	257
Other	54	65	60	75	37
Power, fuel and light	51	48	39	51	42
Housing	159	151	158	171	174
Other	63	87	106	116	146
Not allocated to function	48	93	2	76	270
Total capital outlay	964	1,157	1,053	1,484	1,624
TOTAL OUTLAY					
Total outlay	4,974	5,569	5,848	6,658	7,518

Main components of outlay

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

Expenditure on goods and services

Expenditure on goods and services by Commonwealth authorities (i.e. the demand by these authorities for the output of the producing sectors of the economy) consists essentially of purchases of goods and services for current consumption *less* any charges made by the authorities for goods and services which they themselves provide, together with expenditure on the acquisition of new fixed assets and existing assets (net of any sales of assets) and any change in stocks. The following tables show functional dissections of net current expenditure on goods and services and expenditure on new fixed assets for the five years ended 1970-71.

COMMONWEALTH AUTHORITIES: NET CURRENT EXPENDITURE ON GOODS AND SERVICES CLASSIFIED BY FUNCTION, 1966-67 TO 1970-71 (\$ million)

Function	1966-67	1967-68	1968-69	1969-70	1970-71
Purchases of goods and services and grants to private non-profit organisations	1,502	1,738	1,887	1,925	2,092
Less charges for goods and services	69	74	103	108	115
Net current expenditure on goods and services	1,434	1,664	1,784	1,817	1,976
<i>of which—</i>					
Law, order and public safety	10	12	13	15	18
Education	24	29	35	42	57
Cultural and recreational facilities	49	55	63	73	79
Health	23	26	29	35	43
Welfare	17	21	26	32	35
Defence	877	1,041	1,078	1,017	1,068
Repatriation	67	72	77	84	93
Development of resources and assistance to industry	122	133	150	164	176
Transport and communication—					
Civil aviation	27	31	33	38	43
Other	2	2	2	2	2
Total transport, etc.	29	33	35	40	45
Legislature	12	12	12	14	17
General administration	122	134	145	169	201
Foreign affairs	18	23	26	31	35
Immigration	35	38	53	59	60
Regulation of trade and industry	11	12	13	15	17
Housing	4	5	5	6	6
Other	2	2	3	3	6
Not allocated to function	12	17	22	19	20

**COMMONWEALTH AUTHORITIES: EXPENDITURE ON NEW FIXED ASSETS CLASSIFIED BY
FUNCTION, 1966-67 TO 1970-71**
(\$ million)

<i>Function</i>	<i>1966-67</i>	<i>1967-68</i>	<i>1968-69</i>	<i>1969-70</i>	<i>1970-71</i>
Public enterprises—					
Development of resources and assistance to industry—					
Water supply, sewerage, etc.	14	10	8	10	13
Other . . . . .	..	..	..	..	..
Total development, etc.	14	10	8	10	13
Manufacturing	1	..	1	1	1
Transport and communication—					
Post office	234	265	301	342	363
Railways	10	13	11	12	14
Other	40	90	42	73	67
Total transport, etc.	284	367	354	426	443
Power, fuel and light	51	42	35	40	40
Housing	9	14	19	18	13
Banks	11	16	14	15	17
Other . . . . .	..	..	..	..	..
Total public enterprises	369	449	432	511	526
General government—					
Law, order and public safety	1	1	2	1	2
Education	10	14	13	18	19
Cultural and recreational facilities	9	12	9	8	9
Health	5	3	2	4	8
Welfare . . . . .	..	2	2	2	4
Repatriation	1	2	2	2	5
Development of resources and assistance to industry—other					
Transport and communication—	9	12	12	14	15
Civil aviation	28	29	37	39	49
Roads	13	18	23	23	31
Other	1	1	2	2	2
Total transport, etc.	43	49	62	65	81
Housing	1	1	1	1	1
Other	30	34	37	33	40
Not allocated to function	7	3	5	7	4
Total general government	116	132	148	156	187
Grand total	485	581	580	667	713

Cash benefits to persons

Total payments of cash benefits to persons during the years 1966-67 to 1970-71 are shown in the next table. Further information relating to items in this table is given in the appropriate chapter of this Year Book, and figures of cash benefits paid to persons in each State and Territory may be found in *Public Authority Finance: Commonwealth Authorities*.

COMMONWEALTH AUTHORITIES: CASH BENEFITS TO PERSONS 1966-67 TO 1970-71
(\$'000)

<i>Type of benefit</i>	<i>1966-67</i>	<i>1967-68</i>	<i>1968-69</i>	<i>1969-70</i>	<i>1970-71</i>
Education—					
Commonwealth scholarship scheme—					
Post-graduate	2,432	2,899	3,588	4,526	5,209
University	13,890	13,383	16,268	18,160	22,519
Advanced education	660	754	1,001	1,628	2,793
Secondary	6,243	6,474	6,558	6,738	6,791
Technical	816	1,031	1,123	1,162	1,096
Soldiers' children education scheme	2,462	2,720	3,154	3,203	3,407
Aboriginal study grants . . . . .	..	..	62	190	326
Aboriginal secondary grants . . . . .	..	..	..	522	2,201
Other	680	719	753	854	941
<i>Total education</i>	<i>27,184</i>	<i>27,979</i>	<i>32,508</i>	<i>36,982</i>	<i>45,283</i>
Health—					
Hospital benefits	25,900	26,598	29,779	40,258	49,812
Hospital benefits for pensioners	18,731	23,665	24,520	24,163	23,549
Nursing home benefits	22,767	24,486	31,643	46,960	49,477
Medical benefits	43,841	46,431	49,556	56,863	95,604
Medical benefits for pensioners	14,351	16,116	16,912	19,224	19,904
Milk for school children	9,021	9,831	10,053	10,051	10,160
Pharmaceutical benefits	72,001	73,019	81,764	95,650	115,094
Pharmaceutical benefits for pensioners	29,280	32,115	36,609	41,069	45,181
Tuberculosis campaign	10,974	11,266	11,460	10,554	10,597
Handicapped children's benefit . . . . .	..	..	76	485	456
<i>Total health</i>	<i>246,866</i>	<i>263,529</i>	<i>292,373</i>	<i>345,277</i>	<i>419,834</i>
Welfare—					
Age and invalid pensions	481,840	513,984	558,587	641,982	702,276
Child endowment	199,282	187,920	193,263	220,143	198,467
Commonwealth rehabilitation service	1,844	1,944	2,260	2,758	3,646
Funeral benefits	1,334	1,338	1,571	1,512	1,653
Maternity allowances	7,294	7,349	7,960	8,000	8,554
Tuberculosis campaign—allowances	1,193	1,091	921	771	659
Unemployment benefits, sickness and special benefits	19,044	18,832	16,830	18,592	23,478
Widows' pensions	56,438	61,061	69,080	81,753	90,514
Sheltered employment allowances . . . . .	..	104	288	436	590
Deserted wives benefits . . . . .	..	201	1,149	1,882	3,691
Personal care . . . . .	..	..	..	1,133	1,592
Delivered meals . . . . .	..	..	..	196	341
Emergency assistance to woolgrowers . . . . .	..	..	..	..	21,327
Other	2,076	2,267	3,051	2,938	3,673
<i>Total welfare</i>	<i>770,344</i>	<i>796,092</i>	<i>854,960</i>	<i>982,094</i>	<i>1,060,461</i>
Development of resources and assistance to industry—					
Wool research studentships	158	270	360	341	368
Repatriation—					
War and service pensions and allowances	190,983	196,219	216,958	223,366	235,122
Other	1,769	1,954	1,981	2,192	2,310
<i>Total repatriation</i>	<i>192,752</i>	<i>198,173</i>	<i>218,939</i>	<i>225,557</i>	<i>237,431</i>
Immigration—					
Maintenance of migrant families	5,240	4,460	4,277	4,623	4,925
Other . . . . .	..	345	656	681	731
<i>Total immigration</i>	<i>5,240</i>	<i>4,804</i>	<i>4,933</i>	<i>5,304</i>	<i>5,656</i>
Regulation of trade and industry—					
Coal mining industry—long service leave	919	918	892	985	1,062
Stevedoring industry—attendance money, etc.	2,700	2,196	1,410	1,141	1,123
<i>Total regulation of trade, etc.</i>	<i>3,619</i>	<i>3,114</i>	<i>2,302</i>	<i>2,127</i>	<i>2,185</i>
Housing—					
Commonwealth-State Housing Agreement—					
Contribution to rental losses	142	44	60	74	131
Grand total	1,246,305	1,294,004	1,406,435	1,597,757	1,771,350

Subsidies

The following table shows details of Commonwealth outlay on subsidies and bounties for the years 1966-67 to 1970-71. Other assistance to primary producers is included in, for example, tables relating to cash benefits and payments to the States, and additional information is given in Chapter 22, Rural Industry.

COMMONWEALTH AUTHORITIES: SUBSIDIES 1966-67 TO 1970-71
(*\$'000*)

<i>Type of subsidy</i>	<i>1966-67</i>	<i>1967-68</i>	<i>1968-69</i>	<i>1969-70</i>	<i>1970-71</i>
Development of resources and assistance to industry—					
Dairy industry	27,000	27,000	27,000	27,000	41,500
Wheat prices stabilisation	16,154	15,508	42,870	..	29,008
Phosphate fertilisers	26,319	23,564	31,665	45,820	40,815
Oil search	9,736	11,552	12,333	14,298	9,643
Nitrogenous fertilisers	6,665	10,308	11,044	9,876	9,716
Gold mining industry	3,848	4,302	1,737	1,812	2,828
Pyrites	103	..	..	..	568
Cotton	2,813	4,027	4,620	3,531	2,973
Processed milk products	899	743	638	516	2,729
Sulphate of ammonia	830	565	430	1,081	538
Vinyl resin	1,592	12	..	..	..
Sulphuric acid	1,556	1,286	988	740	489
Tractor	2,221	2,480	2,249	1,757	2,750
Cellulose acetate flake	218	220	179	276	200
Poultry industry assistance	9,213	10,418	10,920	11,544	12,611
Urea	9	163	424	496	449
Devaluation compensation . . . . .	..	..	35,627	30,069	21,600
Book bounty . . . . .	..	..	..	1,374	3,217
Industrial research and development grants . . . . .	..	654	5,300	8,915	16,250
Ship construction	11,660	11,605	12,551	18,758	18,677
Dried vine fruits stabilisation . . . . .	..	..	..	1,240	1,161
Wool marketing assistance . . . . .	..	..	..	..	2,900
Wool Commission . . . . .	..	..	..	..	1,340
<i>Total development, etc.</i>	<i>120,837</i>	<i>124,407</i>	<i>200,576</i>	<i>179,103</i>	<i>221,961</i>
Transport and communication—					
Air services	1,306	1,901	1,780	1,800	2,000
Coastal shipping service—					
King Island and Bass Strait Islands	160	150	141	150	160
Northern Territory	44	39	24	27	12
Northern Territory—					
Railway freight	110	100	113	87	114
Superphosphate sea subsidy	5	43	23	50	68
Transport of stud stock	83	80	175	245	129
Drought relief freight concessions	57	50	2	239	149
South American shipping service	351	300	180	157	113
<i>Total transport, etc.</i>	<i>2,115</i>	<i>2,663</i>	<i>2,437</i>	<i>2,755</i>	<i>2,745</i>
Regulation of trade and industry—					
Petrol prices stabilisation	15,218	16,578	17,948	20,625	21,737
Northern Territory petrol prices	750	991	1,316	1,742	2,092
Stevedoring industry	6,464	6,190	9,131	10,560	12,451
<i>Total regulation of trade, etc.</i>	<i>22,432</i>	<i>23,759</i>	<i>28,395</i>	<i>32,927</i>	<i>36,280</i>
Other	400	400	68	..	..
Total	145,783	151,229	231,477	214,785	260,987

Grants and advances to the States

Commonwealth financial assistance to the States takes two main forms: (i) direct financial assistance in the form of grants for general and specific purposes, and (ii) assistance for developmental and other specific purposes in the form of repayable advances. Some information about the more important or most recent of these forms of financial assistance is given on pages 547-55, but for more complete information reference should be made to the Commonwealth Budget paper *Commonwealth Payments to or for the States*. Further information also appears in chapters of this Year Book dealing with the specific function which the payments are designed to serve.

Grants to the States

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

COMMONWEALTH AUTHORITIES: GRANTS TO THE STATES, BY FUNCTION, 1970-71
(*\$'000*)

<i>Function</i>	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Tas.</i>	<i>Total</i>
CURRENT GRANTS							
Specific purpose—							
Education	37,789	31,280	13,132	9,544	8,237	3,337	103,317
Health	12	10	129	33	100	7	290
Welfare	249	6	155	100	18	5	533
Development of resources and assistance to industry	3,006	1,814	10,212	651	717	396	16,796
Other functions	-328	..	..	..	..	..	-328
Not allocated to function—							
Payments under Financial Agreement	13,958	10,180	5,387	4,634	3,332	2,228	39,720
Debt charges assistance	3,800	2,783	1,525	1,496	1,106	795	11,504
<i>Total specific</i>	<i>58,486</i>	<i>46,073</i>	<i>30,540</i>	<i>16,458</i>	<i>13,510</i>	<i>6,768</i>	<i>171,832</i>
General purpose—							
Financial assistance grants	470,835	351,024	216,672	151,602	163,313	65,071	1,418,518
Special grants . . . . .	..	..	..	5,000	..	13,680	18,680
Special revenue assistance	14,140	10,560	6,603	4,650	5,030	2,017	43,000
<i>Total general</i>	<i>484,975</i>	<i>361,584</i>	<i>223,275</i>	<i>161,252</i>	<i>168,343</i>	<i>80,768</i>	<i>1,480,198</i>
Total current	543,461	407,657	253,815	177,710	181,851	87,536	1,652,029
CAPITAL GRANTS							
Specific purpose—							
Education	24,199	22,800	10,419	9,162	5,044	2,411	74,034
Health	1,641	953	773	1,050	749	238	5,404
Welfare	1,875	1,929	126	425	905	158	5,419
Development of resources and assistance to industry	12,809	2,445	9,280	1,687	6,504	532	33,255
Transport and communication	64,980	43,460	47,259	25,519	39,451	10,230	230,900
Other functions	1,352	286	1,770	375	1,729	35	5,547
<i>Total specific</i>	<i>106,856</i>	<i>71,873</i>	<i>69,627</i>	<i>38,218</i>	<i>54,382</i>	<i>13,604</i>	<i>354,559</i>
General purpose—							
Capital assistance grants	63,610	51,020	25,290	27,420	18,680	13,980	200,000
Total capital	170,466	122,893	94,919	65,638	73,062	27,584	554,559

COMMONWEALTH AUTHORITIES: GRANTS TO THE STATES, BY FUNCTION
1966-67 TO 1970-71
(\$'000)

<i>Function</i>	<i>1966-67</i>	<i>1967-68</i>	<i>1968-69</i>	<i>1969-70</i>	<i>1970-71</i>
CURRENT GRANTS					
Specific purpose—					
Education	38,771	48,338	52,846	77,005	103,317
Health . . . . .	..	..	162	162	290
Welfare	-50	-40	-55	16	533
Development of resources and assistance to industry	25,345	30,285	15,964	14,464	16,796
Other functions	-238	-275	-294	-319	-328
Not allocated to function—					
Payments under Financial Agreement	34,121	35,557	36,789	38,441	39,720
Debt charges assistance . . . . .	..	..	..	..	11,504
<i>Total specific.</i>	<i>97,949</i>	<i>113,865</i>	<i>105,412</i>	<i>129,769</i>	<i>171,832</i>
General purpose—					
Financial assistance grants	826,613	907,539	1,018,193	1,141,319	1,418,518
Special grants	40,072	35,407	17,392	21,900	18,680
Special revenue assistance . . . . .	..	..	14,000	16,000	43,000
<i>Total general</i>	<i>866,685</i>	<i>942,946</i>	<i>1,049,585</i>	<i>1,179,219</i>	<i>1,480,198</i>
Total current.	964,633	1,056,811	1,154,996	1,308,988	1,652,029
CAPITAL GRANTS					
Specific purpose—					
Education	40,092	53,958	55,377	71,160	74,034
Health	5,501	5,062	5,861	7,053	5,404
Welfare . . . . .	..	..	125	1,081	5,419
Development of resources and assistance to industry	3,155	8,423	12,396	17,376	33,255
Transport and communication	167,691	186,589	187,501	211,167	230,900
Other functions	1,953	843	2,648	3,669	5,547
<i>Total specific.</i>	<i>218,393</i>	<i>254,876</i>	<i>263,908</i>	<i>311,506</i>	<i>354,559</i>
General purpose—					
Capital assistance grants . . . . .	..	..	..	..	200,000
Total capital.	218,393	254,876	263,908	311,506	554,559

General purposes grants

The Financial Assistance Grants. Details of the financial assistance grants arrangements existing in 1970-71 and prior years are given in earlier issues of the Year Book (see No. 57, page 543). Revised arrangements to apply over the five years 1970-71 to 1974-75 are embodied in the *States Grants Act 1970-1971*.

The financial assistance grants, which are the main general revenue grants to the States, will continue to increase each year in proportion to the increase in average wages in Australia as a whole in the year ending 31 March in the year of payment and to the increase in each States' population in the year ending 31 December in the year of payment and by a further 'betterment factor'. However, this last factor will increase, beginning with the calculation of the 1971-72 grants, from 1.2 per cent to 1.8 per cent. Additional grants of \$40 million were paid in 1970-71 and distributed between the States in proportion to the other grants payable to them under the Act and these grants will increase in subsequent years under the formula. Further grants will be provided in the years 1970-71 to 1974-75 to New South Wales and Victoria (equal to two dollars per head of their population) to Queensland (by way of an annual addition of \$2 million to the base on which its grant is calculated) and to Western Australia (the amount being \$9.5 million in 1971-72 reducing by \$3 million each year down to \$0.5 million in 1974-75). Compensatory grants payable to the States for the loss of receipts duty are subject to increases under the formula. As from 1971-72, financial assistance

grants otherwise payable are to be reduced to offset the transfer of payroll taxation from the Commonwealth to the States. The following table shows details of the calculation of the financial assistance grants for 1970-71.

CALCULATION OF FINANCIAL ASSISTANCE GRANTS FOR 1970-71
(**\$'000**)

	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Tas.</i>	<i>Total</i>
'Base' grants(a)	373,908	280,008	178,522	125,706	123,335	46,340	1,127,819
Plus additions under formula(b)	50,420	36,824	23,808	16,774	18,690	5,763	152,279
Plus additional grants(c)	13,259	9,900	6,322	4,452	4,438	1,628	40,000
Formula grants	437,587	326,732	208,652	146,932	146,463	53,731	1,320,098
Plus additional grants to particular States	(d)9,248	(d)6,962	..	..	(e)12,500	(f)10,000	38,709
Plus receipts duty compensation grants	24,000	17,330	8,020	4,670	4,350	1,340	59,710
Total financial assistance grants	470,835	351,024	216,672	151,602	163,313	65,071	1,418,518

(a) Financial assistance grants paid in 1969-70 under the *States Grants Act* 1965-1968 other than the additional grant of \$15.5 million paid to Western Australia in lieu of its previous special grant, plus \$2 million in the case of Queensland, (b) Due to population increases in each State in the year ended 31 December 1970 (the weighted average of these increases was 2.09 per cent) to an increase in average wages in Australia as a whole in the year ending March 1971 of 0.86 per cent, and to the betterment factor of 1.2 per cent. (c) Additional grants provided as part of the revised revenue assistance arrangements settled at the June 1970 Premier's Conference. (d) Equal to \$2 per head of these States' populations at 31 December 1970. (e) Additional grant reduced from the \$15.5 million paid in 1968-69 and 1969-70 in lieu of the special grant previously received in the State. (f) Transferred from the State's special grant.

Special Grants. These grants are paid to the financially weaker States as supplements to the financial assistance grants. They are subject to annual recommendation by the Commonwealth Grants Commission. Each recommendation by the Commission for payment of a special grant consists of two parts: (i) One part is based on an estimate of the claimant State's financial need in the current financial year, and is treated as an advance payment subject to adjustment two years later when the Commission has compared in detail the audited budget results and standards of effort and of services provided in that year for both the claimant State and the States which the Commission takes as 'standard' (New South Wales and Victoria at present). (ii) The other part represents the final adjustment to the advance payment made two years earlier and is known as the completion payment. The following table shows special grants paid in the years 1967-68 to 1971-72.

COMMONWEALTH GRANTS COMMISSION: GRANTS RECOMMENDED, 1967-68 TO 1971-72
(**\$'000**)

	1967-68	1968-69	1969-70	1970-71	1971-72
South Australia—					
Advance payment . . . . .	..	..	..	(a)5,000	(a)7,000
Completion payment(b) . . . . .	..	..	..	..	..
Total . . . . .	..	..	..	5,000	7,000
Western Australia—					
Advance payment	15,500	..	..	..	..
Completion payment(b)	18	582	..	..	..
Total	15,518	582	..	..	..
Tasmania—					
Advance payment	19,000	18,000	22,000	22,000	11,000
Completion payment(b)	889	-1,190	-100	1,680	-3,200
Total	19,889	16,810	21,900	(c)23,680	7,800
Grand total	35,407	17,392	21,900	28,680	14,800

(a) Completion grant (positive or negative) may be recommended for 1970-71 and 1971-72 in 1972-73 and 1973-74 as years of review. (b) Adjustment to estimated grant paid two years previously. (c) \$13,000,000 and \$13,680,000 paid as Financial Assistance Grants and Special Grants respectively.

Minus sign (-) denotes excess of repayment.

Capital assistance grants. Also as part of the new revenue assistance arrangements, the Commonwealth has undertaken to pay grants to the States to finance capital works. The grants replace State borrowings and thereby relieve them of debt charges they would otherwise have had to pay. These grants, which were authorised by the *States Grants (Capital Assistance) Act 1970*, totalled \$200 million in 1970-71 and will total \$209.8 million in 1971-72.

Specific purpose grants

Education

Payments to the States for universities were first introduced in 1951-52, and details of the States Grants (Universities) Acts under which they were continued are given in earlier issues of the Year Book (see No. 51 page 923 and No. 52 page 770). The *States Grants (Universities) Act 1969* authorised grants totalling approximately \$226,800,000 for the Commonwealth share of the agreed programme of development of State universities for the years 1970 to 1972. (See also Chapter 19, Education, Cultural Activities, and Research.)

The Commonwealth, in the 1970-72 triennium, is meeting the full cost of a \$12.5 million research programme approved by the Australian Research Grants Committee. A further \$4 million is also being made available by the Commonwealth for a special programme of research and research training at State universities.

Colleges of Advanced Education. Under the States Grants (Advanced Education) Acts, the Commonwealth is providing financial assistance to the States of \$93.1 million during the 1970-72 triennium for recurrent and capital expenditures.

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

Grants for buildings and equipment for use in technical training in schools and colleges conducted by States only are provided for under the *States Grants (Science Laboratories and Technical Training) Act 1964* and the *States Grants (Technical Training) Act 1965-1966*.

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

Under the *States Grants (Secondary School Libraries) Act 1968* grants totalling \$27 million were made to the States over the three years commencing 1 January 1969 to finance buildings and associated capital facilities for libraries in government and non-government secondary schools.

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

The *States Grants (Independent Schools) Act 1969* authorised payments to the States, for transmission to independent schools, of contributions to school running costs at rates of \$35 per primary pupil and \$50 per secondary pupil per annum as from the beginning of 1970.

Health

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

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

Welfare

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

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

Payments to the States for natural disaster relief (drought, flood, bushfire, earthquake, cyclone, mouse plague) include financial assistance to alleviate personal hardship and distress and to enable the States to meet budgetary problems arising from the effects on their revenues of such natural disasters. Such relief does not normally cover the full cost of restoration of private assets damaged by natural disasters, it being regarded as the individual's responsibility to provide against such losses by way of insurance. Of the total amount of \$15,094,000 made available by the Commonwealth for this purpose in 1970-71, grants of \$9,673,000 were paid to Queensland and \$5,078,000 to New South Wales for drought and flood relief and flood damage restoration.

Water resources projects

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

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

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

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

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

Ord River Irrigation Project. The *Western Australia (Ord River Irrigation) Act* 1968 provided for financial assistance to Western Australia on the basis of grants for dam construction and interest-bearing loans in respect of the irrigation works. Grants amounting to \$5,707,000 were paid during 1970-71.

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

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

Assistance to Primary Industry

Marginal dairy farms reconstruction. Under the *Marginal Dairy Farms Agreement Act* 1970 the Commonwealth may provide financial assistance to the States of up to \$25 million to enable the States to acquire marginal dairy farms from their owners by agreement, and dispose of them so as to encourage the most practicable and economic use of the land. The States are required to repay half of the sum paid out by the Commonwealth under this scheme. Payments to the States in 1970-71 amounted to \$3,122,000.

Rural reconstruction. The *States Grants (Rural Reconstruction) Act* 1971 provides for the Commonwealth to make available up to \$100 million over the period ended 30 June 1975 to finance schemes for farm debt reconstruction, farm build-up, and rehabilitation for persons forced to leave rural industry. Three-quarters of the amount paid by the Commonwealth over the period of the scheme is to be repaid by the States. Payments under the scheme in 1970-71 amounted to \$4 million.

*Transport and communication**Roads projects*

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

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

Railway projects

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

Other functions

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

Aboriginal Advancement. The *States Grants (Aboriginal Advancement) Acts* 1968 and 1969 provided for the payment to the States of grants totalling \$7 million in 1970-71 and an estimated \$9.2 million in 1971-72 for Aboriginal advancement particularly in the fields of housing, education and health.

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

Other specific purpose grants

Contributions under Financial Agreement. Details of the Financial Agreement between the Commonwealth and the States are given in Year Book No. 37, pages 685-90. Under this Agreement the Commonwealth undertook to contribute \$15,169,824 per annum towards interest payable on the State loan securities for a period of 58 years from 1 July 1927. This amount is distributed among the States as follows: New South Wales, \$5,834,822; Victoria, \$4,254,318; Queensland, \$2,192,470; South Australia, \$1,407,632; Western Australia, \$946,864; Tasmania, \$533,718. In addition, under the Financial Agreement the Commonwealth agreed to make certain contributions to the National Debt Sinking Fund for redemption of State loan securities. Details of these are given on page 599 of this chapter.

Debt Charges Assistance. As part of the revised revenue assistance arrangements to apply over the five years 1970-71 to 1974-75 the Commonwealth is providing the States with grants to finance increasing portions of the interest and sinking fund charges on certain State debt amounting to \$1,000 million. The grants, which are authorised by the *States Grants (Debt Charges Assistance) Act* 1970 totalled \$23,008,000 in 1970-71 and will increase by that sum each year, up to \$57,520,000 in 1974-75.

Advances to the States

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

COMMONWEALTH AUTHORITIES: ADVANCES TO THE STATES, BY FUNCTION, 1970-71
(\$'000)

Function	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
GROSS							
Development of resources and assistance to industry	5,397	4,815	7,624	2,953	3,841	1,418	26,047
Transport and communication—							
Railway projects . . . . .	..	..	..	676	3,080	..	3,756
Other . . . . .	..	..	..	2,250	..	..	2,250
Power, fuel and light . . . . .	..	..	..	..	..	3,211	3,211
Housing	51,148	40,048	11,798	25,000	14,033	8,750	150,777
Not allocated to function(a) . . . . .	..	..	..	..	..	..	..
Total gross advances	56,545	44,863	19,422	30,879	20,954	13,379	186,041
REPAYMENTS							
Development of resources and assistance to industry	2,994	871	3,217	1,931	1,469	1,708	12,191
Transport and communication—							
Railway projects	96	96	1,347	333	1,360	..	3,232
Other	330	..	639	..	151	..	1,120
Power, fuel and light . . . . .	..	..	..	..	..	..	..
Housing	5,476	4,900	1,490	1,842	1,384	556	15,647
Not allocated to function(a)	3,281	-208	74	327	400	-168	3,704
Total repayments	12,177	5,659	6,767	4,433	4,764	2,096	35,894
NET							
Development of resources and assistance to industry	2,403	3,944	4,407	1,022	2,372	-290	13,856
Transport and communication—							
Railway projects	-96	-96	-1,347	343	1,720	..	525
Other	-330	..	-639	2,250	-151	..	1,130
Power, fuel and light . . . . .	..	..	..	..	..	3,211	3,211
Housing	45,671	35,147	10,309	23,158	12,650	8,194	135,130
Not allocated to function(a)	-3,281	208	-74	-327	-400	168	-3,704
Total net advances	44,367	39,203	12,655	26,446	16,191	11,283	150,147

(a) Comprised mainly of States' deposits with the National Debt Sinking Fund.
Minus sign (-) denotes excess of repayment.

**COMMONWEALTH AUTHORITIES: ADVANCES TO THE STATES
BY FUNCTION, 1966-67 TO 1970-71
(\$'000)**

<i>Function</i>	<i>1966-67</i>	<i>1967-68</i>	<i>1968-69</i>	<i>1969-70</i>	<i>1970-71</i>
GROSS					
Development of resources and assistance to industry	24,467	50,412	22,429	16,922	26,047
Transport and communication—					
Railway projects	12,647	13,989	7,554	8,277	3,756
Other	2,805	..	11,000	..	2,250
Power, fuel and light . . . . .	..	5,300	3,200	9,704	3,211
Housing	127,753	129,943	132,899	141,691	150,777
Not allocated to function(a) . . . . .	..	726	..	35,474	..
Total gross advances	167,672	200,370	177,082	212,068	186,041
REPAYMENTS					
Development of resources and assistance to industry	17,098	15,402	19,482	18,829	12,191
Transport and communication—					
Railway projects	1,540	1,724	1,886	3,010	3,232
Other	494	1,113	1,114	1,118	1,120
Power, fuel and light	14	25	1	..	..
Housing	11,240	12,297	13,413	14,567	15,647
Not allocated to function(a)	990	..	31,202	..	3,704
Total repayments	31,376	30,562	67,098	37,524	35,894
NET					
Development of resources and assistance to industry	7,368	35,010	2,947	-1,908	13,856
Transport and communication—					
Railway projects	11,107	12,265	5,668	5,267	525
Other	2,311	-1,113	9,886	-1,118	1,130
Power, fuel and light	-14	5,275	3,199	9,704	3,211
Housing	116,513	117,646	119,486	127,124	135,130
Not allocated to function(a)	-990	726	-31,202	35,474	-3,704
Total net advances	136,295	169,806	109,981	174,544	150,147

(a) Comprised mainly of States' deposits with the National Debt Sinking Fund.
Minus sign (-) denotes excess of repayments.

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

Development of resources and assistance to industry

Water resources projects

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

Under the *Western Australia (South-west Region Water Supplies) Agreement Act 1965*, the Commonwealth is providing financial assistance of up to \$10,500,000 by way of interest-bearing loans to Western Australia to accelerate works undertaken by the State to extend the comprehensive water supply scheme in the south-west portion of the State.

Chowilla and Dartmouth Reservoirs. Under the River Murray Waters Agreement the Commonwealth provided assistance in the form of interest-bearing loans amounting to \$1,500,000 to meet the capital costs of the Chowilla Reservoir. Because of significant increases in the estimated cost of the project, it was decided in August 1967 to suspend work on it. Further investigations then followed, including a re-assessment of the likely yield from both Chowilla and alternative storages on the Upper Murray and Mitta Mitta Rivers. Following careful consideration of this re-assessment, the River Murray Commission in February 1969 agreed that a 3,000,000 acre feet storage at Dartmouth on the Mitta Mitta River provided the greatest overall benefits in terms of cost and yield and should be the next development of the resources of the River Murray. The estimated cost of the Dartmouth Dam is \$57 million, and the Commonwealth is making advances to the three States concerned (New South Wales, Victoria and South Australia) amounting to fifty per cent of each of their one-quarter share of the construction costs. The Commonwealth itself will make its own quarter contribution of the cost of the project. (Further information can be found in Chapter 23, Water Conservation and Irrigation).

Rural industries development projects

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

Softwood forestry. The *Softwood Forestry Agreement Act 1967* authorised the Commonwealth to provide assistance during the five years ending 30 June 1971 for increased planting of softwood forests. Total assistance of the order of \$20 million is in the form of interest-bearing loans repayable over twenty-five years.

Transport and communication

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

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

Weipa development, Queensland. Under the *Weipa Development Agreement Act 1965* the Commonwealth provided financial assistance of \$3,270,000 during 1965-66 and 1966-67 to Queensland by way of interest-bearing advances to finance harbour works carried out at Weipa on Cape York Peninsula.

Power, fuel and light

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

Main components of receipts

The main components of the receipts of Commonwealth authorities are taxation, surplus of public enterprises and other factor income transfers, and borrowing and financing transactions. Taxation constitutes by far the major source of receipts. Borrowing is now of minor significance so far as Commonwealth authorities are concerned, although, as may be seen in later tables, it has become an increasingly significant source of funds for the States. The realisation of the increasing commitment of State revenues to the servicing of a rapidly growing debt burden led to the arrangement agreed to at the 1970 Premiers' Conference whereby the Commonwealth now makes interest-free capital grants to the States in lieu of moneys previously obtained by the States from borrowings (see page 550).

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

Commonwealth taxation—summary

The following tables show Commonwealth taxation receipts classified by type of tax for the years 1966–67 to 1970–71, and the proportion of each type to total collections.

COMMONWEALTH AUTHORITIES: TAXATION BY TYPE OF TAX
1966-67 TO 1970-71
(\$'000)

Type of tax	1966-67	1967-68	1968-69	1969-70	1970-71
Income tax—					
Individuals	1,920,603	2,175,249	2,377,407	2,854,857	3,174,983
Companies(a)	781,925	833,042	1,000,721	1,144,822	1,383,051
Dividend (withholding)	22,708	21,716	28,303	38,003	35,956
Interest (withholding) . . . . .	..	910	4,456	8,019	12,318
<i>Total income taxes</i>	<i>2,725,236</i>	<i>3,030,917</i>	<i>3,410,887</i>	<i>4,045,701</i>	<i>4,606,308</i>
Estate duty	41,534	54,717	60,726	71,332	70,101
Gift duty	7,658	8,543	9,376	8,553	7,795
Rates on land	1,184	1,045	1,069	1,296	2,051
Customs duties	274,873	312,220	346,264	413,559	465,989
Excise duties	806,448	855,168	902,307	939,283	1,053,460
Sales tax	380,657	416,626	494,090	568,668	632,537
Primary production taxes	30,760	31,649	33,674	33,133	27,300
Licences and registration fees n.e.i.—					
Broadcasting listeners' and television viewers' licences	37,835	39,182	45,125	48,389	49,563
Broadcast station licences	209	299	310	345	341
Television station licences	963	1,144	1,392	1,491	1,647
Other	1,491	1,697	2,152	2,339	3,211
<i>Total licences, etc.</i>	<i>40,498</i>	<i>42,322</i>	<i>48,979</i>	<i>52,564</i>	<i>54,762</i>
Stevedoring industry charge	9,758	14,259	14,480	13,801	13,242
Payroll tax	172,232	184,416	205,568	230,469	247,677
Other taxes, fees, fines, etc.	1,589	1,769	2,294	3,424	3,932
<i>Total taxation</i>	<i>4,492,427</i>	<i>4,953,651</i>	<i>5,529,714</i>	<i>6,381,783</i>	<i>7,185,154</i>
<i>of which—</i>					
Taxes levied in the Territories only	2,971	3,029	3,589	5,599	7,650

(a) Excludes income tax paid by public enterprises: 1966–67, \$2.6m; 1967–68, \$3.6m; 1968–69, \$5.8m; 1969–70, \$6.5m; 1970–71, \$12.3m.

COMMONWEALTH AUTHORITIES: PROPORTION OF EACH TYPE OF TAX TO TOTAL TAXATION, 1966-67 TO 1970-71
(Per cent)

Type of tax	1966-67	1967-68	1968-69	1969-70	1970-71
Income tax	60.7	61.2	61.7	63.4	64.1
Estate duty	0.9	1.1	1.1	1.1	1.0
Gift duty	0.2	0.2	0.2	0.1	0.1
Rates on land . . . . .	..	..	..	..	..
Customs duties	6.1	6.3	6.3	6.5	6.5
Excise duties	18.0	17.3	16.3	14.7	14.7
Sales tax	8.5	8.4	8.9	8.9	8.8
Primary production taxes	0.7	0.6	0.6	0.5	0.4
Licences and registration fees n.e.i.	0.9	0.9	0.9	0.8	0.8
Stevedoring industry charge	0.2	0.3	0.3	0.2	0.2
Payroll tax	3.8	3.7	3.7	3.6	3.4
Other taxes, fees, fines, etc. . . . .	..	..	..	..	0.1
<i>Total taxation</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>

Taxes on income

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

The laws dealing with the assessment and imposition of Income tax at 30 June 1971 were—*Income Tax Assessment Act 1936–1971*, *Income Tax Act 1970*, *Income Tax (Partnerships and Trusts) Act 1970*, *Income Tax (Non-Resident Dividends and Interest) Act 1967*, *Income Tax (Drought Bonds) Act 1969*, and the *Income Tax Regulations*. The second-mentioned Act is an annual measure, and its primary purpose is to declare the rates of tax payable for the financial year.

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

The operation of the *Income Tax Assessment Act 1936–1971* is affected by the following Acts:

- (a) *Taxation Administration Act 1953–1968*, which provides for the administration of certain Acts relating to taxation;
- (b) *Income Tax (International Agreements) Act 1953–1969* which gives the force of law to comprehensive double taxation agreements between the Commonwealth and the Governments of the United Kingdom, the United States of America, Canada, New Zealand, Singapore and Japan. This Act also gives the force of law to an agreement with the Government of France for the avoidance of double taxation on income derived from international air transport;
- (c) *Diplomatic Privileges and Immunities Act 1967* which provides for the exemption from income tax of certain income of diplomatic representatives, their staff and families.
- (d) *International Organisations (Privileges and Immunities) Act 1963–1966*, and Regulations made under that Act, which provide for exemption from income tax of certain incomes of international organisations and their officials;
- (e) *Loan (Drought Bonds) Act 1969* which authorises the issue of drought bonds and empowers the Commissioner of Taxation to declare when drought bonds shall become redeemable.

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

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

Taxes on income—individuals

Pay-as-you-earn system

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

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

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

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

Assessable income

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

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

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

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

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

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

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

Concessional deductions

Concessional allowances to residents for dependants, medical and dental expenses, life insurance, superannuation contributions, etc. are made as a deduction from income. The maximum deduction allowed for the income year 1971-72 for each dependant or for a housekeeper is shown below.

<i>Dependant, etc. (resident)</i>	<i>Maximum deduction(a)</i>
	\$
Spouse, Daughter-housekeeper(b); housekeeper(c); Parent or parent-in-law	312
One child under 16 years of age; Invalid relative(d); Student child 16 to under 25 years of age	208
Other children under 16 years of age	156

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

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

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

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

Effective exemption from tax

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

RESIDENT TAXPAYERS: EFFECTIVE EXEMPTIONS FROM INCOME TAX

(\$)

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

Special provisions applying for the 1971-72 income year to *resident aged persons* (i.e. men aged 65 years or more or women aged 60 years or more) were:

(A) *Single Persons Age Allowance Provisions*

Taxable Income \$	
Up to 1,326	No income tax payable
	<i>Income Tax limited to:</i>
1,327-1,532	16½ per cent of taxable income over \$1,326
1,533-2,080	\$34.33 plus 18 per cent of taxable income over \$1,532
2,081-2,132	\$132.97 plus 45 per cent of taxable income over \$2,080
2,133-2,286	\$156.37 plus 66½ per cent of taxable income over \$2,132

(B) *Married Couples Age Allowance Provisions*

Combined Taxable Income(a) \$	
Up to 2,314	No income tax payable
	<i>Income Tax limited to:</i>
2,315-2,500	16½ per cent of taxable income over \$2,314
2,501-3,000	\$31.00 plus 31 per cent of taxable income over \$2,500
3,001-3,640	\$186.00 plus 40 per cent of taxable income over \$3,000
3,641-3,744	\$442.00 plus 45 per cent of taxable income over \$3,640
3,745-4,155	\$488.80 plus 66½ per cent of taxable income over \$3,744

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

NOTE. Income tax calculated under age allowance provisions is not subject to the levy, payable under the ordinary rates of tax.

Rates of income tax on individuals

The table on page 560 shows the rates of income tax for income years 1954-55 to 1971-72 as set out in the First Schedule to the Income Tax Act.

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

The minimum amount of income tax payable is 50c.

Where the taxable income of a person does not exceed \$428 the amount of income tax payable is limited to 45 per cent of the excess of the taxable income over \$416. The tax so ascertained was increased by 4.375 per cent for the 1971-72 income year.

The only cases in which incomes below \$416 attract tax are those for which special rates are payable in accordance with the provisions of the *Income Tax (Partnerships and Trusts) Act 1970*.

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

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

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

**COMMONWEALTH INCOME TAX—INDIVIDUALS: GENERAL RATES, 1954-55 TO 1971-72
INCOME YEARS**

<i>Total taxable income</i>		<i>1954-55 to 1964-65(a)</i>		<i>1965-66 to 1969-70(b)</i>		<i>1970-71 to 1971-72(c)</i>	
<i>Column 1</i>	<i>Column 2</i>	<i>Tax on amount in column 1</i>	<i>Tax on each \$ of balance of income</i>	<i>Tax on amount in column 1</i>	<i>Tax on each \$ of balance of income</i>	<i>Tax on amount in column 1</i>	<i>Tax on each \$ of balance of income</i>
<i>Exceeding</i>	<i>Not exceeding</i>						
\$	\$	\$	cents	\$	cents	\$	cents
Nil	200	Nil	0.42	Nil	0.40	Nil	0.30
200	300	0.83	1.25	0.80	1.20	0.60	1.20
300	400	2.08	2.92	2.00	2.90	1.80	2.70
400	500	5.00	4.58	4.90	4.50	4.50	4.10
500	600	9.58	6.25	9.40	6.10	8.60	5.50
600	800	15.83	8.33	15.50	8.20	14.10	7.40
800	1,000	32.50	10.83	31.90	10.80	28.90	9.70
1,000	1,200	54.17	12.50	53.50	12.50	48.30	11.30
1,200	1,400	79.17	14.17	78.50	14.20	70.90	12.80
1,400	1,600	107.50	15.83	106.90	15.90	96.50	14.30
1,600	1,800	139.17	17.50	138.70	17.60	125.10	15.80
1,800	2,000	174.17	19.17	173.90	19.30	156.70	17.30
2,000	2,400	212.50	21.67	212.50	21.60	191.30	19.50
2,400	2,800	299.17	24.58	298.90	24.60	269.30	22.10
2,800	3,200	397.50	27.08	397.30	27.10	357.70	24.40
3,200	3,600	505.83	29.58	505.70	29.60	455.30	26.70
3,600	4,000	624.17	32.08	624.10	32.10	562.10	28.80
4,000	4,800	752.50	35.42	752.50	35.40	677.30	31.90
4,800	5,600	1,035.83	38.33	1,035.70	38.30	932.50	34.50
5,600	6,400	1,342.50	41.25	1,342.10	41.20	1,208.50	37.00
6,400	7,200	1,672.50	43.75	1,671.70	43.80	1,504.50	39.40
7,200	8,000	2,022.50	46.25	2,022.10	46.30	1,819.70	41.70
8,000	8,800	2,392.50	48.75	2,392.50	48.70	2,153.30	43.90
8,800	10,000	2,782.50	51.67	2,782.10	51.70	2,504.50	46.50
10,000	12,000	3,402.50	55.00	3,402.50	55.00	3,062.50	50.60
12,000	16,000	4,502.50	57.92	4,502.50	57.90	4,074.50	56.40
16,000	20,000	6,819.17	60.42	6,818.50	60.40	6,330.50	62.40
20,000	32,000	9,235.83	63.33	9,234.50	63.30	8,826.50	66.70
32,000	upwards	16,835.83	66.67	16,830.50	66.70		

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

Income tax payable on specified incomes

The following table shows, for the income years 1961-62 to 1971-72, the actual income tax payable by taxpayers with various incomes and numbers of dependants without regard to any rebate or refund which may apply.

**COMMONWEALTH INCOME TAX PAYABLE ON SPECIFIED INDIVIDUAL INCOMES
1961-62 TO 1971-72 INCOME YEARS**

(\$)

Income(a) \$	1961-62 to		1965-66 and		1967-68 to		1970-71	1971-72
	1963-64	1964-65	1966-67	1969-70	1969-70	1970-71		
TAXPAYER WITH NO DEPENDANTS								
1,000	51.50	54.20	54.83	54.83	49.50	50.41		
2,000	201.90	212.50	217.81	217.81	196.08	199.67		
3,000	429.10	451.70	462.78	462.78	416.66	424.28		
4,000	714.90	752.50	771.31	771.31	694.23	706.93		
5,000	1,056.90	1,112.50	1,140.10	1,140.10	1,026.53	1,045.32		
10,000	3,232.40	3,402.50	3,487.56	3,487.56	3,139.06	3,196.48		
20,000	8,774.00	9,235.80	9,465.36	9,465.36	9,047.16	9,212.66		
TAXPAYER WITH DEPENDENT WIFE								
1,000	24.00	25.30	25.45	23.27	21.12	21.51		
2,000	151.10	159.10	162.72	158.02	142.47	145.08		
3,000	357.60	376.40	385.53	378.97	341.26	347.51		
4,000	627.70	660.70	677.20	668.64	602.12	607.13		
5,000	955.10	1,005.38	1,030.37	1,020.95	919.18	936.00		
10,000	3,092.00	3,254.70	3,335.99	3,322.21	2,990.35	3,045.06		
20,000	8,609.90	9,063.00	9,288.29	9,272.20	8,847.60	9,009.45		
TAXPAYER WITH DEPENDENT WIFE AND ONE CHILD								
1,000	11.00	11.60	11.63	8.71	7.97	8.12		
2,000	122.00	128.40	131.06	122.61	110.63	112.66		
3,000	315.00	331.60	339.65	326.54	294.15	299.54		
4,000	573.80	604.00	619.06	603.29	543.31	553.25		
5,000	893.90	940.91	964.33	945.48	851.18	866.75		
10,000	3,002.70	3,160.70	3,239.55	3,212.00	2,891.21	2,944.11		
20,000	8,505.40	8,953.10	9,175.61	9,143.43	8,714.57	8,873.98		
TAXPAYER WITH DEPENDENT WIFE AND TWO CHILDREN								
1,000	4.80	..	..	..	..	..
2,000	102.40	107.80	109.88	98.49	88.93	90.57		
3,000	284.70	299.70	306.87	289.54	260.84	265.61		
4,000	537.30	565.60	579.62	555.95	500.61	509.77		
5,000	850.20	894.88	917.16	888.86	800.16	814.80		
10,000	2,938.80	3,093.50	3,170.66	3,129.32	2,816.86	2,868.39		
20,000	8,430.80	8,874.50	9,095.13	9,046.84	8,614.78	8,772.37		

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

Income tax assessments—Individuals

The following table shows for the 1969-70 income year the number of taxpayers, income, and net income tax assessed for individuals. For further information *see* the annual bulletin *Commonwealth Taxation Assessments*.

**COMMONWEALTH INCOME TAX ASSESSMENTS(a): TAXABLE INDIVIDUALS
BY GRADE OF ACTUAL INCOME AND BY OFFICE OF ASSESSMENT**
(Income derived in the year 1969-70)

Grade of actual income(b) and office of assessment	Taxpayers			Actual income(b)	Total taxable income(c)	Net income tax assessed
	Males	Females	Total			
\$ \$	No.	No.	No.	\$'000	\$'000	\$'000
417- 599 . . .	43,315	88,564	131,879	67,847	65,201	1,341
600- 799 . . .	56,545	115,164	171,709	119,943	111,519	3,546
800- 999 . . .	54,538	112,582	167,120	150,432	137,593	6,132
1,000- 1,199 . . .	60,678	123,593	184,271	202,444	182,109	10,152
1,200- 1,399 . . .	67,361	128,040	195,401	254,097	226,609	14,966
1,400- 1,599 . . .	73,775	136,048	209,823	314,879	280,060	20,841
1,600- 1,799 . . .	78,832	149,497	228,329	388,316	344,869	28,848
1,800- 1,999 . . .	84,391	153,307	237,698	451,593	399,615	37,139
2,000- 2,199 . . .	97,143	149,526	246,669	517,658	454,579	46,192
2,200- 2,399 . . .	114,035	129,959	243,994	561,190	487,094	53,614
2,400- 2,599 . . .	133,709	110,120	243,829	609,352	521,174	61,193
2,600- 2,799 . . .	155,315	89,337	244,652	660,063	555,340	68,720
2,800- 2,999 . . .	172,430	66,802	239,232	693,601	573,481	74,007
3,000- 3,999 . . .	926,998	173,361	1,100,359	3,827,933	3,072,054	450,391
4,000- 5,999 . . .	962,473	98,349	1,060,822	5,072,276	3,973,556	737,150
6,000- 7,999 . . .	248,156	27,388	275,544	1,873,281	1,462,127	344,938
8,000- 9,999 . . .	78,796	10,596	89,392	789,502	627,996	175,662
10,000-19,999 . . .	75,781	11,193	86,974	1,134,334	944,008	337,285
20,000-29,999 . . .	9,271	1,191	10,462	247,346	216,289	100,958
30,000 and over . . .	3,778	564	4,342	223,218	186,552	105,141
New South Wales . . .	1,272,913	696,700	1,969,613	6,786,084	5,596,554	1,020,043
Victoria . . .	983,986	557,822	1,541,808	5,311,060	4,347,505	808,038
Queensland . . .	474,977	227,210	702,187	2,244,833	1,781,689	303,353
South Australia . . .	327,859	172,096	499,955	1,564,783	1,271,632	213,363
Western Australia . . .	277,802	142,285	420,087	1,423,156	1,161,175	213,781
Tasmania . . .	107,393	50,449	157,842	504,007	402,083	67,114
Northern Territory . . .	16,415	6,617	23,032	91,494	67,287	12,577
Australian Capital Territory . . .	35,975	22,002	57,977	233,888	193,899	39,947
Total residents . . .	3,497,320	1,875,181	5,372,501	18,159,305	14,821,824	2,678,215

(a) Assessments in respect of 1969-70 incomes issued to 30 September 1971. Assessments issued after that date are not included. (b) Actual income is 'gross income including exempt income less expenditure incurred in gaining that income'. (c) Taxable income is the income remaining after deducting from assessable income all allowable deductions.

Details of the number of individual taxpayers and net income tax assessed by grades of actual income for the income years 1966-67 to 1969-70 are shown in the following table.

COMMONWEALTH INCOME TAX ASSESSMENTS: TAXABLE INDIVIDUALS, BY GRADE OF ACTUAL INCOME(a) (INCOME YEARS 1966-67 TO 1969-70)

Grade of actual income(a)	1966-67		1967-68		1968-69		1969-70		
	Tax-payers	Net income tax assessed	Tax-payers	Net income tax assessed	Tax-payers	Net income tax assessed	Tax-payers	Net income tax assessed	
\$	\$	No.	\$'000	No.	\$'000	No.	\$'000	No.	\$'000
417- 599	134,068	1,431	134,704	1,394	134,711	1,419	131,879	1,341	
600- 799	171,671	3,562	168,835	3,538	170,067	3,513	171,709	3,546	
800- 999	196,995	7,100	185,282	6,735	172,464	6,300	167,120	6,132	
1,000- 1,199	231,968	12,641	211,874	11,667	195,168	10,726	184,271	10,152	
1,200- 1,399	243,793	18,526	225,458	17,154	209,838	16,025	195,401	14,966	
1,400- 1,599	271,943	27,385	251,307	25,529	227,948	23,024	209,823	20,841	
1,600- 1,799	276,844	35,234	262,645	33,706	249,636	32,133	228,329	28,848	
1,800- 1,999	264,304	40,321	263,449	41,086	255,666	40,471	237,698	37,139	
2,000- 2,199	270,010	47,865	260,314	47,376	254,745	47,353	246,669	46,192	
2,200- 2,399	274,637	55,529	264,375	54,716	252,492	53,978	243,994	53,614	
2,400- 2,599	280,725	63,381	266,897	61,351	251,953	60,635	243,829	61,193	
2,600- 2,799	276,502	70,252	268,846	69,089	253,298	67,734	244,652	68,720	
2,800- 2,999	262,004	75,065	259,102	73,871	249,701	74,441	239,232	74,007	
3,000- 3,999	922,098	351,613	1,004,324	383,872	1,071,041	422,246	1,100,359	450,391	
4,000- 5,999	591,665	394,361	684,994	452,851	877,382	592,593	1,060,822	737,150	
6,000- 7,999	140,914	179,821	160,057	199,938	215,473	265,319	275,544	344,938	
8,000- 9,999	51,490	105,428	56,320	113,046	72,232	140,613	89,392	175,662	
10,000-19,999	55,535	223,020	60,388	239,877	75,568	289,976	86,974	337,285	
20,000-29,999	6,295	63,229	7,125	70,193	8,845	85,481	10,462	100,958	
30,000 and over	2,524	58,389	3,127	78,303	3,601	82,470	4,342	105,141	
Total	4,925,985	1,834,154	4,999,423	1,985,293	5,201,829	2,316,451	5,372,501	2,678,215	

(a) Actual income is 'gross income including exempt income less expenditure incurred in gaining that income.'

Partnerships and trusts

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

The following table shows for the 1969-70 income year numbers, total business income and net income of partnerships and trusts. Greater detail is published in annual bulletin *Commonwealth Taxation Assessments*.

PARTNERSHIPS AND TRUSTS—INCOME YEAR 1969-70

Item	Partnerships	Trusts	Total
Number	385,172	120,588	505,760
Total business income \$'000	5,782,800	77,617	5,860,417
Net income \$'000	1,879,825	209,243	2,089,068

Taxes on income—companies

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

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

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

Rates of tax. The rates of primary income tax for all companies and additional tax for private companies applicable to income years 1959-60 to 1970-71 are shown in the following table.

RATES OF INCOME TAX: COMPANIES, 1959-60 TO 1970-71 INCOME YEARS
(Cents per \$)

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

(a) Excludes co-operative, non-profit and life insurance for which the rates of tax (in cents per \$) for 1970-71 income year were:

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

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

Details in respect of company income tax assessments for the 1969-70 income year are shown in the following table.

COMMONWEALTH INCOME TAX ASSESSMENTS: RESIDENT AND NON-RESIDENT COMPANIES, BY GRADE OF INCOME AND OFFICE OF ASSESSMENT
(Income derived in the year 1969-70)

Grade of taxable income (a) (\$) and office of assessment	Taxable			Non-taxable		
	Companies	Taxable income (a)	Net income tax assessed (b)	Companies	Taxable income (a)(c)	Loss(d)
	No.	\$'000	\$'000	No.	\$'000	\$'000
Loss for year . . . . .	..	..	..	39,199	..	350,165
Nil . . . . .	..	..	..	18,535	..	..
1- 1,999	27,832	18,587	5,860	3,913	3,024	..
2,000- 9,999	35,612	198,479	61,426	4,688	23,399	..
10,000- 19,999	15,482	213,096	71,051	1,446	20,211	..
20,000- 39,999	8,165	227,691	81,604	757	20,841	..
40,000- 99,999	5,342	327,756	122,340	439	26,711	..
100,000- 199,999	1,992	279,594	105,719	169	22,634	..
200,000- 399,999	1,093	308,243	116,293	83	22,700	..
400,000- 999,999	729	449,640	158,964	40	21,899	..
1,000,000-1,999,999	258	352,855	123,153	8	10,316	..
2,000,000 and over	263	1,606,107	579,145	9	42,736	..
New South Wales	41,881	1,409,129	499,975	29,121	72,127	141,581
Victoria	28,414	1,801,972	637,183	16,965	84,016	121,464
Queensland	9,480	282,209	110,450	7,439	12,359	27,483
South Australia	8,008	211,113	77,553	6,969	11,418	20,677
Western Australia	5,291	187,443	73,009	4,727	6,108	30,136
Tasmania	1,750	45,100	15,898	1,471	4,402	4,084
Northern Territory	498	10,881	3,994	289	440	1,782
Australian Capital Territory	1,446	34,201	7,493	2,305	23,603	2,956
Total	96,768	3,982,049	1,425,555	69,286	214,472	350,165

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

Yield of income taxes

Income taxes collected. The following table shows the net amounts of taxes collected and the proportions of the several components in the years 1966-67 to 1970-71.

COMMONWEALTH INCOME TAXES COLLECTED: COLLECTION YEARS 1966-67 TO 1970-71

Source of income tax	1966-67	1967-68	1968-69	1969-70	1970-71
NET AMOUNTS COLLECTED (\$'000)					
Individuals—					
Instalments—salaries and wages	1,323,537	1,507,456	1,727,290	2,084,219	2,432,062
Other payments	599,043	669,949	652,176	773,917	746,075
Companies	784,544	836,664	1,006,543	1,151,364	1,395,389
Withholding tax—Dividend	22,708	21,716	28,303	38,003	35,956
Interest . . . . .	..	910	4,456	8,019	12,318
Total	2,729,832	3,036,695	3,418,768	4,055,523	4,621,800
PERCENTAGES					
Individuals—					
Instalments—salaries and wages	48.48	49.64	50.52	51.39	52.62
Other payments	21.94	22.06	19.08	19.08	16.14
Companies	28.74	27.55	29.44	28.39	30.19
Withholding tax—Dividend	0.83	0.72	0.83	0.94	0.78
Interest . . . . .	..	0.03	0.13	0.20	0.27
Total	100.00	100.00	100.00	100.00	100.00

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

COMMONWEALTH INCOME TAXES ASSESSED: INCOME YEARS 1965-66 TO 1969-70
(\$'000)

Tax	1965-66	1966-67	1967-68	1968-69	1969-70
Individuals—					
Residents	1,608,256	1,834,154	1,985,293	2,316,451	} 2,678,215
Non-residents	696	1,179	1,550	1,531	
Companies—					
Primary tax	786,925	832,582	1,010,357	1,151,375	1,425,555
Additional tax on undistributed income of private companies	2,618	2,934	6,648	4,384	n.a.
Superannuation Funds	541	573	656	677	701
Total	2,399,036	2,671,422	3,004,504	3,474,418	n.a.

Refunds of revenue. Income tax collections, as previously shown, are net amounts after refunds of revenue made in the course of the year. Refunds are of two types—those charged to special appropriations under authority of the Income Tax Assessment Act and those charged to special appropriations under authority of the Audit Act. Income tax instalment refunds, by far the greatest part of income tax refunds, are made when the instalments deducted during the year exceed the tax assessed on incomes for that year. Refunds made from special appropriations under section 37A of the Audit Act include refunds of moneys paid to the revenue in error, refunds of tax overpaid, refunds due to the amendment of assessments, etc. Refunds of income tax to individuals during the collection years 1966-67 to 1970-71 were: 1966-67, \$353,194,000; 1967-68, \$398,371,000; 1968-69, \$477,965,000; 1969-70, \$514,065,000; and 1970-71, \$594,748,000.

Estate duty

Under the *Estate duty Assessment Act 1941-1970* estate duty is assessed on the net value of the estate less a statutory exemption determined in accordance with the following formula: (a) where the whole of the estate passes to the widow, widower, children (including adopted children, step-children and ex-nuptial children) or grandchildren of the deceased person: (i) for qualifying estates of deceased primary producers—\$24,000; (ii) for other estates—\$20,000; decreasing by \$2 for every \$8 by which the value of the estate exceeds \$24,000 or \$20,000 as the case may be; (b) where no part of the estate passes to the relatives mentioned in (a): (i) for qualifying estates of deceased primary producers—\$12,000; (ii) for other estates—\$10,000; decreasing by \$2 for every \$8 by which the value of the estate exceeds \$12,000 or \$10,000 as the case may be; and (c) where part only of the estate passes to the relatives mentioned in (a): an amount calculated proportionately under (a) and (b) above.

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

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

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

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

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

Particulars of the number and value of dutiable estates and duty assessed, for each of the assessment years 1966-67 to 1970-71 are given in the following table.

COMMONWEALTH ESTATE DUTY ASSESSMENTS, 1966-67 TO 1970-71

		1966-67	1967-68	1968-69	1969-70	1970-71
Estates	No.	12,056	14,489	14,105	16,358	16,502
Gross value as assessed	\$'000	664,034	840,226	841,462	1,068,213	993,610
Deductions(a)	"	131,930	168,106	162,834	222,953	168,396
Statutory exemption	"	127,602	155,800	152,206	170,755	179,419
Dutiable value	"	404,502	516,320	526,422	674,504	645,791
Net duty assessed	"	43,817	57,711	64,045	83,379	80,551
Average dutiable value	\$	33,552	35,635	37,322	41,234	39,134
Average duty assessed per estate	\$	3,634	3,983	4,541	5,097	4,881

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

Gift duty

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

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

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

Particulars of the number of gift duty assessments, value of gifts as assessed and duty assessed for each of the assessment years 1966-67 to 1970-71 are given in the following table.

COMMONWEALTH GIFT DUTY ASSESSMENTS, 1966-67 TO 1970-71

	1966-67	1967-68	1968-69	1969-70	1970-71
Assessments No.	8,946	9,293	10,053	9,807	9,740
Value as assessed . . . \$'000	130,771	150,322	163,476	156,052	147,677
Duty assessed „	7,633	8,701	9,501	8,399	7,796

Australian Capital Territory Stamp Duty and Tax

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

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

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

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

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

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

Sales and purchases of marketable securities: 40 cents in each \$100 or part thereof. Where the value is less than \$100 the rate is 10 cents in each \$25 or part thereof.

Conveyances, grants and assignments of leases of land: \$1 for each \$100 or part thereof of the value of the interest transferred where a lease is granted by a person other than the Commonwealth, in addition duty is payable at 30 cents for each \$100 or part thereof of the total rent payable for the specified period for which a lease is given.

A general exemption is provided from all duties for public hospitals, public benevolent institutions, religious institutions, public educational institutions, visiting diplomatic personnel and their families. The total amount collected as Australian Capital Territory Stamp Duty and Tax was \$1,969,000 in 1969-70, \$2,475,000 in 1970-71 and \$2,561,000 in 1971-72.

Customs duties

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

CUSTOMS DUTIES ACCORDING TO BRUSSELS TARIFF DIVISIONS, 1966-67 TO 1970-71
(S'000)

<i>Brussels Tariff Division</i>	<i>Source of receipts</i>	<i>1966-67</i>	<i>1967-68</i>	<i>1968-69</i>	<i>1969-70</i>	<i>1970-71</i>
1	Live animals; animal products	1,040	911	1,164	1,208	1,251
2	Vegetable products	1,797	1,268	1,831	2,536	1,442
3	Animal and vegetable fats and oils and their cleavage products; prepared edible fats; animal and vegetable waxes	2,440	1,578	1,191	2,541	1,984
4	Prepared foodstuffs; beverages, spirits and vinegar; tobacco	47,149	51,278	53,742	60,572	64,220
5	Mineral products	9,488	5,688	5,606	8,992	13,729
6	Products of the chemical industry and allied industries	12,340	11,438	12,995	13,999	16,026
7	Artificial resins and plastic materials, cellu- lose esters and ethers, and articles thereof; rubber, synthetic rubbers, factice and articles thereof	12,278	15,457	16,838	19,719	22,402
8	Raw hides and skins, leather, furskins and articles thereof; saddlery and harness; travel goods, handbags and similar con- tainers; articles of gut (other than silk- worm gut)	2,409	2,688	2,906	3,495	3,843
9	Wood and articles of wood; wood charcoal; cork and articles of cork; manufactures of straw, of esparto and of other plaiting materials; basketware and wickerwork	6,902	8,111	7,941	8,741	9,184
10	Paper-making material; paper and paper- board and articles thereof	7,545	8,437	9,778	10,977	11,346
11	Textiles and textile articles	38,019	44,447	46,865	52,409	59,136
12	Footwear, headgear, umbrellas, sunshades, whips, riding-crops and parts therefor; prepared feathers and articles made there- with; artificial flowers; articles of human hair; fans	4,362	5,760	6,658	9,727	10,440
13	Articles of stone, of plaster, of cement, of asbestos, of mica and of similar materials; ceramic products; glass and glassware	7,346	8,343	9,418	11,379	11,190
14	Pearls, precious and semi-precious stones, precious metals, rolled precious metals, and articles thereof; imitation jewellery; coin	1,200	1,375	1,344	1,849	1,999
15	Base metals and articles of base metal	18,321	21,303	24,659	27,949	34,162
16	Machinery and mechanical appliances; elec- trical equipment; parts therefor	44,813	55,172	65,506	85,255	98,306
17	Vehicles, aircraft, and parts therefor; vessels and certain associated transport equipment	29,280	39,212	46,270	54,920	64,345
18	Optical, photographic, cinematographic measuring, checking, precision, medical and surgical instruments and apparatus; clocks and watches, musical instruments; sound recorders and reproducers; television image and sound recorders and re- producers, magnetic; parts therefor	9,054	11,141	12,246	14,440	15,787
19	Arms and ammunition; parts therefor	473	327	334	459	483
20	Miscellaneous manufactured articles	8,422	8,684	9,438	11,123	11,659
21	Works of art, collectors' pieces and antiques Miscellaneous	5	3	13	10	12
	Primage	4,613	3,970	4,195	5,132	6,772
		5,799	5,668	5,341	6,142	6,285
	<i>Total customs duties and primage</i>	<i>275,095</i>	<i>312,258</i>	<i>346,281</i>	<i>413,574</i>	<i>466,004</i>
	<i>Less Remission of duty under special circumstances</i>	<i>222</i>	<i>38</i>	<i>17</i>	<i>14</i>	<i>15</i>
	Total	274,873	312,220	346,264	413,559	465,989

Excise duties

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

COMMONWEALTH EXCISE REVENUE: CLASSIFICATION OF NET RECEIPTS
1966-67 TO 1970-71
(\$'000)

<i>Source of revenue</i>	1966-67	1967-68	1968-69	1969-70	1970-71
Beer	320,832	338,614	355,001	369,937	382,469
Potable spirits	24,872	26,783	24,440	26,525	25,923
Tobacco	17,028	16,460	15,711	14,799	15,450
Cigars and cigarettes	200,901	214,315	225,262	230,620	257,034
Cigarette papers	824	836	833	814	859
Petrol	220,617	234,142	253,007	266,627	327,821
Diesel fuel	15,480	18,256	21,520	23,852	30,931
Matches	2,167	2,227	2,384	2,346	2,289
Playing cards	112	121	127	136	134
Grape wine . . . . .	..	..	..	..	8,702
Coal	634	642	820	1,157	1,436
Canned fruit	1,263	1,738	1,698	315	334
Miscellaneous	1,692	1,121	1,625	2,168	235
<i>All items</i>	<i>806,423</i>	<i>855,255</i>	<i>902,428</i>	<i>939,295</i>	<i>1,053,617</i>
Diesel fuel taxation	362	304	274	351	425
Less rebates	298	356	352	355	567
	64	-52	-78	-4	-142
Other rebates	-39	-34	-43	-7	-15
Total	806,448	855,168	902,307	939,283	1,053,460

The quantities of commodities on which excise duty were paid are given in Chapter 11, Overseas Transactions, page 316.

Sales Tax

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

Particulars of the net amount of sales tax payable and the sales of taxable and exempt goods in each State for 1970-71 are given in the following table. The figures relate to sales during the period 1 July to 30 June. The figures for sales tax payable differ from those for net collections shown on page 556 because the latter include some adjustments in respect of earlier tax years and relate to tax payable on returns lodged during the year, which in general cover sales for the period June to May.

COMMONWEALTH SALES TAX AND AMOUNT OF SALES: STATES AND TERRITORIES
1970-71
(\$'000)

	<i>N.S.W. (including A.C.T.)</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Tas.</i>	<i>N.T.</i>	<i>Aust.</i>
Net sales on which sales tax was payable at—								
2.5 per cent	344,466	291,624	96,173	65,424	60,287	15,886	929	874,789
15 per cent	919,347	593,949	253,716	154,439	167,555	34,060	5,845	2,128,910
25 per cent	77,219	50,191	19,013	15,781	14,470	3,693	255	180,621
27.5 per cent	386,433	257,638	102,154	75,437	70,518	18,577	1,688	912,444
<i>Total net sales</i>	<i>1,727,464</i>	<i>1,193,402</i>	<i>471,056</i>	<i>311,080</i>	<i>312,830</i>	<i>72,216</i>	<i>8,717</i>	<i>4,096,764</i>
Sales of exempt goods by registered persons	4,219,093	2,655,750	1,415,928	768,205	791,705	247,315	43,471	10,141,468
Total sales of taxable and exempt goods	5,946,557	3,849,152	1,886,984	1,079,286	1,104,535	319,531	52,188	14,238,232
Sales tax payable	272,087	179,781	73,307	49,492	49,650	11,538	1,428	637,284

Sales of taxable and exempt goods and sales tax payable for Australia are shown in the following table for the years 1966-67 to 1970-71.

**COMMONWEALTH SALES TAX AND AMOUNT OF SALES
AUSTRALIA, 1966-67 TO 1970-71**
(\$ million)

<i>Year of sale</i>	<i>Net sales on which sales tax was payable</i>	<i>Sales of exempt goods by registered persons</i>	<i>Total sales of taxable and exempt goods</i>	<i>Sales tax payable</i>
1966-67 . . .	2,838	7,802	10,640	386
1967-68 . . .	3,095	8,394	11,489	424
1968-69 . . .	3,367	8,933	12,300	498
1969-70 . . .	3,810	9,759	13,569	577
1970-71 . . .	4,097	10,141	14,238	637

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

Primary production taxes and charges

The following section shows current rates of charges, and receipts from, primary production and other charges during the years 1966-67 to 1970-71. Further information relating to primary production charges is given in Chapter 22, Rural Industry.

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

Wool tax. The present rate of wool tax is 1 per cent of the sale value of the wool and this rate has operated since 1 August 1970.

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

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

(a) in respect of leaf sold to a manufacturer:

(i) one half cent per pound of leaf, payable by the grower or other persons who own the leaf immediately before sale, and

(ii) one cent per pound of leaf, payable by the manufacturer;

(b) in respect of leaf grown and used by grower-manufacturers:

(i) where the manufacturer grows nine-tenths of the leaf used by him—one half cent per pound of leaf.

(ii) in other cases—one cent per pound of leaf.

(See also Chapter 22, Rural Industry.)

Butter fat levy. The *Butter Fat Levy Act 1965-66* provides for a maximum rate of \$0.60 per hundredweight of butterfat content of specified dairy produce and for the apportionment of the proceeds between overseas marketing (40 per cent), local promotion (40 per cent), and research (20 per cent). (See also Chapter 22, Rural Industry.)

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

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

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

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

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

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

Wine grapes charges. The *Wine Grapes Charges Act 1929-1969* imposes a levy, which is payable by the owner of a winery or distillery, on all grapes delivered to that winery for use in the manufacture of wine. No charge is payable unless 10 tons or more of grapes have been used in the manufacture of wine during a season. The operative rate of charge as from 9 February 1972 is \$2.10 in respect of fresh grapes and \$6.30 in respect of dried grapes.

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

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

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

**COMMONWEALTH PRIMARY PRODUCTION TAXES AND CHARGES
RECEIPTS, 1966-67 TO 1970-71
(\$'000)**

<i>Source of revenue</i>	<i>1966-67</i>	<i>1967-68</i>	<i>1968-69</i>	<i>1969-70</i>	<i>1970-71</i>
Apple and pear export charge	207	211	280	318	385
Butter fat levy	2,120	1,936	1,956	2,189	2,184
Canned fruit export charge	224	326	330	208	427
Canning fruit charge	116	123	164	99	218
Dairy produce export charge . . . . .	..	..	..	..	..
Dairy produce levy . . . . .	..	..	..	..	..
Dried fruits export charge	159	143	139	82	232
Dried vine fruits contributory charge—					
Currants	52	..	25	44	..
Raisins . . . . .	..	42	..	..	..
Sultanas . . . . .	..	139	..	..	..
Egg export charge	5	4	4	4	4
Honey levy	92	96	106	103	108
Livestock slaughter levy—					
Cattle	1,315	1,314	1,351	1,557	1,811
Sheep and lambs	809	1,063	1,027	1,229	1,409
Chicken meat levy . . . . .	..	..	..	68	114
Poultry industry levy	8,859	10,840	10,785	11,117	12,819
Tobacco charge	239	427	313	539	502
Wheat tax	1,081	633	1,276	788	607
Wine grapes charge	380	357	379	449	534
Wool tax	14,869	13,694	15,272	14,028	5,567
Other	237	302	265	311	377
Total	30,760	31,649	33,674	33,133	27,300

Pay-roll tax

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

The laws relating to Commonwealth pay-roll tax are the *Pay-roll Tax Assessment Act* 1941-1969, the *Pay-roll Tax Act* 1941-1966, the *Pay-roll Tax (Termination of Commonwealth Tax) Act* 1971 and the *Pay-roll Tax Regulations*. Collections of pay-roll tax amounted to \$230,468,697 in 1969-70 and \$247,677,262 in 1970-71.

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

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

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

Other Commonwealth taxation

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

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

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

Broadcasting listeners and television viewers' licences. Information relating to the various classes of licence, and the fees currently applicable to each, is given in Chapter 12, Transport, Communication and Travel, page 382.

Taxes levied in the Territories

Northern Territory. Taxes levied by the Commonwealth in the Northern Territory in the years 1966-67 to 1970-71 were as follows.

NORTHERN TERRITORY: TAXATION BY TYPE OF TAX, 1966-67 TO 1970-71
((\$'000))

<i>Type of tax</i>	<i>1966-67</i>	<i>1967-68</i>	<i>1968-69</i>	<i>1969-70</i>	<i>1970-71</i>
Rates on land	358	404	450	547	683
Vehicle registration fees	273	321	517	586	647
Liquor taxes (a)	62	72	89	120	366
Racing taxes	23	29	33	48	96
Licences and registration fees n.e.i.	17	22	49	32	31
Stamp duties	55	73	86	94	176
Other taxes, fees, fines, etc.	60	63	74	92	258
Total taxation	849	984	1,299	1,520	2,257

(a) Estimated

Australian Capital Territory. Taxes levied by the Commonwealth in the Australian Capital Territory in the years 1966-67 to 1970-71 were as follows.

AUSTRALIAN CAPITAL TERRITORY: TAXATION BY TYPE OF TAX, 1966-67 TO 1970-71
(S'000)

<i>Type of tax</i>	<i>1966-67</i>	<i>1967-68</i>	<i>1968-69</i>	<i>1969-70</i>	<i>1970-71</i>
Rates on land	826	641	619	749	1,368
Vehicle registration fees	610	694	747	830	937
Drivers', etc., licences	59	65	142	81	101
Liquor taxes	197	226	259	287	340
Licences and registration fees n.e.i.	86	89	115	137	150
Stamp duties . . . . .	..	..	..	1,969	2,475
Charges on conveyances of interests in land(a)	305	298	383	..	..
Other taxes, fees, fines, etc.	38	32	25	25	21
Total taxation	2,122	2,045	2,290	4,079	5,393

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

Rates on land and stamp duties (*see also* page 568) are the principal taxes levied in the Australian Capital Territory.

Gross operating surplus of public enterprises

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

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

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

(\$ million)

	1966-67	1967-68	1968-69	1969-70	1970-71p
REVENUE					
<i>Development of resources and assistance to industry—</i>					
Water supply, sewerage and irrigation	1.0	1.8	1.6	2.1	
Other	1.5	1.8	2.2	2.4	
Total development, etc.	2.6	3.6	3.8	4.5	
Manufacturing	8.1	8.8	12.2	11.4	
<i>Transport and communication—</i>					
Post office	431.5	502.7	567.2	625.2	} not available
Railways	20.9	23.4	26.4	29.8	
Other	247.7	288.3	335.6	400.6	
Total transport, etc.	700.1	814.3	929.2	1,055.6	
Power, fuel and light	31.1	32.5	36.5	40.2	
Housing	25.7	25.2	25.5	33.3	
Insurance	1.5	1.4	1.9	2.3	
Banks	37.3	58.8	64.7	79.6	
Other	4.3	4.7	11.3	12.8	
Total revenue	810.6	949.4	1,085.2	1,239.8	

WORKING EXPENSES(a)

<i>Development of resources and assistance to industry—</i>					
Water supply, sewerage and irrigation	1.7	1.9	1.8	1.8	} not available
Other	1.7	1.8	1.8	2.1	
Total development, etc.	3.4	3.6	3.6	3.9	
Manufacturing	8.7	8.7	9.8	9.7	
<i>Transport and communication—</i>					
Post office	300.4	332.9	358.0	401.4	} not available
Railways	18.6	21.7	21.9	24.1	
Other	204.4	230.1	260.9	311.4	
Total transport, etc.	523.4	584.6	640.7	736.9	
Power, fuel and light	8.9	9.5	11.6	13.9	
Housing	22.7	21.8	22.4	28.5	
Insurance	1.1	1.4	1.4	1.6	
Other	3.8	4.4	9.5	10.4	
Total working expenses	572.1	634.0	699.1	804.9	

GROSS OPERATING SURPLUS

<i>Development of resources and assistance to industry—</i>					
Water supply, sewerage and irrigation	-0.7	..	-0.2	0.3	..
Other	-0.1	..	0.4	0.3	1.4
Total development, etc.	-0.9	..	0.2	0.6	1.4
Manufacturing	-0.5	0.1	2.5	1.7	0.7
<i>Transport and communication—</i>					
Post office	131.1	169.8	209.2	223.9	252.6
Railways	2.2	1.7	4.5	5.7	5.2
Other	43.3	58.2	74.7	89.1	71.2
Total transport, etc.	176.6	229.7	288.5	318.8	329.0
Power, fuel and light	22.2	22.9	24.9	26.3	37.2
Housing	3.0	3.5	3.1	4.7	6.6
Insurance	0.4	..	0.4	0.8	2.1
Banks	37.3	58.8	64.7	79.6	96.3
Other	0.4	0.4	1.8	2.4	1.5
Total gross operating surplus	238.4	315.4	386.0	435.0	475.1

(a) Excludes depreciation and interest charges.

STATE AUTHORITIES

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

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

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

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

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

Receipts and outlay

The receipts and outlay of State authorities for the five year period ended 1970-71 are given in the following table.

STATE AUTHORITIES: RECEIPTS AND OUTLAY, 1966-67 TO 1970-71
(\$ million)

	1966-67	1967-68	1968-69	1969-70	1970-71 ^p
RECEIPTS					
Current receipts—					
Taxes, fees, fines, etc.	664.0	753.0	859.6	955.6	1,002.3
Public enterprises—gross operating surplus	452.5	496.9	542.8	602.4	572.6
Interest, rent, royalties and dividends	100.1	103.1	115.5	139.4	170.5
Grants from Commonwealth	964.6	1,056.8	1,155.0	1,309.0	1,652.0
<i>Total current receipts</i>	<i>2,181.3</i>	<i>2,409.8</i>	<i>2,672.9</i>	<i>3,006.4</i>	<i>3,397.4</i>
Capital receipts—					
Net borrowing—					
Government securities—					
Australia	530.9	536.3	540.5	579.2	393.8
Overseas	-92.1	-76.3	-24.1	-88.6	-51.7
Public corporation securities	185.3	199.0	248.0	232.7	262.3
Advances from Commonwealth	136.3	169.8	110.0	174.5	150.1
Net receipts of private trust funds	16.9	12.2	17.1	24.7	30.0
Grants from Commonwealth	218.4	254.9	263.9	311.5	554.6
Other funds available (including errors and omissions)	70.6	75.4	80.9	99.1	136.8
<i>Total capital receipts</i>	<i>1,066.2</i>	<i>1,171.3</i>	<i>1,236.3</i>	<i>1,333.2</i>	<i>1,475.8</i>
Reduction in—					
Cash and bank balances	-44.7	-88.6	-58.2	-22.9	-99.3
Security holdings	-28.5	-29.2	-69.7	-86.1	-55.5
Total receipts	3,174.2	3,463.4	3,781.3	4,230.6	4,718.4
OUTLAY					
Current outlay—					
Net current expenditure on goods and services	1,189.1	1,323.6	1,484.5	1,718.1	2,052.7
Interest	490.3	531.8	577.1	633.2	684.2
Cash benefits to persons	24.7	29.4	37.1	41.9	47.1
Subsidies	13.3	14.9	15.5	20.9	17.5
Grants for private capital purposes	11.6	18.6	14.7	18.4	17.5
Grants to local authorities	2.1	2.7	3.1	-0.7	5.7
<i>Total current outlay</i>	<i>1,731.1</i>	<i>1,921.0</i>	<i>2,132.0</i>	<i>2,431.9</i>	<i>2,824.7</i>
Capital outlay—					
Gross capital formation—					
Expenditure on new fixed assets	1,271.1	1,358.4	1,499.6	1,604.1	1,701.7
Expenditure on existing assets and increase in stocks	12.0	-9.5	-6.2	24.6	16.8
<i>Total</i>	<i>1,283.1</i>	<i>1,348.9</i>	<i>1,493.4</i>	<i>1,628.6</i>	<i>1,718.5</i>
Grants to local authorities	63.6	68.6	72.2	71.7	74.7
Advances to local authorities	3.6	5.1	5.2	7.4	4.3
Advances to other sectors	92.9	119.8	78.5	91.1	96.3
<i>Total capital outlay</i>	<i>1,443.1</i>	<i>1,542.4</i>	<i>1,649.3</i>	<i>1,798.7</i>	<i>1,893.7</i>
Total outlay	3,174.2	3,463.4	3,781.3	4,230.6	4,718.4

The following table provides details of the receipts and outlay of State authorities in each of the six States for the year 1969-70.

STATE AUTHORITIES: RECEIPTS AND OUTLAY, BY STATE, 1969-70
(\$ million)

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
RECEIPTS							
Current receipts—							
Taxes, fees, fines, etc.	387.2	289.0	117.3	67.2	73.5	21.4	955.6
Public enterprises—gross operating surplus	225.4	171.6	74.0	62.8	41.3	27.3	602.4
Interest, rent, royalties and dividends	50.2	24.6	19.4	14.5	25.4	5.4	139.4
Grants from Commonwealth	420.5	318.5	204.1	140.0	150.6	75.2	1,309.0
<i>Total current receipts</i>	<i>1,083.3</i>	<i>803.7</i>	<i>414.8</i>	<i>284.5</i>	<i>290.7</i>	<i>129.3</i>	<i>3,006.4</i>
Capital receipts—							
Net borrowing—							
Government securities—							
Australia	160.1	142.3	97.0	81.0	59.3	39.4	579.2
Overseas	-11.3	-18.0	-25.7	-15.4	-15.9	-2.2	-88.6
Public corporation securities	61.8	97.5	34.4	18.4	12.1	8.4	232.7
Advances from Commonwealth	54.2	48.5	18.1	25.3	16.0	12.4	174.5
Net receipts of private trust funds	2.2	1.6	18.4	0.3	0.5	1.7	24.7
Grants from Commonwealth	90.6	61.6	55.5	40.5	51.2	12.0	311.5
Other funds available (including errors and omissions)	50.3	15.1	2.4	-0.4	24.9	6.9	99.1
<i>Total capital receipts</i>	<i>407.9</i>	<i>348.6</i>	<i>200.1</i>	<i>149.8</i>	<i>148.2</i>	<i>78.6</i>	<i>1,333.2</i>
Reduction in—							
Cash and bank balances	-21.3	13.3	-0.4	-3.6	-5.5	-5.4	-22.9
Security holdings	-38.9	-7.1	-3.3	-7.3	-5.8	-3.6	-86.1
Total receipts	1,411.0	1,158.5	611.3	423.3	427.6	198.9	4,230.6
OUTLAY							
Current outlay—							
Net current expenditure on goods and services	630.8	458.7	238.4	149.8	168.2	72.2	1,718.1
Interest	184.2	192.4	83.8	78.5	56.1	38.3	633.2
Cash benefits to persons	21.8	5.2	6.2	3.9	3.9	0.9	41.9
Subsidies	7.3	1.7	10.1	0.3	1.4	0.1	20.9
Grants for private capital purposes	3.1	4.2	2.0	2.2	4.1	2.8	18.4
Grants to local authorities	2.7	0.1	-0.7	-0.6	-0.3	-1.9	-0.7
<i>Total current outlay</i>	<i>849.9</i>	<i>662.3</i>	<i>339.8</i>	<i>234.2</i>	<i>233.3</i>	<i>112.4</i>	<i>2,431.9</i>
Capital outlay—							
Gross capital formation—							
Expenditure on new fixed assets	498.8	468.4	224.4	164.2	168.5	79.7	1,604.1
Expenditure on existing assets and increase in stocks	5.9	4.3	2.0	4.1	8.1	0.2	24.6
<i>Total</i>	<i>504.7</i>	<i>472.7</i>	<i>226.4</i>	<i>168.3</i>	<i>176.6</i>	<i>79.9</i>	<i>1,628.6</i>
Grants to local authorities	32.0	2.7	22.3	5.3	7.8	1.5	71.7
Advances to local authorities	0.3	0.2	6.1	-0.5	..	1.3	7.4
Advances to other sectors	24.1	20.5	16.8	16.1	9.9	3.8	91.1
<i>Total capital outlay</i>	<i>561.1</i>	<i>496.2</i>	<i>271.5</i>	<i>189.1</i>	<i>194.3</i>	<i>86.5</i>	<i>1,798.7</i>
Total outlay	1,411.0	1,158.5	611.3	423.3	427.6	198.9	4,230.6

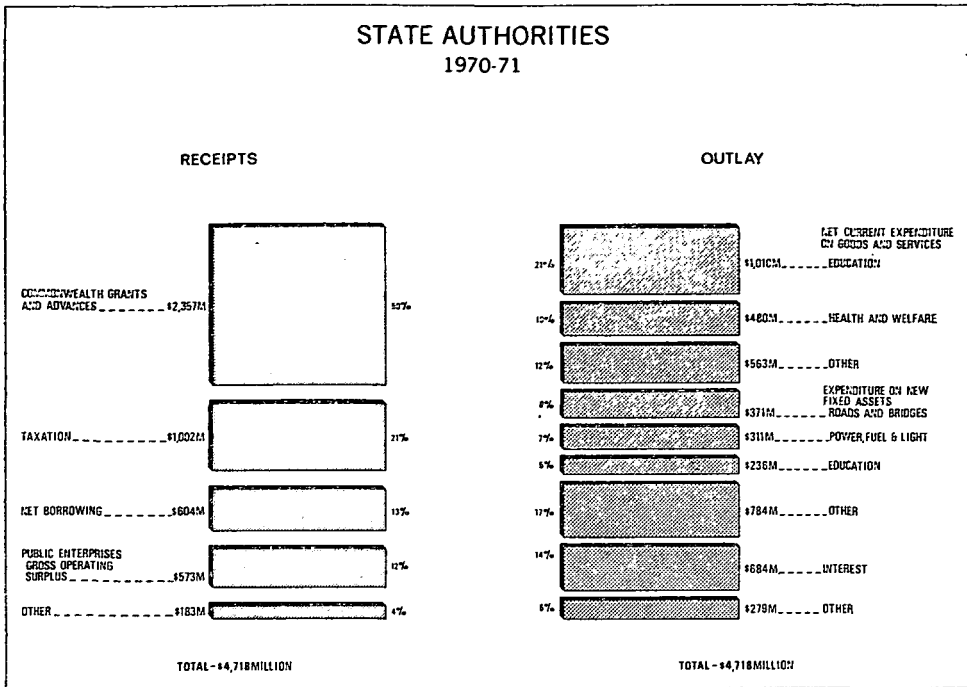


PLATE 34

Main components of outlay

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

**STATE AUTHORITIES: NET CURRENT EXPENDITURE ON GOODS AND SERVICES,
CLASSIFIED BY FUNCTION, 1966-67 TO 1970-71
(\$ million)**

	1966-67	1967-68	1968-69	1969-70	1970-71 ^p
Law, order and public safety	148.0	161.5	179.2	202.6	231.1
Education	555.0	624.8	706.3	837.8	1,009.6
Cultural and recreational facilities	15.5	17.0	19.3	20.5	21.4
Health	237.7	265.8	301.0	347.6	424.8
Welfare	35.0	38.2	40.1	44.5	55.5
Development of resources and assistance to industry	84.2	92.2	100.4	112.0	127.5
Transport and communication	10.5	10.9	12.9	12.7	14.5
Legislature	10.7	11.1	11.8	13.6	15.4
General administration	45.2	49.8	54.8	60.4	68.9
Regulation of trade and industry	10.1	10.5	11.4	12.8	14.5
Other	2.5	3.3	4.7	5.2	13.2
Not allocated to function	34.8	38.4	42.7	48.6	56.3
Total	1,189.1	1,323.6	1,484.5	1,718.1	2,052.7

**STATE AUTHORITIES: NET CURRENT EXPENDITURE ON GOODS AND SERVICES
CLASSIFIED BY FUNCTION, BY STATE, 1969-70**
(\$ million)

	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Tas.</i>	<i>Total</i>
Law, order and public safety	81.2	48.7	31.2	15.6	18.7	7.2	202.6
Education	299.3	257.1	98.9	81.6	70.7	30.3	837.8
Cultural and recreational facilities	7.1	5.2	1.9	2.8	1.9	1.7	20.5
Health	129.9	87.4	52.7	27.1	36.8	13.6	347.6
Welfare	10.4	13.0	7.8	4.4	6.8	2.1	44.5
Development of resources and assistance to industry	38.0	19.8	21.7	7.6	17.5	7.6	112.0
Transport and communication	11.9	0.4	-0.4	..	0.4	0.4	12.7
Legislature	4.3	3.2	1.7	1.6	1.7	1.0	13.6
General administration	20.7	8.5	10.6	7.8	6.3	6.5	60.4
Regulation of trade and industry	2.3	4.8	3.3	1.1	0.9	0.5	12.8
Other	1.5	-0.4	3.8	0.4	-0.6	0.4	5.2
Not allocated to function	24.3	11.1	5.2	..	7.2	1.0	48.6
Total	630.8	458.7	238.4	149.8	168.2	72.2	1,718.1

**STATE AUTHORITIES: EXPENDITURE ON NEW FIXED ASSETS
CLASSIFIED BY FUNCTION, 1966-67 TO 1970-71**
(\$ million)

	<i>1966-67</i>	<i>1967-68</i>	<i>1968-69</i>	<i>1969-70</i>	<i>1970-71p</i>
Law, order and public safety	14.6	15.7	21.5	21.6	23.0
Education	160.0	165.2	191.1	208.9	235.9
Cultural and recreational facilities	8.2	8.5	7.8	11.5	13.2
Health	65.1	64.6	74.0	80.8	81.5
Welfare	2.8	4.5	4.7	4.8	5.4
Water supply, sewerage, irrigation	136.2	147.8	157.2	194.3	227.3
Other development of resources and assistance to industry	86.7	98.1	104.5	108.8	103.7
Manufacturing	4.4	3.6	2.1	3.3	6.0
Railways	108.3	107.8	114.2	120.2	122.8
Harbours	43.4	42.1	56.9	48.2	43.8
Roads and bridges	256.4	277.8	305.7	340.9	370.9
Other transport and communication	3.9	16.1	40.4	13.9	19.6
Power, fuel and light	296.4	308.1	326.0	338.1	311.1
Housing	57.0	61.2	57.3	68.8	84.4
Other	27.6	37.3	36.2	39.9	53.4
Total	1,271.1	1,358.4	1,499.6	1,604.1	1,701.7
<i>of which—</i>					
General government	580.0	616.8	678.8	748.5	840.0
Public enterprises	691.1	741.6	820.8	855.5	861.8

**STATE AUTHORITIES: EXPENDITURE ON NEW FIXED ASSETS, CLASSIFIED BY
FUNCTION, BY STATE, 1969-70**
(\$ million)

	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Tas.</i>	<i>Total</i>
Law, order and public safety	9.2	4.2	4.6	1.1	1.3	1.2	21.6
Education	74.8	60.3	25.6	20.9	20.0	7.4	208.9
Cultural and recreational facilities	6.6	3.0	0.3	..	0.7	0.9	11.5
Health	24.8	18.8	9.4	11.6	11.4	4.8	80.8
Welfare	2.4	1.6	0.5	0.3	..	0.1	4.8
Water supply, sewerage, irrigation	76.3	65.2	2.8	28.2	21.0	0.7	194.3
Other development of resources and assistance to industry	40.6	30.2	20.0	1.8	13.0	3.2	108.8
Manufacturing	1.4	0.2	..	0.2	1.4	..	3.3
Railways	34.3	17.9	26.7	19.1	21.2	1.0	120.2
Harbours	16.4	11.9	9.4	4.2	2.3	4.0	48.2
Roads and bridges	81.2	111.9	65.2	35.7	35.1	11.8	340.9
Other transport and communication	3.9	1.4	..	7.2	1.3	0.1	13.9
Power, fuel and light	94.0	117.4	41.3	22.3	20.4	42.6	338.1
Housing	22.5	15.2	10.9	4.1	15.3	0.7	68.8
Other	10.4	9.2	7.6	7.5	4.1	1.1	39.9
Total	498.8	468.4	224.4	164.2	168.5	79.7	1,604.1

Main components of receipts

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

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

The following tables provide details of the taxes collected by State authorities classified by type of tax. Further information relating to State taxes may be found in *Public Authority Finance: Taxation, 1970-71*.

STATE AUTHORITIES: TAXATION, BY TYPE OF TAX, 1966-67 TO 1970-71

(\$ million)

	1966-67	1967-68	1968-69	1969-70	1970-71 ^p
Estate, gift, probate and succession duties	106.6	119.2	134.4	137.3	149.4
Property taxes—					
Land tax	72.7	76.1	75.1	77.0	91.5
Metropolitan improvement rates	5.3	6.6	7.3	8.4	8.9
<i>Total property</i>	<i>78.0</i>	<i>82.7</i>	<i>82.5</i>	<i>85.3</i>	<i>100.5</i>
Liquor taxes	31.2	34.3	38.4	41.0	44.5
Taxes on gambling—					
Lotteries	28.2	29.8	30.7	32.4	33.3
Poker machines	19.7	23.1	26.3	30.4	34.7
Racing	38.0	44.3	49.9	56.8	62.8
<i>Total gambling</i>	<i>85.8</i>	<i>97.1</i>	<i>106.8</i>	<i>119.7</i>	<i>130.8</i>
Taxes on ownership and operation of motor vehicles—					
Vehicle registration fees and taxes	115.3	124.4	136.8	145.6	154.7
Drivers', etc., licences and fees	14.4	14.9	16.1	16.7	19.4
Stamp duty on vehicle registration	11.6	14.8	16.7	19.2	20.3
Road transport taxes	12.1	13.7	14.5	15.8	16.4
Road maintenance contributions	26.3	28.9	32.7	35.6	37.4
Motor car third party insurance surcharge and duties	3.3	3.5	4.1	4.8	5.1
<i>Total motor vehicles</i>	<i>182.9</i>	<i>200.1</i>	<i>220.8</i>	<i>237.9</i>	<i>253.3</i>
Fire brigades contributions from insurance companies	17.7	19.3	22.2	25.2	28.1
Stamp duties, n.e.i.	125.0	157.9	206.6	256.9	239.9
Licences and registration fees, n.e.i.	4.5	4.8	5.4	6.0	6.5
Other taxes, fees, fines, etc.	32.3	37.5	42.5	46.3	49.2
<i>Total taxation</i>	<i>664.0</i>	<i>753.0</i>	<i>859.6</i>	<i>955.6</i>	<i>1,002.3</i>

**STATE AUTHORITIES: PROPORTION OF EACH TYPE OF TAX TO TOTAL TAXATION
1966-67 TO 1970-71
(per cent)**

	1966-67	1967-68	1968-69	1969-70	1970-71 ^p
Estate, gift, probate and succession duties	16.1	15.8	15.6	14.4	14.9
Property taxes	11.7	11.0	9.6	8.9	10.0
Liquor taxes	4.8	4.6	4.7	4.3	4.4
Taxes on gambling	12.9	12.9	12.4	12.5	13.1
Taxes on ownership and operation of motor vehicles	27.5	26.6	25.7	24.9	25.3
Fire brigades contribution from insurance companies	2.7	2.6	2.6	2.6	2.8
Stamp duties n.e.i.	18.8	21.0	24.0	26.9	23.9
Licences and registration fees n.e.i.	0.7	0.6	0.6	0.6	0.6
Other taxes, fees, fines, etc.	4.9	5.0	4.9	4.8	4.9
Total taxation	100.0	100.0	100.0	100.0	100.0

**STATE AUTHORITIES: TAXATION BY TYPE OF TAX, BY STATE
1969-70
(\$ million)**

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
Estate, gift, probate and succession duties	55.4	44.4	15.9	8.9	9.4	3.3	137.3
Property taxes—							
Land tax	32.5	22.4	5.0	7.6	6.7	2.6	77.0
Metropolitan improvement rates . . . . .	..	7.0	..	..	1.3	..	8.4
Total property	32.5	29.4	5.0	7.6	8.1	2.6	85.3
Liquor taxes	16.4	11.4	5.7	3.1	3.3	1.1	41.0
Taxes on gambling—							
Lotteries	18.0	6.5	4.3	1.8	1.7	..	32.4
Poker machines	30.4	..	..	..	..	..	30.4
Racing	21.5	19.4	7.4	2.6	4.6	1.4	56.8
Total gambling	69.9	25.9	11.7	4.4	6.3	1.4	119.7
Taxes on ownership and operation of motor vehicles—							
Vehicle registration fees and taxes	46.9	48.8	23.4	13.4	8.0	5.1	145.6
Drivers', etc., licences and fees	8.6	3.4	1.5	1.1	1.6	0.5	16.7
Stamp duty on vehicle registration	4.7	6.7	3.1	2.4	2.0	0.4	19.2
Road transport taxes	5.6	1.9	7.0	..	0.9	0.4	15.8
Road maintenance contributions	15.9	8.6	4.8	2.8	3.6	..	35.6
Motor car third party insurance surcharge and duties . . . . .	..	2.7	..	0.9	0.8	0.3	4.8
Total motor vehicles	81.6	72.1	39.7	20.7	16.9	6.8	237.9
Fire brigades contribution from insurance companies	9.6	7.3	4.9	1.1	1.8	0.7	25.2
Stamp duties n.e.i.	105.0	80.4	23.9	18.5	23.9	5.2	256.9
Licences and registration fees n.e.i.	1.9	2.0	0.6	0.7	0.7	0.1	6.0
Other taxes, fees, fines, etc.	14.7	16.0	9.9	2.3	3.1	0.3	46.3
Total taxation	387.2	289.0	117.3	67.2	73.5	21.4	955.6

LOCAL AUTHORITIES

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

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

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

Area, population, dwellings, and value of rateable property

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

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

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

Location	Number	Area	Popu- lation	Dwellings		Value of rateable property		
				Occupied	Unoccu- pied	Unim- proved capital value	Improved capital value	Annual value
New South Wales(a)—								
Sydney Statistical Division	40	974	(b)2,781	(c)730,877	(c)39,701	5,187,500	11,613,100	837,100
Other	185	173,395	(b)1,801	(c)458,665	(c)61,485	2,136,200	n.a.	n.a.
<i>Total New South Wales</i>	<i>225</i>	<i>174,369</i>	<i>(b)4,582</i>	<i>(c)1,189,542</i>	<i>(c)101,186</i>	<i>7,323,700</i>	<i>n.a.</i>	<i>n.a.</i>
Victoria(d)—								
Melbourne Statistical Di- vision	55	1,933	2,438	765,125		n.a.	10,544,764	576,445
Other(e)	155	54,177	997	307,381		n.a.	4,941,582	252,739
<i>Total Victoria</i>	<i>210</i>	<i>56,110</i>	<i>3,437</i>	<i>1,072,506</i>		<i>n.a.</i>	<i>15,486,346</i>	<i>829,184</i>
Queensland(f)—								
Brisbane Statistical Di- vision	9	2,428	886	261,536		947,483	n.a.	n.a.
Other	122	423,830	906	269,558		804,396	n.a.	n.a.
<i>Total Queensland</i>	<i>131</i>	<i>426,258</i>	<i>1,793</i>	<i>531,094</i>		<i>1,751,875</i>	<i>n.a.</i>	<i>n.a.</i>
South Australia(g)—								
Adelaide Statistical Di- vision	31	573	811	237,006	(c)12,194	n.a.	2,520,000	126,005
Other	107	36,679	316	87,553	(c)12,397	n.a.	1,262,000	63,112
<i>Total South Australia</i>	<i>138</i>	<i>37,252</i>	<i>1,127</i>	<i>324,559</i>	<i>(c)24,591</i>	<i>n.a.</i>	<i>3,782,000</i>	<i>189,118</i>
Western Australia(f)—								
Perth Statistical Division .	26	1,327	663	205,950		594,246	n.a.	40,190
Other	114	623,262	317	95,115		300,110	n.a.	7,983
<i>Total Western Australia</i>	<i>140</i>	<i>624,589</i>	<i>980</i>	<i>301,065</i>		<i>894,356</i>	<i>n.a.</i>	<i>48,173</i>
Tasmania(b)—								
Hobart Statistical Division	5	238	153	43,233	3,644	209,910	717,888	44,962
Other	44	16,647	237	67,328	9,822	232,541	980,885	56,007
<i>Total Tasmania</i>	<i>49</i>	<i>16,885</i>	<i>390</i>	<i>110,561</i>	<i>13,466</i>	<i>442,451</i>	<i>1,698,773</i>	<i>100,969</i>

(a) Based on year ended 31 December 1969. (b) Year ended 30 June 1971. (c) Estimated on basis of Census 30 June 1966. (d) Based on year ended 30 September 1970. (e) Excludes Yallourn Works Area, under the jurisdiction of the State Electricity Commission, and other unincorporated areas. (f) Year ended 30 June 1970. Total population less migratory and unincorporated. (g) Year ended 30 June 1969.

Receipts and outlay

The following tables show details of the receipts and outlay of all local authorities for the years 1966-67 to 1970-71, and of local authorities in each of the six States in 1969-70. The figures up to 1967-68 are based upon detailed analyses of the accounting reports of local authorities; however, as complete information was not available at the time of their preparation, the figures for 1969-70 have been estimated, and should therefore be regarded as approximate only. Figures shown for 1970-71 are based on very limited data, but may be taken as rough indicators of orders of magnitude.

LOCAL AUTHORITIES: RECEIPTS AND OUTLAY, 1966-67 TO 1970-71

(\$ million)

	1966-67	1967-68	1968-69	1969-70	1970-71 ^p
RECEIPTS					
Current receipts—					
Taxes, fees, fines, etc.—					
Rates on land	292.5	319.4	345.5	372.8	402.2
Licences, etc.	10.7	11.7	13.0	13.9	14.3
<i>Total</i>	<i>303.2</i>	<i>331.1</i>	<i>358.4</i>	<i>386.7</i>	<i>416.5</i>
Public enterprises—gross operating surplus					
Interest, rent, royalties and dividends	78.6	86.9	96.2	103.1	113.2
Grants from State	2.9	3.1	3.3	2.4	2.6
Grants from State	2.1	2.7	3.1	-0.7	5.7
<i>Total current receipts</i>	<i>386.9</i>	<i>423.7</i>	<i>461.0</i>	<i>491.5</i>	<i>537.9</i>
Capital receipts—					
Net borrowing—					
Local authority securities	80.3	102.4	107.4	99.1	112.8
Advances from State	3.6	5.1	5.2	7.4	4.3
Grants from State	63.6	68.6	72.2	71.7	74.7
Other funds available (including errors and omissions)	41.1	41.1	43.1	50.1	51.4
<i>Total capital receipts</i>	<i>188.5</i>	<i>217.3</i>	<i>227.9</i>	<i>228.3</i>	<i>243.2</i>
Reduction in—					
Cash and bank balances	4.3	-8.6	-12.1	-6.0	10.5
Security holdings	2.7	-7.2	-1.0	2.8	..
Total receipts	582.4	625.3	675.8	716.5	791.6
OUTLAY					
Current outlay—					
Net current expenditure on goods and services—					
Cultural and recreational facilities	37.8	41.3	42.2	45.1	50.6
Health	22.1	26.0	29.2	31.2	35.0
Development of resources and assistance to industry	4.3	4.2	4.6	4.0	5.2
General administration	45.2	49.7	57.2	62.5	68.1
Other	30.2	32.4	29.4	33.9	39.9
<i>Total</i>	<i>139.6</i>	<i>153.6</i>	<i>162.6</i>	<i>176.7</i>	<i>198.9</i>
Interest	59.6	65.8	72.9	79.3	85.7
<i>Total current outlay</i>	<i>199.2</i>	<i>219.5</i>	<i>235.5</i>	<i>256.0</i>	<i>284.6</i>
Capital outlay—					
Expenditure on new fixed assets—					
Cultural and recreational facilities	13.8	13.2	16.8	17.7	19.8
Water supply, sewerage	49.1	55.2	60.2	64.6	73.0
Other development of resources and assistance to industry	1.9	1.7	4.6	2.1	2.3
Manufacturing	2.9	2.3	0.8	2.2	..
Roads and bridges	237.3	246.5	255.7	269.7	294.5
Other transport	1.0	1.8	1.8	2.1	2.6
Power, fuel and light	57.8	62.8	62.2	62.9	67.4
Other	20.3	24.3	35.9	38.0	35.8
<i>Total</i>	<i>384.1</i>	<i>407.8</i>	<i>438.2</i>	<i>459.3</i>	<i>495.4</i>
Expenditure on existing assets	-1.5	-2.8	1.2	0.1	0.3
Advances to other sectors	0.6	0.9	0.9	1.1	11.3
<i>Total capital outlay</i>	<i>383.2</i>	<i>405.8</i>	<i>440.3</i>	<i>460.5</i>	<i>507.0</i>
Total outlay	582.4	625.3	675.8	716.5	791.6

LOCAL AUTHORITIES: RECEIPTS AND OUTLAY, BY STATE, 1969-70
(\$ million)

	<i>N.S.W.(a)</i>	<i>Vic.(b)</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Tas.</i>	<i>Total</i>
RECEIPTS							
Current receipts—							
Taxes, fees, fines, etc.—							
Rates on land	158.6	101.8	50.7	27.8	22.6	11.3	372.8
Licences, etc.	4.2	2.0	0.9	0.3	6.3	0.2	13.9
<i>Total</i>	<i>162.8</i>	<i>103.8</i>	<i>51.6</i>	<i>28.0</i>	<i>28.9</i>	<i>11.5</i>	<i>386.7</i>
Public enterprises—Gross operating surplus	70.8	3.2	24.6	-0.1	0.9	3.8	103.1
Interest, rent, royalties and dividends	0.7	1.4	..	0.2	0.1	..	2.4
Grants from State	2.7	0.1	-0.7	-0.6	-0.3	-1.9	-0.7
<i>Total current receipts</i>	<i>237.1</i>	<i>108.5</i>	<i>75.5</i>	<i>27.5</i>	<i>29.6</i>	<i>13.4</i>	<i>491.5</i>
Capital receipts—							
Net borrowing—							
Local authority securities	38.8	12.5	32.6	4.1	7.1	4.0	99.1
Advances from State	0.3	0.2	6.1	-0.5	..	1.3	7.4
Grants from State	32.0	2.7	22.3	5.3	7.8	1.5	71.7
Other funds available (including errors and omissions)	15.2	21.0	2.1	3.5	7.6	0.7	50.1
<i>Total capital receipts</i>	<i>86.4</i>	<i>36.4</i>	<i>63.1</i>	<i>12.4</i>	<i>22.5</i>	<i>7.5</i>	<i>228.3</i>
Reduction in—							
Cash and bank balances	-6.8	-2.1	4.0	2.3	-2.5	-0.8	-6.0
Security holdings	2.8	0.1	..	..	..	..	2.8
<i>Total receipts</i>	<i>319.4</i>	<i>142.8</i>	<i>142.6</i>	<i>42.1</i>	<i>49.5</i>	<i>20.0</i>	<i>716.5</i>
OUTLAY							
Current outlay—							
Net current expenditure on goods and services—							
Cultural and recreational facilities	19.4	13.4	2.8	3.4	5.0	1.1	45.1
Health	12.0	10.5	3.5	2.6	1.6	1.0	31.2
Development of resources and assistance to industry	1.7	1.1	1.0	0.2	0.1	..	4.0
General administration	19.0	20.4	11.5	4.7	4.8	2.2	62.5
Other	14.4	3.3	14.6	1.4	0.9	-0.6	33.9
<i>Total</i>	<i>66.5</i>	<i>48.7</i>	<i>33.3</i>	<i>12.2</i>	<i>12.4</i>	<i>3.7</i>	<i>176.7</i>
Interest	34.4	12.0	22.3	2.9	3.9	3.8	79.3
<i>Total current outlay</i>	<i>100.8</i>	<i>60.7</i>	<i>55.6</i>	<i>15.1</i>	<i>16.4</i>	<i>7.5</i>	<i>256.0</i>
Capital outlay—							
Expenditure on new fixed assets—							
Cultural and recreational facilities	2.6	5.5	6.0	..	2.8	0.8	17.7
Water supply, sewerage	23.9	0.3	35.2	..	0.2	5.1	64.6
Other development of resources and assistance to industry	2.1	..	..	..	..	..	2.1
Manufacturing	2.2	..	..	..	..	..	2.2
Roads and bridges	119.7	60.3	40.4	21.5	20.9	6.9	269.7
Other transport . . . . .	..	..	2.1	..	..	..	2.1
Power, fuel and light	52.3	3.0	6.5	0.1	1.0	..	62.9
Other	14.7	9.9	-0.2	5.5	8.3	-0.2	38.0
<i>Total</i>	<i>217.5</i>	<i>79.0</i>	<i>90.0</i>	<i>27.1</i>	<i>33.2</i>	<i>12.6</i>	<i>459.3</i>
Expenditure on existing assets . . . . .	..	3.1	-3.0	..	..	..	0.1
Advances to other sectors	1.1	..	..	..	..	..	1.1
<i>Total capital outlay</i>	<i>218.5</i>	<i>82.1</i>	<i>87.0</i>	<i>27.1</i>	<i>33.2</i>	<i>12.6</i>	<i>460.5</i>
<i>Total outlay</i>	<i>319.4</i>	<i>142.8</i>	<i>142.6</i>	<i>42.1</i>	<i>49.5</i>	<i>20.0</i>	<i>716.5</i>

(a) Figures relate to the accounting year ended 31 December 1969, and are on an accrual basis as distinct from those for other States which are on a cash basis. (b) Year ended 30 September 1970. Transactions of Private Street Accounts and Separate Rate Accounts are included.

ALL PUBLIC AUTHORITIES

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

Summary of receipts and outlay

The receipts and outlay of all public authorities for the five year period ended 1970-71 are set out in the following table.

ALL PUBLIC AUTHORITIES: RECEIPTS AND OUTLAY, 1966-67 TO 1970-71

(\$ million)

	1966-67	1967-68	1968-69	1969-70	1970-71 ^p
RECEIPTS					
Current receipts—					
Taxes, fees, fines, etc.	5,460	6,038	6,748	7,724	8,604
Public enterprises—gross operating surplus	770	899	1,025	1,141	1,161
Interest, rent, royalties and dividends	182	170	191	222	271
<i>Total current receipts</i>	<i>6,412</i>	<i>7,106</i>	<i>7,964</i>	<i>9,086</i>	<i>10,034</i>
Capital receipts—					
Net borrowing—					
Government securities—					
Australia	546	673	282	636	301
Overseas	29	134	142	-131	-74
Local authority and public corporation securities	266	303	355	344	376
Net receipts of private trust funds	37	65	79	86	120
Other funds available (including errors and omissions)	136	131	184	230	190
<i>Total capital receipts</i>	<i>1,014</i>	<i>1,305</i>	<i>1,043</i>	<i>1,165</i>	<i>913</i>
Reduction in—					
Cash and bank balances	-48	-100	-85	-63	-172
Security holdings	-36	-213	-227	-457	-188
<i>Total receipts</i>	<i>7,342</i>	<i>8,100</i>	<i>8,695</i>	<i>9,732</i>	<i>10,587</i>
OUTLAY					
Current outlay—					
Net current expenditure on goods and services	2,763	3,141	3,431	3,712	4,228
Interest	574	632	676	736	783
Cash benefits to persons	1,271	1,323	1,444	1,640	1,819
Subsidies	159	166	247	236	279
Transfers overseas	151	154	160	180	185
Grants for private capital purposes	57	76	46	51	53
<i>Total current outlay</i>	<i>4,973</i>	<i>5,492</i>	<i>6,004</i>	<i>6,554</i>	<i>7,345</i>
Capital outlay—					
Gross capital formation—					
Expenditure on new fixed assets	2,141	2,347	2,518	2,731	2,910
Expenditure on existing assets and stocks	22	-9	..	22	61
<i>Total</i>	<i>2,163</i>	<i>2,338</i>	<i>2,518</i>	<i>2,752</i>	<i>2,971</i>
Advances to other sectors	206	270	174	426	270
<i>Total capital outlay</i>	<i>2,369</i>	<i>2,607</i>	<i>2,692</i>	<i>3,178</i>	<i>3,242</i>
<i>Total outlay</i>	<i>7,342</i>	<i>8,100</i>	<i>8,695</i>	<i>9,732</i>	<i>10,587</i>

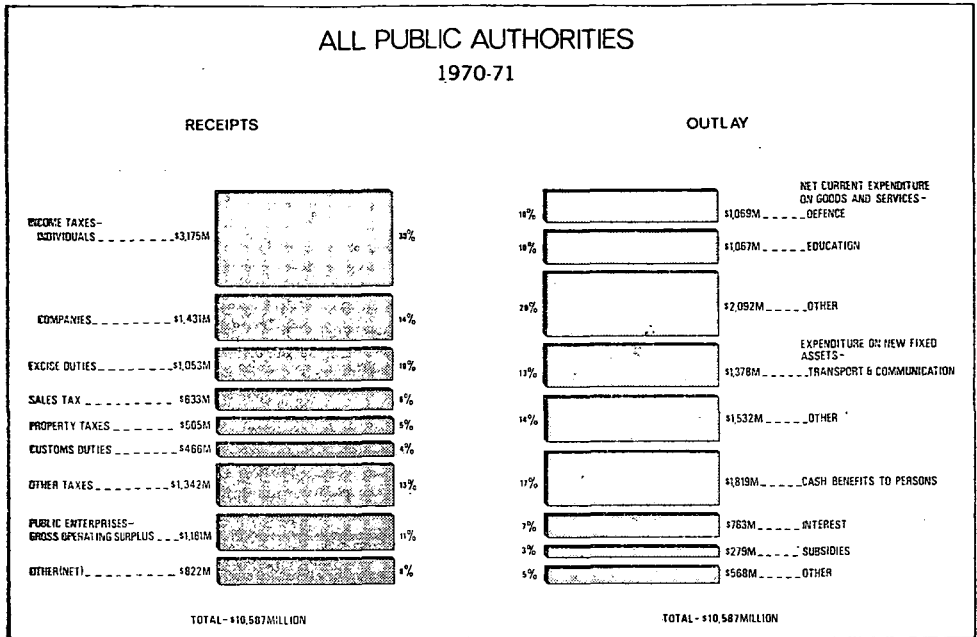


PLATE 35

Main components of outlay

The following tables provide functional dissections for the years 1966-67 to 1970-71 of the net current expenditure on goods and services and expenditure on new fixed assets of all public authorities as an indication of the purposes being served by the various programmes of government.

**ALL PUBLIC AUTHORITIES: NET CURRENT EXPENDITURE ON GOODS AND SERVICES,
CLASSIFIED BY FUNCTION, 1966-67 TO 1970-71**
(\$ million)

	1966-67	1967-68	1968-69	1969-70	1970-71 _p
Law, order and public safety	158	173	192	218	249
Education	579	654	741	880	1,067
Cultural and recreational facilities	102	113	124	139	151
Health	283	318	360	413	503
Welfare	52	59	66	77	91
Defence	877	1,041	1,079	1,018	1,069
Repatriation	67	72	77	84	93
Development of resources and assistance to industry	211	229	255	280	309
Transport and communication	40	44	47	52	59
Legislature	23	23	24	28	32
General administration	212	233	257	291	338
Foreign affairs	18	23	26	31	35
Immigration	36	39	54	60	60
Regulation of trade and industry	21	23	24	27	31
Housing	5	5	6	6	7
Other	26	28	28	32	48
Not allocated to function	53	62	71	76	85
Total	2,763	3,141	3,431	3,712	4,228

**ALL PUBLIC AUTHORITIES: EXPENDITURE ON NEW FIXED ASSETS, CLASSIFIED
BY FUNCTION, 1966-67 TO 1970-71**
(\$ million)

	1966-67	1967-68	1968-69	1969-70	1970-71 ^p
Law, order and public safety	15	17	23	23	25
Education	170	179	204	227	255
Cultural and recreational facilities	31	33	34	37	42
Health	71	68	77	85	89
Welfare	3	6	7	7	9
Repatriation	1	2	2	2	5
Development of resources and assistance to industry	297	326	347	394	434
Manufacturing	8	6	4	6	7
Transport and communication	977	1,109	1,191	1,287	1,378
Power, fuel and light	405	413	424	442	418
Housing	67	75	77	88	99
Other	84	104	117	115	137
Not allocated to function	12	10	10	16	12
Total	2,141	2,347	2,518	2,731	2,910

Main components of receipts

Taxes and net borrowing constitute the main sources of financing of the activities of the public authorities. Details of the debt of public authorities are given in the next section of this chapter. Taxation, by type of tax, for the years 1966-67 to 1970-71 was as follows.

ALL PUBLIC AUTHORITIES: TAXATION, BY TYPE OF TAX, 1966-67 TO 1970-71
(\$ million)

	1966-67	1967-68	1968-69	1969-70	1970-71 ^p
Income tax—					
Individuals	1,921	2,175	2,377	2,855	3,175
Companies ^(a)	805	856	1,033	1,191	1,431
Estate, gift, probate and succession duties	156	182	204	217	227
Customs duties	275	312	346	414	466
Excise duties	806	855	902	939	1,053
Sales tax	381	417	494	569	633
Primary production taxes	31	32	34	33	27
Payroll tax	172	184	206	230	248
Property taxes	372	403	429	459	505
Liquor taxes	31	35	39	41	45
Taxes on gambling	86	97	107	120	131
Taxes on ownership and operation of motor vehicles	188	206	227	245	260
Stamp duties, n.e.i.	125	158	207	259	243
Licences and registration fees, n.e.i.	48	51	59	63	66
Other taxes, fees, fines, etc.	63	74	83	89	94
Total	5,460	6,038	6,748	7,724	8,604

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

Level of government

In the following tables details are given for 1969-70 of the receipts and outlay of all public authorities, broken down by level of government in order to show their relative contributions to various expenditure programmes, and their roles in financing these programmes through taxes and transfers.

**ALL PUBLIC AUTHORITIES: RECEIPTS AND OUTLAY, BY LEVEL OF
GOVERNMENT, 1969-70**

I. RECEIPTS

(\$ million)

	<i>Common- wealth authorities</i>	<i>State authorities</i>	<i>Local authorities</i>	<i>All public authorities</i>
Current Receipts—				
Taxes, fees, fines, etc.—				
Income tax—				
Individuals	2,855	..	..	2,855
Companies(a)	1,191	..	..	1,191
Estate, gift, probate and succession duties	80	137	..	217
Customs duties	414	..	..	414
Excise duties	939	..	..	939
Sales tax	569	..	..	569
Payroll tax	230	..	..	230
Primary production taxes and charges	33	..	..	33
Property taxes	1	85	373	459
Liquor taxes . . . . .	..	41	..	41
Taxes on gambling . . . . .	..	120	..	120
Taxes on ownership and operation of motor vehicles	1	238	5	245
Stamp duties, n.e.i.	2	257	..	259
Broadcasting listeners' and television viewers' licences	48	..	..	48
Licences and registration fees, n.e.i.	2	6	7	15
Other taxes, fees, fines, etc.	15	72	2	89
<i>Total taxes, etc.</i>	6,382	956	387	7,724
Public enterprises—gross operating surplus	435	602	103	1,140
Interest, rent, royalties and dividends	80	139	2	222
Grants—				
from Commonwealth	-1,309	1,309	..	..
from State . . . . .	..	1	-1	..
<i>Total current receipts available for own functions</i>	5,588	3,007	491	9,086
Capital receipts—				
Net borrowing—				
Government securities—				
Australia	57	579	..	636
Overseas	-42	-89	..	-131
Local authority and public corporation securities	12	233	99	344
Net receipts of private trust funds	61	25	..	86
Net advances—				
from Commonwealth	-175	175	..	..
from State . . . . .	..	-7	7	..
Grants—				
from Commonwealth	-312	312	..	..
from State . . . . .	..	-72	72	..
Other funds available	81	99	50	230
<i>Total capital receipts available for own functions</i>	-318	1,255	228	1,165
Reduction in—				
Cash and bank balances	-34	-23	-6	-63
Security holdings	-374	-86	3	-457
Total funds available for own functions	4,863	4,152.	717	9,732

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

ALL PUBLIC AUTHORITIES: RECEIPTS AND OUTLAY BY LEVEL OF GOVERNMENT
1969-70—continued

II. OUTLAY

(\$ million)

	<i>Common- wealth authorities</i>	<i>State authorities</i>	<i>Local authorities</i>	<i>All public authorities</i>
Expenditure on goods and services—				
Law, order and public safety	17	224	..	241
Education	59	1,047	..	1,106
Cultural and recreational facilities	81	32	63	176
Health	39	428	31	499
Welfare	34	49	1	84
Defence	1,017	1	..	1,018
Repatriation	87	..	..	87
Development of resources and assistance to industry	188	415	71	674
Manufacturing	1	3	2	7
Transport and communication	531	536	272	1,339
Power, fuel and light	42	338	63	443
Housing	24	70	..	94
Other	363	179	134	676
<i>Total</i>	<i>2,484</i>	<i>3,322</i>	<i>636</i>	<i>6,442</i>
<i>of which—</i>				
Net current expenditure on goods and services	1,817	1,718	177	3,712
Expenditure on new fixed assets—				
Public enterprises	511	856	135	1,502
General government	156	749	324	1,229
Expenditure on existing assets and stocks	-3	25	..	22
Current transfers—				
Interest	23	633	79	736
Cash benefits to persons	1,598	42	..	1,640
Subsidies	215	21	..	236
Transfers overseas	180	..	..	180
Grants for private capital purposes	33	18	..	51
<i>Total</i>	<i>2,049</i>	<i>714</i>	<i>79</i>	<i>2,843</i>
Capital transfers—				
Net advances to other sectors	334	91	1	426
<i>Total outlay</i>	<i>4,863</i>	<i>4,152</i>	<i>717</i>	<i>9,732</i>

PUBLIC SECTOR BORROWING

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

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

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

Commonwealth and States: Loan transactions and Government securities on issue

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

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

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

Net movement in securities on issue

Summary details of the net movement in securities issued for Commonwealth purposes and on account of the States during the period 1966–67 to 1970–71, are given in the following group of tables. Also provided is a table (page 594) which sets out the balance of securities on issue at 30 June 1970 and 1971, and the composition of the change in these balances.

NET MOVEMENT IN GOVERNMENT SECURITIES ON ISSUE, 1966-67 TO 1970-71 (\$ million)

	1966-67	1967-68	1968-69	1969-70	1970-71
NEW SECURITIES ISSUED					
Securities repayable in Australian currency—					
Inscribed stock and bonds	718.3	717.4	633.7	902.1	808.3
Special bonds	84.3	78.7	73.4	134.0	233.1
Drought bonds . . . . .	..	..	..	1.7	0.4
Advance loan subscriptions	9.3	0.9	7.6	..	8.2
Overdue securities . . . . .	..	..	..	..	..
Tax-free stock . . . . .	..	..	..	..	..
Debentures . . . . .	..	..	..	..	..
Stock issued to Government Savings banks under special agreements(a)	19.7	18.0	13.4	16.1	15.0
Treasury notes . . . . .	..	185.3	..	46.5	17.9
Treasury bills—					
Internal . . . . .	..	5.5	174.2	172.1	8.2
Public	149.0	140.0	..	..	..
Total	980.5	1,145.7	902.3	1,272.5	1,091.1
Securities repayable in overseas currencies(b)	176.1	271.7	273.6	111.0	125.0
Total new securities issued	1,156.6	1,417.4	1,175.9	1,383.6	1,216.1

For footnotes see next page.

NET MOVEMENT IN GOVERNMENT SECURITIES ON ISSUE, 1966-67 TO 1970-71—*continued*
(\$ million)

	1966-67	1967-68	1968-69	1969-70	1970-71
REDEMPTIONS, REPURCHASES, CANCELLATIONS(c)					
Securities repayable in Australian currency—					
Inscribed stock and bonds	218.8	333.7	191.8	341.9	612.4
Special bonds	47.0	37.2	46.3	80.6	148.8
Drought bonds . . . . .	..	..	..	0.7	0.7
Advance loan subscriptions . . . . .	..	..	..	21.1	..
Overdue securities	-2.2	-1.5	6.3	-2.4	1.2
Tax-free stock	0.2	0.1	..	0.5	..
Debentures	2.3	2.4	2.5	2.6	2.7
Stock issued to Government Savings banks under special agreements(a)	3.2	3.5	3.4	3.7	4.0
Treasury notes	27.5	..	68.3	..	..
Treasury bills—					
Internal	2.0	..	..	..	..
Public	139.0	89.0	127.0	14.0	..
<i>Total</i>	<i>437.9</i>	<i>464.3</i>	<i>445.8</i>	<i>462.8</i>	<i>769.8</i>
Securities repayable in overseas currencies(b)	148.4	245.7	134.3	228.5	159.3
<i>Total redemptions, etc.</i>	<i>586.3</i>	<i>710.0</i>	<i>580.1</i>	<i>691.2</i>	<i>929.1</i>

NET MOVEMENT

Securities repayable in Australian currency—					
Inscribed stock and bonds	499.4	383.7	441.9	560.1	195.9
Special bonds	37.3	41.5	27.1	53.4	84.4
Drought bonds . . . . .	..	..	..	0.9	-0.3
Advance loan subscriptions	9.2	0.9	7.6	-21.2	8.2
Overdue securities	2.2	1.5	-6.5	2.4	-1.2
Tax-free stock	-0.2	-0.1	..	-0.5	..
Debentures	-2.3	-2.4	-2.5	-2.6	-2.7
Stock issued to Government Savings banks under special agreements(a)	16.4	14.5	10.0	12.4	11.0
Treasury notes	-27.5	185.3	-68.3	46.5	17.9
Treasury bills—					
Internal	-2.0	5.5	174.2	172.1	8.2
Public	10.0	51.0	-127.0	-14.0	..
<i>Total</i>	<i>542.6</i>	<i>681.4</i>	<i>456.5</i>	<i>809.7</i>	<i>321.3</i>
Securities repayable in overseas currencies(b)	27.7	26.0	139.3	-117.4	-34.3
<i>Net movement in securities on issue</i>	<i>570.3</i>	<i>707.4</i>	<i>595.8</i>	<i>692.3</i>	<i>287.0</i>

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

The net movement in securities on issue may be reconciled with the Budget deficit, as shown in the following table. For details relating to the financing of the budget deficit see page 538.

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

(Source: Supplement to the Treasury Information Bulletin, August 1971)

	1966-67	1967-68	1968-69	1969-70	1970-71
Net movement in securities on issue	570	707	596	692	287
Less net increase in securities on issue held by Trust Fund(a)	10	-146	-268	-512	-88
	580	561	328	180	199
Adjustment from face value to cash basis . . . . .	..	(b)103	..	(c)-18	(d)-21
	580	664	328	163	179
Less increases in net assets of Commonwealth—					
Cash balances	-1	..	..	-19	-157
International Monetary Fund	-27	-59	-5	..	-37
Other(a) . . . . .	..	37	62	(e)-137	(e)91
Deficit	552	642	385	7	75

(a) Excludes investment of other than Commonwealth balances in the Trust Fund. (b) Includes adjustment of Australian currency equivalent of Sterling debt, following devaluation of Sterling. See page 19 of the white paper, *Government Securities on Issue at 30 June 1968*. (c) Includes adjustment of Australian currency equivalent of Canadian and West German debt, following variation in the rate of exchange of the Canadian dollar and revaluation of the Deutsche Mark. (d) Includes adjustment of Australian currency equivalent following variation in the rates of exchange of the Canadian dollar, the Netherlands guilder and the Deutsche Mark and the revaluation of the Swiss franc. (e) Includes advance to Wheat Board, \$184 million in 1969-70 and repayment of advance, \$65 million in 1970-71.

NET MOVEMENT IN GOVERNMENT SECURITIES ON ISSUE, 1970-71
(\$ million)

	Securities on issue at 30 June 1970	Change during 1970-71			Securities on issue at 30 June 1971	Net movement
		New Securities issued	Redemptions, repurchases, cancellations (a)			
Securities repayable in Australian currency—						
Commonwealth—						
Inscribed stock and bonds	1,284.2	109.5	-246.0	1,147.6	-136.6	
Special bonds	238.3	67.9	-67.3	238.9	+0.6	
Drought bonds	0.9	0.4	-0.7	0.7	-0.3	
Advance loan subscriptions	5.4	8.2	..	13.6	+8.2	
Overdue securities	6.6	..	-1.2	5.4	-1.2	
Treasury notes	252.0	17.9	..	269.8	+17.9	
Treasury bills—						
Internal	1,031.3	8.2	..	1,039.5	+8.2	
Public . . . . .	..	..	..	..	..
Total	2,818.6	212.1	-315.3	2,715.5	-103.2	
States—						
Inscribed stock and bonds	7,983.8	698.9	-366.4	8,316.5	+332.5	
Special bonds	495.2	165.2	-81.5	578.9	+83.7	
Tax-free stock	16.0	..	..	16.0	..
Stock issued to Government Savings banks under special agreement(b)	266.0	15.0	-4.0	277.0	+11.0	
Debentures	45.1	..	-2.7	42.4	-2.7	
Overdue securities . . . . .	..	..	..	..	..
Total	8,806.1	879.0	-454.6	9,230.6	+424.5	
Total securities repayable in Australian currency	11,624.7	1,091.1	-769.8	11,946.1	+321.3	
Securities repayable in overseas currencies(c)—						
Commonwealth—						
Public loans	445.9	..	-7.5	438.4	-7.5	
Export-Import Bank loans—						
Defence equipment	260.4	63.3	-57.1	266.6	+6.2	
Aircraft	45.4	n.a.	n.a.	53.2	+7.8	
Other	43.4	..	-2.5	41.0	-2.5	
International Bank Loans	130.4	..	-15.1	115.3	-15.1	
Private loans—						
Aircraft	67.6	n.a.	n.a.	79.3	+11.7	
Other purposes	73.2	14.8	3.6	91.6	+18.4	
Total	1,066.3	125.0	-105.8	1,085.4	+19.0	
Total securities repayable in overseas currencies	1,580.2	125.0	-159.3	1,545.9	-34.3	
States	514.0	..	-53.5	460.5	-53.5	

(a) Including conversions from one type of security to another. (b) i.e. State domestic raisings. (c) Australian currency equivalents at rates of exchange ruling at 30 June 1971.

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

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

GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATES
30 JUNE 1967 TO 1971
(\$ million)

	30 June—				
	1967	1968	1969	1970	1971
For Commonwealth purposes—					
Repayable in Australian currency—					
Inscribed stock and bonds	1,459.0	1,347.6	1,279.9	1,284.2	1,147.6
Special bonds	187.3	198.1	201.8	238.3	238.9
Drought bonds . . . . .	..	..	..	0.9	0.7
Advance subscriptions	17.9	18.8	26.5	5.4	13.6
Overdue securities	9.2	10.7	4.1	6.6	5.4
Treasury notes	88.5	273.7	205.4	252.0	269.8
Treasury bills—					
Internal	679.5	685.0	859.2	1,031.2	1,039.5
Public	90.0	141.0	14.0	..	..
<i>Total</i>	<i>2,531.4</i>	<i>2,675.0</i>	<i>2,591.0</i>	<i>2,818.6</i>	<i>2,715.5</i>
Repayable in overseas currencies(a)	743.9	925.3	1,091.2	1,066.3	1,085.4
<i>Total Commonwealth</i>	<i>3,275.3</i>	<i>3,600.3</i>	<i>3,682.1</i>	<i>3,884.9</i>	<i>3,800.9</i>
On account of States—					
Repayable in Australian currency—					
Inscribed stock and bonds	6,423.2	6,918.3	7,427.9	7,983.8	8,316.3
Special bonds	424.2	454.9	478.3	495.2	578.9
Tax-free stock	16.6	16.5	16.5	16.0	16.0
Stock issued to Government Savings banks under special agreements					
Debtentures	229.1	243.6	253.6	266.0	277.0
Overdue securities	52.5	50.2	47.7	45.1	42.4
<i>Total</i>	<i>7,145.7</i>	<i>7,683.5</i>	<i>8,224.0</i>	<i>8,806.1</i>	<i>9,230.6</i>
Repayable in overseas currencies(a)	788.4	633.0	606.5	514.0	460.5
<i>Total States</i>	<i>7,934.1</i>	<i>8,316.5</i>	<i>8,830.5</i>	<i>9,320.1</i>	<i>9,691.1</i>
<i>of which—</i>					
New South Wales	2,666.9	2,772.8	2,931.3	3,078.7	3,192.9
Victoria	1,893.1	1,998.6	2,130.3	2,254.4	2,347.8
Queensland	1,038.9	1,094.9	1,164.9	1,236.0	1,289.5
South Australia	1,027.1	1,077.0	1,145.8	1,211.3	1,256.9
Western Australia	772.5	804.9	851.5	896.0	932.6
Tasmania	535.6	568.3	606.7	643.8	671.3
Total Commonwealth and States	11,209.4	11,916.8	12,512.6	13,205.0	13,492.0

(a) Australian currency equivalent.

**GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATE
MATURING IN AUSTRALIA, BY HOLDER(a), 30 JUNE 1967 TO 1971**

(\$ million)

(Source: Reserve Bank of Australia Statistical Bulletin)

Holder	30 June—				
	1967	1968	1969	1970	1971
Reserve Bank of Australia	815	1,041	846	1,190	910
Trading banks	1,201	1,194	1,367	1,279	1,441
Savings banks	2,178	2,258	2,285	2,229	2,292
Other banking institutions	4	7	12	1	1
Life assurance offices	978	1,093	1,150	1,195	1,325
Fire, marine and general insurance offices	118	123	126	128	120
Other private financial institutions—					
Pension and provident funds	155	174	192	222	249
Friendly societies, hospital and medical funds	20	25	29	29	31
Trustee companies	123	122	115	113	108
Pastoral finance companies	26	35	37	25	16
Money market dealers	464	494	524	597	694
Miscellaneous	47	80	104	61	74
Government financial institutions—					
Insurance offices and funds	113	121	137	149	154
Pension and provident funds	176	173	195	204	238
Public trustees	31	28	26	24	26
All other(b)	2	4	3	3	2
Public authorities (excluding finance)—					
Commonwealth Government (including Commonwealth semi-government)	1,640	1,789	2,067	2,577	2,661
State Government	26	58	57	40	39
Local government and State semi-government	231	245	233	218	191
Companies (excluding finance)	188	145	183	174	118
Other holders—					
Marketing boards	4	6	3	3	3
Farmers	97	87	83	80	76
Non-profit organisations	51	52	48	51	50
All other	989	1,003	993	1,032	1,124
Total	9,677	10,358	10,815	11,625	11,946

(a) Total stock inscribed, bonds in circulation, amounts paid up on outstanding applications, in transit claims and advance applications, Commonwealth Treasury Bills and Treasury Notes, debentures, and Savings Certificates.

(b) Includes securities held by Commonwealth Development Bank of Australia.

**GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATES
REPAYABLE IN OVERSEAS CURRENCIES, 30 JUNE 1967 TO 1971**

		30 June				
		1967	1968	1969	1970	1971
For Commonwealth purposes—						
Sterling	£stg m	69.3	80.4	80.0	69.9	69.2
United States dollars	US\$ m	516.5	705.1	748.1	687.2	691.9
Canadian dollars	Can\$ m	48.5	39.9	29.7	24.8	12.3
Swiss francs	Sw F m	239.7	239.7	239.7	249.6	249.6
Netherlands guilders	f. m	7.2	6.7	6.2	5.7	65.2
Deutsche Marks	DM m	84.6	178.2	791.7	938.7	931.2
Total—Australian currency equivalent(a)		743.9	925.3	1,091.2	1,066.3	1,085.4
On account of States—						
Sterling	£stg m	233.9	206.6	200.3	164.7	149.7
United States dollars	US\$ m	194.8	181.1	167.3	149.8	126.2
Canadian dollars	Can\$ m	13.9	13.0	12.8	12.2	11.6
Swiss francs	Sw F m	50.3	50.3	50.3	50.3	50.3
Netherlands guilders	f. m	32.9	30.7	28.5	26.3	24.1
Total—Australian currency equivalent(a)		788.4	633.0	606.5	514.0	460.5
Total—Commonwealth and States—Australian currency equivalent(a)		1,532.4	1,558.4	1,697.7	1,580.2	1,545.9

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

**GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATES
REPAYABLE IN OVERSEAS CURRENCIES
30 JUNE 1971**

	Currency in which repayable						Total— Australian Currency equivalent (a)
	Sterling	United States dollars	Canadian dollars	Swiss francs	Netherland guilders	Deutsche Marks	
	£stg m	US\$ m	Can\$ m	Sw F m	f m	DM m	
For Commonwealth purposes—							
Public loans	69.2	105.2	2.2	239.7	5.2	550.0	438.4
Export-Import Bank loans—							
Defence equipment . . . . .	..	298.6	..	..	..	..	266.6
Aircraft . . . . .	..	59.6	..	..	..	..	53.2
Other . . . . .	..	45.9	..	..	..	..	41.0
International Bank loans . . . . .	..	99.7	8.6	..	..	73.7	115.3
Private loans—							
Aircraft . . . . .	..	82.8	1.5	9.9	..	7.5	79.3
Other purposes . . . . .	..	..	..	..	60.0	300.0	91.6
Total	69.2	691.9	12.3	249.6	65.2	931.2	1,085.4
On account of States—							
New South Wales	79.4	47.3	3.6	15.8	7.6	..	220.8
Victoria	19.8	26.6	2.9	12.7	6.1	..	73.1
Queensland	11.2	20.1	1.5	6.4	3.1	..	45.3
South Australia	14.4	14.7	1.6	6.8	3.1	..	47.6
Western Australia	21.8	8.3	1.1	4.9	2.4	..	56.8
Tasmania	3.1	9.2	0.9	3.7	1.8	..	16.8
Total	149.7	126.2	11.6	50.3	24.1	..	460.5
Total Commonwealth and States	218.9	818.1	23.8	299.9	89.3	931.2	1,545.9

(a) At rates of exchange ruling at 30 June 1971.

**GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATES
ANNUAL INTEREST PAYABLE, 30 JUNE 1967 TO 1971**

		30 June—				
		1967	1968	1969	1970	1971
AMOUNT						
For Commonwealth purposes—						
Australian currency	\$A m	91.8	96.1	91.5	101.5	99.5
Sterling	£Stg m	3.4	4.3	4.2	3.9	3.9
United States dollars	US\$ m	26.6	36.8	39.1	35.9	38.1
Canadian dollars	Can\$ m	2.2	1.9	1.4	1.2	0.6
Swiss francs	SwF m	10.5	10.5	11.4	13.6	13.6
Netherlands guilders	f m	0.4	0.3	0.3	0.3	4.9
Deutsche Marks	DM m	4.8	11.0	50.4	61.1	60.6
<i>Total Commonwealth—Australian currency equivalent(a)</i>	<i>\$A m</i>	<i>129.2</i>	<i>144.3</i>	<i>150.3</i>	<i>160.6</i>	<i>162.0</i>
On account of States—						
Australian currency	\$A m	344.6	373.1	404.9	449.3	496.1
Sterling	£Stg m	9.9	8.9	8.7	7.5	6.9
United States dollars	US\$ m	10.2	9.5	8.7	7.9	6.8
Canadian dollars	Can\$ m	0.8	0.7	0.7	0.7	0.7
Swiss francs	SwF m	2.3	2.3	2.3	2.3	2.3
Netherlands guilders	f m	1.6	1.5	1.4	1.3	1.2
<i>Total States—Australian currency equivalent(a)</i>	<i>\$A m</i>	<i>379.9</i>	<i>402.2</i>	<i>432.8</i>	<i>473.9</i>	<i>518.3</i>
Total Commonwealth and States—Australian currency equivalent(a)	\$A m	509.1	546.5	583.1	634.5	680.2

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

For Commonwealth purposes—						
Australian currency		3.63	3.60	3.53	3.60	3.66
Sterling		4.86	5.29	5.29	5.57	5.57
United States dollars		5.15	5.23	5.23	5.22	5.50
Canadian dollars		4.63	4.70	4.72	4.69	5.18
Swiss francs		4.40	4.40	4.77	5.44	5.44
Netherlands guilders		5.00	5.00	5.00	5.00	7.53
Deutsche Marks		5.68	6.17	6.37	6.51	6.51
<i>Total Commonwealth—Australian currency equivalent(a)</i>		<i>3.94</i>	<i>4.02</i>	<i>4.08</i>	<i>4.13</i>	<i>4.26</i>
On account of States—						
Australian currency		4.82	4.86	4.92	5.10	5.37
Sterling		4.22	4.32	4.35	4.56	4.59
United States dollars		5.25	5.25	5.21	5.29	5.36
Canadian dollars		5.75	5.75	5.75	5.75	5.75
Swiss francs		4.50	4.50	4.50	4.50	4.50
Netherlands guilders		5.00	5.00	5.00	5.00	5.00
<i>Total States—Australian currency equivalent(a)</i>		<i>4.79</i>	<i>4.84</i>	<i>4.90</i>	<i>5.08</i>	<i>5.35</i>
Total Commonwealth and States—Australian currency equivalent(a)		4.54	4.59	4.66	4.80	5.04

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

**GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATES
ANNUAL INTEREST PAYABLE, 30 JUNE 1971**

	<i>Currency in which payable</i>							<i>Total— Australian currency equivalent(a)</i>
	<i>Australian currency</i>	<i>Sterling</i>	<i>United States dollars</i>	<i>Canadian dollars</i>	<i>Swiss francs</i>	<i>Nether- lands guilders</i>	<i>Deutsche Marks</i>	
	\$Am	£Stgm	US\$m	Can\$m	SwFm	fm	DMm	\$Am
For Commonwealth purposes	99.5	3.9	38.1	0.6	13.6	4.9	60.6	162.0
On account of States—								
New South Wales	160.0	3.8	2.5	0.2	0.7	0.4	..	170.8
Victoria	123.2	1.1	1.4	0.2	0.6	0.3	..	127.1
Queensland	65.3	0.5	1.1	0.1	0.3	0.2	..	67.6
South Australia	65.3	0.5	0.8	0.1	0.3	0.2	..	67.3
Western Australia	47.1	0.8	0.4	0.1	0.2	0.1	..	49.3
Tasmania	35.3	0.2	0.5	..	0.2	0.1	..	36.2
<i>Total States</i>	<i>496.3</i>	<i>6.9</i>	<i>6.8</i>	<i>0.7</i>	<i>2.3</i>	<i>1.2</i>	<i>..</i>	<i>518.3</i>
Total—								
Currencies in which repayable	595.6	10.7	44.8	1.3	15.8	6.1	60.6	..
Australian currency equivalent(a) \$Am	595.6	23.0	40.0	1.1	3.5	1.5	15.5	680.2

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

For Commonwealth purposes	3.66	5.57	5.50	5.18	5.44	7.53	6.51	4.26
On account of States—								
New South Wales	5.38	4.76	5.38	5.75	4.50	5.00	..	5.35
Victoria	5.41	5.51	5.31	5.75	4.50	5.00	..	5.41
Queensland	5.25	4.80	5.43	5.75	4.50	5.00	..	5.24
South Australia	5.40	3.75	5.34	5.75	4.50	5.00	..	5.36
Western Australia	5.38	3.52	5.26	5.75	4.50	5.00	..	5.28
Tasmania	5.40	5.00	5.43	5.75	4.50	5.00	..	5.39
<i>Total States</i>	<i>5.37</i>	<i>4.59</i>	<i>5.36</i>	<i>5.75</i>	<i>4.50</i>	<i>5.00</i>	<i>..</i>	<i>5.35</i>
Grand total	4.99	4.90	5.48	5.45	5.28	6.85	6.51	5.04

(a) At rates of exchange ruling at 30 June 1971.

National Debt Sinking Fund

Securities on issue on behalf of the Commonwealth

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

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

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

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

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

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

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

Particulars of receipts and expenditure of the Commonwealth Account for the years 1966-67 to 1970-71 are as follows.

NATIONAL DEBT SINKING FUND: COMMONWEALTH ACCOUNT, 1966-67 TO 1970-71
(S'000)

	1966-67	1967-68	1968-69	1969-70	1970-71
Receipts—					
From Consolidated Revenue	21,589	25,421	32,832	26,351	21,061
Loans and advances repaid	12,684	13,772	14,909	84,069	272,483
War Service Homes money repaid	(a)	(a)	(a)	(a)	(a)
Interest on investments	9,351	7,665	5,502	3,786	2,968
Total receipts	43,624	46,859	53,243	114,206	296,512
Expenditure (net cost)—					
Securities repurchased and redeemed in—					
Australia	112,435	68,019	33,340	113,083	293,179
London	9,905	5,983	693	21,386	1,230
New York(b)	29,852	26,145	28,253	28,319	22,941
Canada	131	122	28	83	90
Netherlands . . . . .	..	118	119	119	119
Total expenditure	152,324	100,386	62,434	162,990	317,558
Balance at 30 June	194,114	140,587	131,396	82,612	61,565
Face value of securities repurchased and redeemed in—					
Australia	112,784	68,287	33,473	114,333	294,367
London	10,340	6,043	876	21,678	1,436
New York(b)	29,875	26,569	29,624	29,514	23,771
Canada	134	135	32	108	101
Netherlands . . . . .	..	118	118	118	119
Total face value	153,133	101,151	64,123	165,751	319,794

(a) In the years 1966-67 to 1970-71 principal repayments were credited to Consolidated Revenue Fund. (b) Includes instalment repayments of loans from International Bank for Reconstruction and Development: 1966-67—face value, \$19.9m, net cost, \$20.0m; 1967-68—face value, \$20.8m, net cost, \$20.2m; 1968-69—face value, \$21.8m, net cost, \$21.1m; 1969-70—face value, \$17.6m, net cost, \$17.4m; 1970-71—face value, \$13.2m, net cost, \$13.1m.

Securities on issue on behalf of States

A sinking fund for the redemption of the securities on issue on behalf of States was established under the Financial Agreement. Particulars of the transactions of the National Debt Sinking Fund (States' Account) for each State during the year 1970-71 and for all States during the years 1966-67 to 1970-71 are shown in the following tables.

NATIONAL DEBT SINKING FUND: STATES' ACCOUNT, 1970-71
(S'000)

	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Tas.</i>	<i>Total</i>
Receipts—							
Contributions under Financial Agreement—							
Commonwealth	8,124	5,926	3,195	3,226	2,384	1,694	24,550
States	29,989	22,254	11,364	11,665	9,628	5,263	90,162
Interest from States on cancelled securities	60	37	21	16	18	10	162
Special contributions by States	63	25	20	9	6	..	123
Interest on investments, etc.	10	27	12	10	5	6	70
Total receipts	38,246	28,269	14,612	14,926	12,041	6,973	115,067
Expenditure (net cost)—							
Securities repurchased and redeemed in—							
Australia	25,989	23,274	12,102	12,111	8,413	5,804	87,693
London	4,089	2,324	725	969	2,248	469	10,824
New York	4,569	2,629	1,580	1,387	882	794	11,841
Canada	145	117	59	63	45	34	462
Netherlands	173	139	71	70	54	40	547
Total expenditure	34,965	28,483	14,537	14,600	11,642	7,141	111,367
Balance at 30 June 1971	4,354	3,166	1,726	1,480	582	555	11,862
Face value of securities repurchased and redeemed in—							
Australia	25,997	23,278	12,102	12,112	8,413	5,804	87,705
London(a)	4,199	2,490	770	1,020	2,439	520	11,438
New York(a)	2,337	1,320	804	693	441	400	5,995
Canada(a)	77	62	31	33	24	18	245
Netherlands(a)	114	92	47	46	36	27	362
Total face value	32,724	27,242	13,754	13,905	11,352	6,768	105,745

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

NATIONAL DEBT SINKING FUND: STATES' ACCOUNT, 1966-67 TO 1970-71
(\$'000)

	1966-67	1967-68	1968-69	1969-70	1970-71
Receipts—					
Contributions under Financial Agreement—					
Commonwealth	18,951	20,387	21,619	23,271	24,550
States	68,867	73,486	78,807	83,484	90,162
Interest from States on cancelled securities	113	93	126	173	162
Special contributions by States	220	143	138	138	123
Interest on investments, etc.	-46	48	-220	828	70
Total receipts	88,105	94,157	100,469	107,895	115,067
Expenditure (net cost)—					
Securities repurchased and redeemed in—					
Australia	59,451	50,568	45,120	81,284	87,693
London	16,545	31,815	12,333	40,526	10,824
New York	10,441	11,330	11,126	10,584	11,841
Canada	680	631	145	433	462
Netherlands . . . . .	..	543	546	545	547
Total expenditure	87,118	94,886	69,270	133,372	111,367
Balance at 30 June	3,169	2,440	33,639	8,162	11,862
Face value of securities repurchased and redeemed in—					
Australia	59,496	50,586	45,127	81,367	87,705
London(a)	13,579	28,953	13,543	40,565	11,438
New York(a)	4,925	5,629	12,318	5,582	5,995
Canada(a)	344	348	167	266	245
Netherlands(a) . . . . .	..	677	540	362	362
Total face value	78,345	86,193	71,695	128,142	105,745

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

State and Local Authorities' Indebtedness

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

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

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

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

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

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

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

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

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

**STATE AND LOCAL AUTHORITIES: NEW MONEY LOAN RAISINGS, REDEMPTION AND DEBT
1965-66 TO 1969-70**

(\$ million)

	1965-66	1966-67	1967-68	1968-69	1969-70
STATE AUTHORITIES					
New money loan raisings—					
From government	142.4	143.1	164.3	180.2	184.3
From public	194.6	221.4	246.5	293.6	273.5
Total loan raisings	337.0	364.5	410.8	473.8	457.9
Funds provided for redemption—					
Government loans	24.0	25.5	28.1	28.4	31.1
Loans due to public	42.6	43.1	63.3	66.0	67.5
Total funds for redemption	66.6	68.5	91.4	94.4	98.6
Accumulated sinking fund balance	160.1	178.6	196.5	214.8	233.3
Debt—					
Due to government	2,083.2	2,217.5	2,353.6	2,505.8	2,659.6
Due to banks (net overdraft)	0.7	7.5	7.0	9.4	9.0
Due to public(a)	2,477.3	2,677.0	2,878.5	3,130.2	3,356.2
Total debt	4,561.1	4,901.9	5,239.1	5,645.4	6,024.9
of which—					
Maturing overseas(a)	12.9	11.8	5.8	1.6	..
LOCAL AUTHORITIES					
New money loan raisings—					
From government	6.4	5.2	5.6	8.6	8.2
From public	136.1	157.6	178.4	184.3	179.5
Total loan raisings	142.6	162.8	184.0	192.9	187.7
Funds provided for redemption—					
Government loans	4.3	3.9	3.7	3.5	3.4
Loans due to public	59.2	66.6	71.9	79.0	85.4
Total funds for redemption	63.5	70.5	75.6	82.5	88.8
Accumulated sinking fund balance	65.2	73.8	81.3	91.5	97.7
Debt—					
Due to government	57.3	58.3	60.2	65.0	69.9
Due to banks (net overdraft)	7.1	9.2	4.3	4.8	3.8
Due to public(a)	1,118.9	1,215.4	1,328.0	1,443.2	1,545.2
Total debt	1,183.4	1,282.9	1,392.5	1,513.0	1,618.8
of which—					
Maturing overseas(a)	9.7	4.3	3.6	3.2	2.8

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

**STATE AND LOCAL AUTHORITIES: NEW MONEY LOAN RAISINGS, REDEMPTION
DEBT AND INTEREST PAYABLE, 1969-70**

(\$ million)

	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Tas.</i>	<i>Total</i>
STATE AUTHORITIES							
New money loan raisings—							
From government	34.3	55.0	4.9	29.6	25.3	35.2	184.3
From public	72.3	117.0	38.5	20.3	15.9	9.6	273.5
Total loan raisings	106.6	172.0	43.4	49.8	41.2	44.8	457.9
Funds provided for redemption—							
Government loans	10.0	8.0	2.1	5.8	1.9	3.3	31.1
Loans due to public	18.6	31.2	12.0	1.1	2.9	1.7	67.5
Total funds for redemption	28.6	39.2	14.2	6.8	4.8	5.1	98.6
Accumulated sinking fund balance	136.9	62.7	21.0	..	7.1	5.6	233.3
Debt—							
Due to government	613.5	814.2	84.4	476.2	302.5	368.9	2,659.6
Due to banks (net overdraft)	2.8	0.9	0.5	0.1	4.7	..	9.0
Due to public creditor(a)	813.3	1,754.1	376.2	201.4	133.7	77.4	3,356.2
Total debt(a)	1,429.6	2,569.2	461.1	677.7	440.9	446.3	6,024.9
of which—							
Maturing overseas(a)	75.1	133.4	25.4	33.7	21.2	22.6	311.4
Annual interest payable(a) . . . . .	..	..	..	..	..	..	..
LOCAL AUTHORITIES							
New money loan raisings—							
From government	0.2	0.2	7.2	0.5	..	..	8.2
From public	81.0	26.7	41.5	9.4	14.1	6.8	179.5
Total loan raisings	81.3	26.9	48.6	9.9	14.2	6.8	187.7
Funds provided for redemption—							
Government loans	0.6	0.2	1.8	0.8	..	..	3.4
Loans due to public	37.8	15.4	20.2	2.5	5.9	3.6	85.4
Total funds for redemption	38.4	15.6	21.9	3.3	5.9	3.7	88.8
Accumulated sinking fund balance	46.5	14.6	34.4	0.2	..	1.9	97.7
Debt—							
Due to government	6.7	7.7	47.9	6.6	..	0.9	69.9
Due to banks (net overdraft)	2.4	1.2	..	0.1	..	..	3.8
Due to public creditor(a)	716.0	225.5	403.7	54.3	74.8	70.9	1,545.2
Total debt(a)	725.1	234.4	451.6	61.0	74.9	71.9	1,618.8
of which—							
Maturing overseas(a)	75.1	13.2	2.8	..	..	..	2.8
Annual interest payable(a) . . . . .	..	..	25.3	3.4	4.3	4.1	89.4

(a) Includes debt or interest payable in London and New York, converted to Australian currency equivalent at the I.M.F. rates of exchange applying as at 30 June 1970.

Aggregate debt of State and local authorities

The following table brings together figures of Commonwealth securities on issue on account of the States, debt outstanding of State authorities which have borrowed directly, and debt outstanding of local authorities, to provide an indication of the level of indebtedness of the public authorities in each State. It should be noted, however, that for the kinds of reasons outlined on page 591, this aggregation of figures for securities on issue and debt outstanding cannot be taken as a measure of the 'net public debt' of the State and local authorities. In order to measure this latter magnitude it would be necessary to identify and deduct the substantial holdings of Commonwealth, State and local securities which represent the investment by these authorities of reserve funds and trust and other funds which they administer. In addition, it would be necessary to include the indebtedness of the State authorities to the Commonwealth in respect of advances made for specific capital purposes (such as those made under the Commonwealth-State Housing Agreements). For some purposes too it might be necessary to identify and deduct any loans outstanding from governments to other sectors.

STATE AND LOCAL AUTHORITIES' INDEBTEDNESS, 30 JUNE 1966 TO 1970

<i>State authorities</i>				
	<i>Commonwealth securities issued on account of States</i>	<i>State authorities' own borrowings(a)</i>	<i>Local authorities(a)</i>	<i>Total</i>
AMOUNT OUTSTANDING				
(\$ million)(b)				
30 June 1970—				
New South Wales	3,078.7	816.1	718.5	4,613.3
Victoria	2,254.4	1,755.0	226.7	4,236.1
Queensland	1,236.0	376.8	403.7	2,016.4
South Australia	1,211.3	201.5	54.4	1,467.2
Western Australia	896.0	138.4	74.8	1,109.2
Tasmania	643.8	77.4	70.9	792.1
All States, 30 June 1970	9,320.1	3,365.2	1,548.9	14,234.3
1969	8,830.5	3,139.6	1,447.9	13,418.0
1968	8,316.5	2,885.5	1,332.3	12,534.4
1967	7,934.1	2,684.5	1,224.6	11,843.2
1966	7,494.6	2,477.9	1,126.0	11,098.6
PER HEAD OF POPULATION				
(\$)(b)				
30 June 1970—				
New South Wales	686.9	182.1	160.3	1,029.3
Victoria	659.9	513.7	66.4	1,240.1
Queensland	695.4	212.0	227.1	1,134.5
South Australia	1,054.7	175.5	47.4	1,277.5
Western Australia	920.9	142.3	76.9	1,140.1
Tasmania	1,666.7	200.3	183.6	2,050.6
All States, 30 June 1970	765.0	276.2	127.1	1,168.4
1969	739.4	262.9	121.2	1,123.5
1968	709.0	246.0	113.6	1,068.6
1967	687.4	232.6	106.1	1,026.1
1966	660.2	218.3	99.2	977.6

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

ROADS AND BRIDGES: WATER SUPPLY AND SEWERAGE: HARBOURS

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

Roads and Bridges

Primary responsibility for the construction and maintenance of roads and bridges rests with State and local authorities. In each State there exists a central road authority or a government department which undertakes construction, reconstruction and maintenance of declared 'main' and 'developmental' roads, and which administers the distribution of funds to local authorities and supervises and co-ordinates road construction throughout the State. Provision of roads and bridges has always been one of the principal functions of local authorities, and these authorities still account for a significant proportion of construction and maintenance activity, as is shown by figures given earlier

in this chapter. However the relative importance of the contribution of local authorities has tended to decline in recent years, reflecting in part a reassessment of priorities in allocations of road finance. The Commonwealth Government is concerned with construction and maintenance of roads and bridges in the Northern Territory and Australian Capital Territory and roads of access to Commonwealth property in the various States; but the Commonwealth's most significant contribution to government activity in this field is in the provision of specific purpose capital grants to the States under the Commonwealth Aid Road Acts, which constituted about 32 per cent of the total outlay by State and local authorities on roads and bridges in 1969-70.

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

All public authorities

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

ALL PUBLIC AUTHORITIES: GROSS FIXED CAPITAL EXPENDITURE, ROADS AND BRIDGES, 1966-67 TO 1970-71
(\$ million)

Year	Commonwealth authorities	State and local authorities						All public authorities
		N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	
1966-67	13	168	131	81	47	48	19	507
1967-68	18	174	145	91	47	49	18	543
1968-69	23	189	160	93	49	51	18	584
1969-70	23	201	172	106	57	56	19	634
1970-71(a)	31	227	188	110	58	61	21	696

(a) Estimated.

Commonwealth grants

The following table shows the allocations to the States under the several Commonwealth Aid Roads Acts for road construction, maintenance, repair and other works connected with transport for each of the years 1966-67 to 1970-71. After 1 July 1959, when the *Commonwealth Aid Roads Act* 1959 came into operation, the Commonwealth made separate provision for expenditure on strategic roads and the promotion of road safety practices.

ROAD CONSTRUCTION, MAINTENANCE, ETC.: GRANTS UNDER THE COMMONWEALTH AID ROADS ACTS, STATES, 1966-67 TO 1970-71
(\$'000)

Year	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
1966-67	41,744	29,443	27,415	17,222	26,676	7,500	150,000
1967-68	44,467	31,286	29,266	18,384	28,597	8,000	160,000
1968-69	47,319	33,113	31,098	19,433	30,537	8,500	170,000
1969-70	57,060	38,160	34,740	21,000	32,940	9,100	193,000
1970-71	64,980	43,460	39,560	23,500	36,270	10,230	218,000

New South Wales

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

In the County of Cumberland, which for the purposes of the Main Roads Act is deemed to include the City of Blue Mountains and small sections of other councils' areas on the boundary of the County of Cumberland, the full cost of main road and bridge construction, half the cost of secondary roads, and a proportion (in general, up to half) of the cost of tourist roads are met from the funds of the Department of Main Roads. The Councils do not contribute directly to the cost of these works but are required to pay a levy on the unimproved capital value of rateable property within Council's area or a uniform percentage determined annually by the Commissioner of Council's total rate income, whichever is the lesser. In the former case the rate payable in respect of lands used principally for primary production is half the rate levied on other lands.

In country districts the Department meets the full cost of road and bridge works on State highways, the full cost of bridge construction works and three-quarters of the cost of road construction and road and bridge maintenance works on trunk roads, three-quarters of the cost of bridge construction works and two-thirds of the cost of road construction and road and bridge maintenance works on ordinary main roads, and, in most cases, up to half the cost of works on tourist roads. The cost of constructing developmental roads and works is borne in full by the Department of Main Roads, but local Councils are required to maintain them in a satisfactory condition.

The funds of the Department of Main Roads are derived principally from motor vehicle taxation, charges on heavy commercial goods vehicles under the Road Maintenance (Contribution) Act, 1958-1969, grants under Commonwealth Aid Roads Acts (see page 606), other grants from the State or Commonwealth Governments, and proceeds of a levy on municipal and shire councils in the County of Cumberland in accordance with the Main Roads Act, 1924. The State Government also makes repayable advances for Main Roads Department works, and since 1963 the Commissioner for Main Roads has had the power (with the approval of the Governor on the recommendation of the Treasurer) to borrow moneys. The figures shown below represent the aggregate revenue and expenditure of five funds: the County of Cumberland Main Roads General and Special Purposes Funds, the Country Main Roads General and Special Purposes Funds, and the Developmental Roads Fund.

**DEPARTMENT OF MAIN ROADS, NEW SOUTH WALES: REVENUE
AND EXPENDITURE, 1966-67 TO 1970-71**
($\$^{\prime}000$)

	1966-67	1967-68	1968-69	1969-70	1970-71
REVENUE(a)					
Motor vehicle taxation, registration and licence fees	42,897	45,248	49,636	52,519	55,237
Commonwealth Aid Roads Acts	26,313	28,013	29,814	40,207	47,279
State and Commonwealth grants	63	..	..	..	2,400
Contributions by other departments and bodies	893	516	350	1,194	1,154
Local authorities' contributions—					
Under section 11 of Mains Roads Act	7,600	8,241	7,538	9,820	11,407
Other	250	385	262	30	275
Sydney-Newcastle Expressway Toll	706	892	1,530	2,096	2,271
Other	564	652	859	776	1,047
Total	79,286	83,947	89,989	106,642	121,070
EXPENDITURE(b)					
Roads and bridges—					
Construction	62,590	64,534	67,950	79,999	92,154
Maintenance	17,677	17,352	19,719	22,114	22,661
Administration	4,296	4,816	5,379	6,133	7,371
Interest, exchange, etc., on debt	1,856	2,094	2,541	3,126	3,802
Other(c)	1,753	1,705	2,229	3,185	3,294
Total	88,172	90,501	97,819	114,555	129,283

(a) Excludes repayable advances by the State Government and private loans (\$6,500,000 in 1966-67, \$8,750,000 in 1967-68, \$12,900,000 in 1968-69, \$10,600,000 in 1969-70, and \$11,250,000 in 1970-71), and transfers from Sydney Harbour Bridge Account for Expressway construction (\$3,743,000 in 1966-67, \$4,775,000 in 1967-68, \$900,000 in 1968-69, \$224,000 in 1969-70, and \$70,000 in 1970-71). Expenditure from these amounts is fully reflected in Expenditure. (b) Excludes debt redemption (\$346,000 in 1966-67, \$477,000 in 1967-68, \$812,000 in 1968-69, \$984,000 in 1969-70, and \$1,365,000 in 1970-71) and repayment of government advances (\$200,000 in 1966-67 and later years). (c) Mainly purchase of assets not subject to annual depreciation charge. The purchase of other assets is omitted here because the depreciation charge for them is reflected each year in 'Roads and bridges'.

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

The Sydney Harbour Bridge was opened for traffic on 19 March 1932, and has a main span of 1,650 feet with clearance for shipping of 170 feet. The deck, 160 feet wide, carries eight road traffic lanes, two railway tracks, one cycleway and one footway. During 1970-71, approximately 48.3 million private road vehicles, 27.3 million rail passengers and 11.7 million bus passengers crossed the bridge. Income from tolls during 1970-71 amounted to \$4,845,000, including road tolls of \$4,519,000, rail passenger tolls \$300,000 and bus passenger tolls \$26,000.

The sections of the Sydney-Newcastle Expressway now open to traffic extend approximately six miles between Berowra and the Hawkesbury River and approximately ten miles north of the river to Calga. The Department is currently constructing a bridge on the Hawkesbury River to link these two sections of the Expressway. Total cost of the project to 30 June 1971 was \$30.4 million. Toll collections during the year ended 30 June 1971 amounted to \$2,271,354.

Victoria

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

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

COUNTRY ROADS BOARD, VICTORIA: RECEIPTS AND PAYMENTS 1966-67 TO 1970-71 (\$'000)

	1966-67	1967-68	1968-69	1969-70	1970-71
RECEIPTS					
Motor Car Act—registration and licence fees (less cost of collection)	25,871	26,805	28,889	30,868	32,895
Municipalities' payments	1,824	1,845	1,931	1,904	2,018
Commonwealth Aid Roads Acts	29,050	30,895	32,723	38,160	41,425
Roads (Special Projects) Fund	3,311	2,652	3,055	3,533	7,761
Road charges, Commercial Goods Vehicles Act	6,732	7,248	7,842	8,555	8,903
Loans from State Government	834	987	3,389	900	388
Grants from State Government	715	700	784	849	783
Other	459	380	520	498	543
Total	68,796	71,513	79,132	85,267	94,715

COUNTRY ROADS BOARD, VICTORIA: RECEIPTS AND PAYMENTS
1966-67 TO 1970-71—continued
(\$'000)

	1966-67	1967-68	1968-69	1969-70	1970-71
PAYMENTS					
Construction and maintenance of roads and bridges—					
State highways	19,674	19,003	18,349	22,078	20,465
Main roads	16,765	16,769	16,940	17,783	19,373
Freeways	5,172	7,969	11,682	13,439	18,869
Tourist roads	2,312	2,857	2,793	3,112	2,665
Forest roads	737	658	678	798	902
Unclassified roads	12,798	13,739	14,248	16,356	17,217
Other	45	82	86	112	69
Plant purchase	1,388	1,234	1,583	1,818	1,956
Buildings, workshops, etc.	165	746	611	618	599
Interest, debt redemption, etc.	2,140	2,190	2,306	2,443	2,504
Statutory payment to—					
Tourist Fund	494	517	536	578	617
Transport Regulation Board	383	404	435	471	513
Administration and other	5,502	6,274	7,205	7,509	10,089
Total	67,575	72,443	77,452	87,115	95,838

The Melbourne and Metropolitan Board of Works bears the responsibility for carrying-out planning scheme proposals relating to metropolitan highways and bridges, and is now carrying out a programme of urgent highway works throughout the metropolitan area of Melbourne. The extension of the South-Eastern Freeway from Burnley to Tooronga and the Tullamarine Freeway to serve the new Tullamarine airport have now been completed. Expenditure on road projects up to 30 June 1971 was \$60.3 million. Of this amount, \$22.6 million was financed from the proceeds of the Board's Metropolitan Improvement Rate, \$37.7 million was contributed by the Treasurer of Victoria from the Roads (Special Projects) Fund and \$0.4 million from the Commonwealth Aid Roads Account during 1970-71.

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

Queensland

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

The funds of the Department of Main Roads are obtained chiefly from motor vehicle registration and collections, fees, etc., under the Transport Acts, contributions under the Commonwealth Aid Roads Acts, and loans, grants and advances from the State Government. The total receipts and payments during each of the years 1966-67 to 1970-71 are shown in the following table.

DEPARTMENT OF MAIN ROADS, QUEENSLAND: RECEIPTS AND PAYMENTS
1966-67 TO 1970-71
 (\$'000)

	1966-67	1967-68	1968-69	1969-70	1970-71
RECEIPTS					
Motor vehicle registration, Transport Acts collections, fees, etc.	18,645	20,664	22,048	23,454	25,000
Loans from State Government	1,117	1,717	2,330	400	50
Grants from State Government	50	120	746	550	378
Roads (Contribution to Maintenance) Act	3,592	3,918	4,297	4,754	4,689
Commonwealth Aid Roads and Works Act	31,707	33,075	35,296	40,021	47,285
Maintenance repayments—local authorities	1,192	1,400	1,471	1,515	1,116
Hire, rent, sales of plant, etc.	5,770	5,669	5,853	6,465	6,074
Other	650	802	649	601	773
Total	62,722	67,366	72,689	77,761	85,366
PAYMENTS					
Permanent road works and surveys(a)	39,305	44,899	46,799	53,035	56,802
Maintenance of roads	8,310	9,095	8,929	10,150	10,911
Plant, machinery, buildings, etc. (including plant maintenance)	3,367	3,656	4,060	4,496	3,348
Loans—					
Interest	301	338	276	236	59
Redemption	396	954	934	925	895
Administration and other	8,089	9,497	10,194	11,697	12,870
Total	59,768	68,439	71,193	80,538	84,883

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

South Australia

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

The following table shows particulars of receipts and payments, during the years 1966-67 to 1970-71, of funds controlled by the Highways Department.

HIGHWAYS DEPARTMENT, SOUTH AUSTRALIA
RECEIPTS AND PAYMENTS, 1966-67 TO 1970-71
(\\$'000)

	1966-67	1967-68	1968-69	1969-70	1970-71
RECEIPTS					
Motor vehicle registration, licences, fees	11,506	11,858	12,536	13,250	14,212
Commonwealth Aid Roads Acts	17,223	18,384	19,433	21,000	23,500
Other(a)	3,496	3,693	3,799	5,161	4,022
Total	32,225	33,934	35,767	39,412	41,733
PAYMENTS					
Construction and reconstruction of roads and bridges(b)	22,834	20,799	23,837	30,200	27,056
Maintenance(a)(b)	6,000	7,128	8,211	10,271	11,575
Recoups to Consolidated Revenue Fund—interest, debt redemption and exchange	514	518	522	544	556
Advances to local and semi-government authorities	1,091	1,386	1,253	402	251
Repayments to Revenue under Section 31(a), Highways Act	1,000	240	..	..	..
Stores, plant, machinery, suspense accounts, etc.(c)	1,792	2,866	-105	581	859
Total	33,231	32,936	33,718	41,998	40,298

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

Western Australia

Work connected with road construction and maintenance and associated projects in Western Australia is undertaken by the State Government, through the Main Roads Department, and by local government authorities throughout the State. The Department operates under the *Main Roads Act, 1930-1969*, and is administered by a Commissioner of Main Roads responsible to the Minister for Works. The Act makes provision for the construction and maintenance of public roads in the categories of main roads, controlled-access roads and developmental roads. An additional category, that of important secondary roads, is used by the Department in determining its works programme. Within its own district each local government authority is responsible for the provision and upkeep of roads other than those provided by the Main Roads Department. In addition, the local authority is required by the Main Roads Act to maintain any developmental road situated in its district.

The funds of the Main Roads Department are derived principally from allocations made under the *Commonwealth Aid Roads Act 1969* under which Western Australia has been allotted grants totalling \$200,400,000 for the five-year period commencing 1 July 1969. In the seven-year period to 30 June 1974 grants totalling a maximum of \$9,500,000 are to be received from the Commonwealth for the improvement of roads used for the transport of beef cattle in the Kimberley District. Other sources of income include a portion of vehicle licence fees collected by local government authorities and the Commissioner of Police, overload permit fees and an allocation from drivers' licence fees. Further moneys for expenditure on road maintenance are available under the *Road Maintenance (Contribution) Act, 1965-1970* administered by the Commissioner of Transport. Since 1 July 1969 the Main Roads Department, through changes to legislation, has administered funds not previously included in receipts and payments of the Department. Receipts and payments for the years 1966-67 to 1970-71 are shown in the following table.

**MAIN ROADS DEPARTMENT, WESTERN AUSTRALIA: RECEIPTS AND
PAYMENTS, 1966-67 TO 1970-71**
(\$'000)

	1966-67	1967-68	1968-69	1969-70	1970-71
RECEIPTS					
Motor vehicle registration, licence fees, etc.—					
Police Department	3,820	3,868	4,435	7,958	8,881
Local Authorities . . . . .	..	..	..	3,367	4,440
Commonwealth Aid Roads Acts	23,475	24,307	25,148	32,940	36,270
Commonwealth Aid Roads Acts—Matching grants	763	1,202	2,040	..	..
Western Australia Grant (Beef Cattle Roads) Act	1,500	..	..	..	..
State Grants (Beef Cattle Roads) Act . . . . .	..	1,400	1,451	1,168	1,000
Road Maintenance (Contribution) Act	2,619	3,100	3,086	3,557	4,131
Recoups from other authorities	1,821	1,469	2,488	2,433	2,416
Other	176	272	299	307	420
Total	34,173	35,618	38,946	51,730	57,558
PAYMENTS					
Construction and reconstruction of roads and bridges(a)	26,009	24,846	27,456	28,921	30,536
Maintenance of roads and bridges(a)	3,010	3,294	4,452	4,820	5,815
Recoups to local authorities(b)	3,518	4,307	..	..	..
Grants to local authorities . . . . .	..	..	..	10,997	13,315
Transfer to State Consolidated Revenue	258	258	258	267	281
Plant, machinery, etc.	1,789	2,046	516	950	1,617
Other(a)	1,678	1,642	3,760	3,809	5,053
Total	36,262	36,393	36,442	49,764	56,616

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

Tasmania

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

The table following shows particulars of the receipts and payments of the combined Road Funds for the years 1966-67 to 1970-71 (municipal council receipts from rates and loans for road purposes are excluded).

ROAD FUNDS; TASMANIA: RECEIPTS AND PAYMENTS 1966-67 TO 1970-71
(\$'000)

	1966-67	1967-68	1968-69	1969-70	1970-71
RECEIPTS					
Motor vehicle taxation, registration, licences, fees, fines, etc.	3,961	4,396	4,587	4,827	5,033
Commonwealth Aid Roads Acts	7,500	8,000	8,500	9,100	10,230
State Loan Fund	1,693	1,188	739	1,100	1,020
Contributions by Local Authorities	19	18	17	18	17
Other	176	438	102	128	93
Total	13,349	14,040	13,945	15,173	16,393
PAYMENTS					
Construction and reconstruction of roads and bridges	10,182	10,848	10,180	11,322	12,320
Maintenance of roads and bridges	3,162	3,159	3,263	3,662	4,297
Planning and research . . . . .	..	..	..	120	185
Total	13,344	14,007	13,442	15,105	16,802

Water supply, sewerage and drainage

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

New South Wales

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

Metropolitan and Hunter District water supply. The storage reservoirs of the metropolitan water supply system with a combined available capacity of 577,112 million gallons, drain catchment areas of 3,890 square miles (including Warragamba, 3,480 square miles, Upper Nepean, 347 square miles, and Woronora, 29 square miles). The development of a water supply system on the Warragamba River was completed with the official opening of the Warragamba Dam in October 1960. This dam, constructed in concrete, has a storage capacity of 452,505 million gallons. Its safe net draught is estimated to be 274 million gallons a day. At 30 June 1971 there were 186 service reservoirs in use with a combined capacity of 726 million gallons. Fluoridation of the metropolitan water supply commenced in April 1968.

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

METROPOLITAN WATER SUPPLY(a), NEW SOUTH WALES: SERVICES, 1966-67 TO 1970-71

Year	Improved properties for which water mains available	Estimated population supplied	Average daily consumption	Total consumption for the year	Average daily consumption		Length of mains	Number of meters
					Per property	Per head of estimated population		
		'000	mil. gal	mil. gal	gallons	gallons	miles	
1966-67	735,360	2,756	234	85,383	318	85	8,105	515,653
1967-68	756,063	2,816	270	98,981	357	96	8,325	532,859
1968-69	775,548	2,885	302	110,347	389	106	8,534	550,017
1969-70	795,918	2,968	285	104,017	358	97	8,805	583,818
1970-71	817,655	3,042	293	106,860	358	97	8,973	608,851

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

The water supply of the *Hunter District system* is drawn principally from three sources; the Chichester Reservoir, with a storage capacity of about 3,742 million gallons and draining a catchment of 76 square miles, the Tomago Sandbeds, which extend northerly along the coast towards Port Stephens, and the Grahamstown Water Supply Scheme which is still being developed. Another source of supply is provided by the Nelson Bay-Anna Bay Scheme. Service reservoirs and tanks distributed throughout the water supply district have a total storage capacity of 138 million gallons.

Metropolitan and Hunter District sewerage and drainage system. The metropolitan sewerage and drainage system serving Sydney and suburbs comprises 4 major sewerage systems and 7 minor systems, consisting of 6 outfalls discharging directly into the Pacific Ocean and 5 treatment works. There are also 8 centres outside the metropolitan area of which 5 (Camden, Campbelltown, St Mary's, Richmond and Warragamba township) are served by local treatment works and 3 (Bellambi, Port Kembla and Wollongong) discharge directly into the Pacific Ocean. Stormwater drainage channels under the control of the Metropolitan Water, Sewerage and Drainage Board at 30 June 1971 were 191 miles long.

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

**METROPOLITAN SEWERAGE AND DRAINAGE(a)
NEW SOUTH WALES: SERVICES, 1967 TO 1971**

30 June—	Improved properties for which sewerage available	Estimated population served	Length of sewers	Length of stormwater channels
		'000	miles	miles
1967	547,630	2,052	5,881	182
1968	574,847	2,135	6,166	184
1969	602,312	2,235	6,504	186
1970	637,258	2,374	6,804	190
1971	659,035	2,477	7,109	191

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

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

Metropolitan system finances. The following table shows the debt, revenue and expenditure of the Metropolitan Water, Sewerage and Drainage Board for each of the services of water supply, sewerage and drainage during 1970-71, and for the three services combined for the years 1966-67 to 1970-71.

**METROPOLITAN(a) WATER SUPPLY, SEWERAGE AND DRAINAGE
NEW SOUTH WALES: FINANCES, 1966-67 TO 1970-71
(\$'000)**

Year	Capital debt at 30 June	Revenue	Expenditure			Total	Surplus
			Working expenses (b)	Interest and exchange	Debt redemp- tion		
1970-71—							
Water	336,145	51,815	28,003	17,486	6,323	51,812	3
Sewerage	302,532	43,314	22,718	14,964	5,628	43,310	4
Drainage	15,742	2,565	1,568	809	184	2,561	4
Total—							
1970-71	654,420	97,694	52,289	33,259	12,135	97,683	11
1969-70	627,475	88,343	47,112	30,213	11,004	88,328	15
1968-69	590,869	80,206	41,865	28,216	10,105	80,185	21
1967-68	550,793	68,917	31,765	26,389	10,754	68,908	9
1966-67	513,816	62,701	28,914	24,132	9,635	62,681	20

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

Local government country water supply and sewerage systems. At 31 December 1969, country water supply services were conducted or under construction by 49 municipalities, 93 shires and 6 county councils, and country sewerage services by 44 municipalities and 71 shires. The capital indebtedness of these schemes was \$127,987,000 at 31 December 1969. Debt of the municipalities amounted to \$52,157,000, shires to \$59,147,000 and county councils to \$16,683,000. Government advances amounting to \$698,000 are included in these figures. Aggregate income and expenditure amounted to \$25,342,000 and \$18,819,000 respectively, in 1969.

Other country water supply and sewerage systems. The water supply and sewerage services for Broken Hill are operated by a statutory board, the Broken Hill Water Board. Its capital indebtedness at 31 December 1970 was \$5,273,000. In 1970, income (excluding subsidies, State Government \$241,000 and mining companies \$620,000) amounted to \$861,000 and expenditure (excluding debt redemption \$315,000) amounted to \$1,405,000. The Cobar Water Board was constituted in February 1964. At 31 December 1970 its capital indebtedness was \$2,204,000. The following country water supply systems—South-West Tablelands, Junee, and Fish River—are administered by the Department of Public Works. These supply water in bulk to municipalities and shires, the Electricity Commission of New South Wales, and other large consumers. Only a small quantity is sold direct to private consumers. The capital indebtedness of these systems was \$15,035,000 at 31 December 1970. The Mulwala Water Supply and Sewerage Service was constructed as an urgent war-time work for the Commonwealth, and the Bethungra Water Supply System is administered by the Department of Public Works in conjunction with the Junee supply.

Victoria

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

Metropolitan water supply. There are 5 storage reservoirs serving the metropolitan area—Yan Yean, 7,233 million gallons; Maroondah, 6,289 million gallons; O'Shannassy, 930 million gallons; Silvan, 8,853 million gallons; and Upper Yarra, 45,400 million gallons; total 68,705 million gallons. Service reservoirs number 56, with a total capacity of 397 million gallons. The following table shows particulars of Melbourne metropolitan water supply services for the years 1966-67 to 1970-71.

MELBOURNE WATER SUPPLY: SERVICES, 1966-67 TO 1970-71

Year	Number of houses supplied	Estimated population supplied	Average daily consumption	Total consumption for the year	Average daily consumption		Length of aqueducts, etc., mains and reticulation	Number of meters
					Per house	Per head of estimated population		
		'000	mil. gal	mil. gal	gallons	gallons	miles	
1966-67	626,690	2,143	188.5	68,815	301	88.0	6,517	559,713
1967-68	642,039	2,170	139.0	50,876	216	64.1	6,791	577,713
1968-69	658,944	2,227	173.4	63,288	263	77.9	7,034	595,560
1969-70	676,111	2,285	183.7	67,063	272	80.4	7,176	612,074
1970-71	698,024	2,359	200.4	73,141	287	84.9	7,337	630,020

Metropolitan sewerage and drainage. Particulars of sewerage and drainage services for 1966-67 to 1970-71 are shown below.

MELBOURNE SEWERAGE AND DRAINAGE: SERVICES, 1966-67 TO 1970-71

Year	Number of houses for which sewers are provided	Estimated population for which sewers are provided	Average daily pumping	Total sewage pumped for the year	Average daily pumping		Length of sewers, etc.	Length of main drains
					Per house	Per head of estimated population		
		'000	mil. gal	mil. gal	gallons	gallons	miles	miles
1966-67	484,798	1,629	98.1	35,793	202.3	60.2	4,554	233
1967-68	509,185	1,719	86.1	31,514	169.1	50.1	4,739	240
1968-69	528,983	1,788	96.7	35,300	182.8	54.1	4,906	250
1969-70	543,870	1,846	109.5	39,972	201.3	59.3	5,073	255
1970-71	559,000	1,898	111.5	40,695	199.5	58.7	5,213	260

The metropolitan sewerage system consists of the main system (serving an area of 121,765 acres) and 8 subsidiary systems—the Braeside system (serving an area of 6,800 acres), the Kew system (serving an area of 113 acres), the Maribyrnong system (serving an area of 182 acres), the Watsonia system (serving an area of 253 acres), the Lower Plenty system (serving an area of 1,907 acres), the Heatherton system (serving an area of 1,737 acres), the Altona system (serving an area of 257 acres) and the Chelsea system (serving an area of 670 acres). The Board of Works Farm, 26,809 acres in extent and situated about twenty-four miles south west of Melbourne beyond the township Werribee, serves to purify and dispose of approximately ninety-five per cent of the sewerage flow of the metropolis before its discharge into Port Phillip Bay.

Melbourne and Metropolitan Board of Works' finances. The following table provides for the year 1970-71 a summary of the financial operations of the water supply, sewerage and drainage services conducted by the Melbourne and Metropolitan Board of Works, and of the combined services for the years 1966-67 to 1970-71. The financial operations of the Board as the Authority responsible for metropolitan highways and bridges are referred to on page 609.

MELBOURNE AND METROPOLITAN BOARD OF WORKS: FINANCES
1966-67 TO 1970-71

(\$'000)

Service, etc.	Capital cost of works and buildings at 30 June(a)	Revenue	Expenditure				Surplus (+) or deficit (-)	
			Working expenses	Works	Interest and exchange	Debt redemption		Total
Water	220,191	22,785	8,401	860	10,783	..	20,044	+2,741
Sewerage	283,348	28,621	8,192	1,700	14,266	..	24,158	+4,463
Drainage	39,802	5,958	1,968	990	1,651	..	4,609	+1,349
General(b)	19,639	..	3,981	..	..	3,853	7,834	-7,834
Total 1970-71	562,980	57,364	22,542	3,550	26,700	3,854	56,645	+ 719
1969-70	505,957	49,097	18,685	3,600	23,668	3,443	49,396	- 299
1968-69	449,333	41,981	15,427	2,334	21,184	3,239	42,183	- 202
1967-68	411,221	35,587	13,213	1,776	19,258	2,685	36,932	-1,345
1966-67	376,271	32,111	12,333	..	17,834	2,552	32,719	- 608

(a) Total loan indebtedness—1970-71, \$497,868,732. (b) Statutory and general expenditure not distributed over services.

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

Queensland

The *Brisbane City Council* operates the water supply and sewerage systems of the City of Brisbane, and also supplies, in bulk, the whole of the water used by the City of Ipswich and a portion of that used by the City of Redcliffe and Albert Shire Council. Redcliffe supplements its supply from that of the Pine Rivers Shire Council, while Albert also draws on its own reservoirs. Storage facilities for *Brisbane water supply* comprise the following: Somerset Reservoir, 200,000 million gallons; Lake Manchester, 5,720 million gallons; Cameron's Hill Clear Water Reservoir, 20 million gallons; Holt's Hill Clear Water Reservoir, 10.5 million gallons; Enoggera Reservoir, 600 million gallons; Gold Creek Reservoir, 400 million gallons; Green Hill Reservoir, 17 million gallons; Tarragindi Hill Reservoir, 13.4 million gallons; and another twenty-five service reservoirs totalling 43.54 million gallons capacity. The total number of service reservoirs for Brisbane Water Supply is 27, with a capacity of 74 million gallons. The Somerset reservoir is a dual purpose project with a designed total holding capacity of 200,000 million gallons, 67,500 million gallons to be for water storage and 132,500 million gallons for flood mitigation. The following table is a summary of operations of the complete Brisbane City Council system (Brisbane, Ipswich, Redcliffe, and portion of Albert Shire) for the years 1966-67 to 1970-71.

BRISBANE WATER SUPPLY(a): SERVICES, 1966-67 TO 1970-71

Year	Services connected	Estimated population supplied	Average daily consumption	Total consumption for the year	Average daily consumption		Length of trunk and reticulation mains
					Per service	Per head of estimated population	
			mil. gal	mil. gal	gallons	gallons	miles
1966-67	202,886	740,332	66.1	24,110	326	89.2	2,735
1967-68	207,657	759,434	76.7	27,984	369	101.0	2,823
1968-69	213,445	772,356	85.4	31,170	400	110.6	2,834
1969-70	218,798	799,276	81.9	29,888	374	102.4	2,972
1970-71	223,911	807,168	85.5	31,221	382	106.0	3,062

(a) Includes Ipswich, Redcliffe and portion of Albert Shire.

The sewerage treatment works of the *Brisbane sewerage scheme* is situated at Luggage Point at the entrance to the Brisbane River. The following table is a summary of operations of the Brisbane sewerage scheme for the years 1966-67 to 1970-71.

BRISBANE SEWERAGE: SERVICES, 1966-67 TO 1970-71

Year	Premises connected	Estimated population served	Total sewage pumped for the year	Length of main, branch, reticulation, etc., sewers
			mil. gal	miles
1966-67 . . .	102,062	377,629	9,042	1,472
1967-68 . . .	109,364	404,647	8,358	1,607
1968-69 . . .	122,690	453,953	8,619	1,824
1969-70 . . .	143,245	530,007	9,313	2,048
1970-71 . . .	152,803	565,371	9,333	2,273

Brisbane City Council water supply and sewerage systems—finances. The following table shows particulars of the finances of the water supply and sewerage undertakings of the Brisbane City Council for the years 1966-67 to 1970-71.

BRISBANE WATER SUPPLY AND SEWERAGE: FINANCES, 1966-67 TO 1970-71
(\$'000)

Service and year	Gross capital cost to 30 June	Revenue	Expenditure		Total(a)	Surplus (+) or deficit (-)	
			Working expenses	Interest, redemption etc., charges			
Water supply—							
1966-67 . . .	59,947	8,977	3,414	2,630	8,803	+	174
1967-68 . . .	64,626	9,808	3,661	2,760	9,132	+	676
1968-69 . . .	69,719	10,214	4,057	2,835	9,334	+	880
1969-70 . . .	77,255	10,697	4,134	2,995	10,145	+	552
1970-71 . . .	85,157	11,769	4,687	3,246	11,816	-	47
Sewerage—							
1966-67 . . .	61,517	5,535	1,024	1,966	4,709	+	826
1967-68 . . .	69,264	7,237	1,105	2,225	6,619	+	618
1968-69 . . .	72,123	8,404	1,250	2,443	7,696	+	708
1969-70 . . .	74,489	8,848	1,481	2,677	7,881	+	967
1970-71 . . .	77,802	10,524	1,961	3,064	9,261	+	1,263

(a) Total, including other expenditure.

Other areas. At 30 June 1970, of the 130 Local authorities in addition to the City of Brisbane, 126 had water supply schemes and 67 operated sewerage systems. The receipts (other than loan and loan subsidy) of water undertakings controlled by the cities and towns referred to above amounted to \$11,620,319 in 1969-70. Expenditure amounted to \$11,649,131, including \$4,993,538 for debt charges. In addition, expenditure from loans and loan subsidy amounted to \$10,942,839. Finances of sewerage undertakings are incorporated in council general funds and are not available separately.

South Australia

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

Adelaide waterworks. At 30 June 1971 the Adelaide waterworks supplied districts covering 385 square miles of the metropolis and extending to near country areas. The capacity of reservoirs and storage tanks was 41,912 million gallons and there were 3,704 miles of metropolitan mains. The Mannum-Adelaide pipeline conveys water from the River Murray. Water is delivered to a terminal storage near Adelaide and thence to the metropolitan distribution system or alternatively it can be delivered into metropolitan reservoirs on the River Torrens or to reservoirs on the River Onkaparinga by further pumping. The pipeline also supplies various country areas along and extending from its route. A second River Murray pipeline extending from Murray Bridge to the River Onkaparinga is under construction.

ADELAIDE WATERWORKS: FINANCES, 1966-67 TO 1970-71
(\$'000)

Year	Invested capital at 30 June (a)	Revenue	Expenditure			Surplus (+) or deficit(-)
			Working expenses (b)	Interest	Total	
1966-67	104,067	11,083	5,142	4,500	9,642	+1,441
1967-68	108,936	10,267	6,746	4,730	11,476	-1,209
1968-69	114,121	10,793	5,552	4,919	10,471	+ 322
1969-70	123,817	12,722	6,236	5,399	11,636	+1,086
1970-71	133,509	14,513	6,787	5,887	12,674	+1,839

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

Adelaide metropolitan sewerage system. The Adelaide metropolitan sewerage system, comprising the Adelaide, Glenelg, Port Adelaide, Christies Beach, and Salisbury-Elizabeth areas of 207 square miles in all, includes treatment works at Glenelg, Port Adelaide, Bolivar, and Christies Beach. Financial and other particulars for 1966-67 to 1970-71 are shown hereunder.

ADELAIDE METROPOLITAN SEWERAGE: SUMMARY, 1966-67 TO 1970-71

Year	Length of sewers	Number of connections	Invested capital at 30 June(a)	Revenue	Expenditure			Surplus
					Working expenses (b)	Interest	Total	
	miles		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
1966-67	2,039	220,799	66,158	6,804	2,880	2,195	5,075	1,729
1967-68	2,125	227,489	74,808	7,156	3,375	2,822	6,197	959
1968-69	2,193	234,818	78,141	7,601	3,463	3,073	6,536	1,065
1969-70	2,276	244,239	84,080	8,644	3,716	3,601	7,317	1,327
1970-71	2,347	254,816	90,169	10,477	4,270	3,910	8,180	2,297

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

Country sewerage schemes. Sewerage schemes are operating at Port Lincoln, Naracoorte, Mount Gambier, Millicent, Lobethal, Gumeracha, Nangwarry, Mount Burr, Myponga, Mannum, Whyalla and Angaston. At Port Lincoln and Mount Gambier the sewers discharge to ocean outfalls, and treatment works are used on the other systems. There are 307 miles of sewers and 16,965 connections in the country systems. Sewerage schemes for Port Pirie, Murray Bridge and Gawler are under construction and operating in part.

Country water supply. Water districts systems at 30 June 1971 comprised an area of 15,849,000 acres. Supply came from reservoirs having a total capacity of 21,186 million gallons, from the River Murray, and from underground sources. Apart from local supplies, water from the River Murray is distributed over wide areas through the Mannum-Adelaide, Morgan-Whyalla, Swan Reach-Stockwell and Tailm Bend-Keith pipelines and branches of these pipelines. The principal areas of underground supplies are in the south-east of the State, where water from the Murray Basin can be had at moderate depths or from lakes, and from sand beds on Eyre Peninsula. In the year

1970-71 supplies made to Mount Gambier, Naracoorte and other towns in the south-east amounted to 1,322 million gallons, and the Unley-Wanilla, Lincoln and Polda Basins contributed 1,123 million gallons to the Tod River Water District.

Morgan-Whyalla water supply scheme. This scheme, which has 223 miles of main via Port Augusta and 176 miles of main via the Spencer Gulf undersea crossing, was officially opened on 31 March 1944, the capital invested to 30 June 1971 being \$37,000,000. Apart from supplying Whyalla, the mains have been used to allow expansion of reservoir supplies in the northern agricultural area of the State, and to meet new demands caused by industrial growth at Whyalla, Port Pirie and Port Augusta. During 1970-71 water used from the scheme amounted to 5,116 million gallons.

Western Australia

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

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

The following table shows particulars of the *metropolitan water supply services* for 1966-67 to 1970-71.

METROPOLITAN WATER SUPPLY, WESTERN AUSTRALIA: SERVICES
1966-67 TO 1970-71

Year	Number of services (a)	Average daily consumption	Total consumption for year	Average daily consumption per service (b)	Length of mains	Number of meters
		mil. gal	mil. gal	gallons	miles	
1966-67 . . .	164,782	70.8	25,843	437	2,798	146,028
1967-68 . . .	173,068	68.2	24,958	403	2,923	152,603
1968-69 . . .	185,340	76.7	28,015	429	3,144	161,859
1969-70 . . .	193,359	87.2	31,820	458	3,317	171,346
1970-71 . . .	200,597	89.2	32,572	452	3,505	178,857

(a) Figures relate to 30 June.

(b) Calculated from averages for the year.

Some particulars of the *metropolitan sewerage and main drainage services* for 1966-67 to 1970-71 are shown in the following table.

**METROPOLITAN SEWERAGE AND MAIN DRAINAGE
WESTERN AUSTRALIA: SERVICES 1966-67 TO 1970-71**

Year	Services	Length of sewers	Length of main drains
		miles	miles
1966-67	71,188	848	109
1967-68	72,177	886	118
1968-69	74,018	931	126
1969-70	76,638	988	141
1970-71	81,940	1,136	157

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

**METROPOLITAN WATER SUPPLY, SEWERAGE AND MAIN DRAINAGE
WESTERN AUSTRALIA: FINANCES, 1966-67 TO 1970-71
(\$'000)**

Service and year	Capital cost to 30 June	Revenue	Expenditure		Total	Surplus
			Working expenses	Interest and debt redemption		
Water supply—						
1966-67	62,137	5,551	2,307	3,061	5,368	183
1967-68	66,217	5,782	2,292	3,243	5,535	247
1968-69	74,078	7,162	2,322	3,510	5,832	1,331
1969-70	82,482	7,915	2,808	3,949	6,757	1,159
1970-71	92,284	8,371	3,389	4,460	7,850	521
Sewerage—						
1966-67	26,737	3,000	1,622	1,340	2,961	38
1967-68	29,286	3,198	1,689	1,474	3,164	34
1968-69	34,027	3,809	1,771	1,637	3,408	401
1969-70	40,821	4,162	1,983	1,867	3,850	313
1970-71	48,500	4,508	2,255	2,214	4,470	38
Main drainage—						
1966-67	6,956	629	298	319	617	12
1967-68	7,433	721	314	349	663	58
1968-69	8,657	872	327	375	702	170
1969-70	9,838	951	353	407	760	192
1970-71	10,699	1,144	448	467	915	228

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

Tasmania

Waterworks. During the year 1970-71, water was supplied to over 103,000 properties which consumed approximately 15,700 million gallons.

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

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

Sewerage. At the end of 1970-71 the number of tenements connected to sewerage services was about 81,000, about 60 per cent of sewerage discharge is subject to treatment.

Northern Territory

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

Australian Capital Territory

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

The total population served in the Australian Capital Territory, which during 1970-71 consumed 6,300 million gallons of water, was 135,000 (at 31 December 1970). In addition, the Canberra water supply system supplied 420 million gallons of water to Queanbeyan, New South Wales. The total number of water meters at 30 June 1971 was 37,400 and the total length of water lines was 743 miles.

The sewerage system for Canberra suburbs has three treatment works: the Weston Creek works provide for 120,000 persons, the Fyshwick works provide for 20,000 persons and the Belconnen works provide for 25,000 persons. There were 725 miles of sewerage, and 9 miles of sewer rising mains (at 30 June 1971). There were also 736 miles of storm-water drains.

Harbour boards and trusts

The number and net tonnage of vessels which entered the major ports in each State during the years 1969-70 and 1970-71 are shown in Chapter 12, Transport, Communication and Travel (*see* page 341). Particulars of overseas and interstate cargo discharged and shipped are shown on pages 341-2 of the same chapter.

New South Wales

The Maritime Services Board of New South Wales exercises general control over intra-state shipping, including the survey and certification of vessels, the licensing of harbour craft and the examination and issue of certificates to officers. It is responsible for the provision of pilotage services, lights, beacons, buoys and other port facilities, imposes and collects rates and charges on goods and vessels, and is vested with the general control and management of the navigable waters and ports within the State. At the ports of Sydney, Newcastle and Botany Bay the Board is also responsible for the provision of adequate wharfage and channels and carries out all construction, maintenance and dredging work. Since 1 February 1936 the State enactments on port charges, including the Navigation Act of New South Wales, the Harbour and Tonnage Rates Act and the Sydney Harbour Trust Act, have been administered by the Maritime Services Board. The total revenue collections by the Maritime Services Board amounted to \$37,732,000 in 1970-71. This figure includes the revenue for the ports of Sydney, Newcastle and Botany Bay.

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

**MARITIME SERVICES BOARD FUND: FINANCES OF THE PORTS OF SYDNEY
NEWCASTLE AND BOTANY BAY, 1966-67 TO 1970-71**
(\$'000)

Year	Revenue				Expenditure(a)			Surplus (+) or Total deficit (-)
	Wharfage and tranship- ment rates	Tonnage rates and berthing charges	Other charges	Total	Adminis- tration and main- tenance	Interest, debt redemp- tion, exchange, etc.	Total	
1966-67	11,501	1,895	4,282	17,678	9,476	8,113	17,589	+ 89
1967-68	12,664	2,024	5,645	20,333	10,830	9,451	20,280	+ 53
1968-69	13,580	2,085	7,294	22,959	12,150	10,716	22,866	+ 93
1969-70	14,854	2,271	7,875	25,000	12,816	12,120	24,937	+ 64
1970-71	15,105	2,150	13,042	30,297	15,885	14,642	30,527	- 229

(a) Excludes capital expenditure but includes transfers to the Renewals Fund Reserve Account (\$3,975,000 in 1966-67, \$4,940,000 in 1967-68, \$5,800,000 in 1968-69, \$6,760,000 in 1969-70, and \$9,140,000 in 1970-71).

Port of Sydney. The wharves are situated close to the business centre of the city, about 4 or 5 miles from the Heads. At 30 June 1971 there were 4 dolphin berths, 3,200 feet long, and 62 effective commercial cargo berths, with a total length of 35,467 feet, controlled by the Board. Accommodation for harbour craft amounts to 2,245 feet, while the length of other berths, including oil and private wharves, totals 5,752 feet. Depth of water at wharves is up to 43 feet. Special facilities for the storage and handling of products such as wheat, wool, coal, etc. are provided. Docking facilities are available for large vessels at the Captain Cook Graving Dock. Container facilities became available in March 1969 with the opening of the eastern section of the Balmain container terminals to cellular container vessels.

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

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

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

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

Victoria

The *Port of Melbourne* comes under the control of the Melbourne Harbor Trust Commissioners, a financially independent statutory organisation, with a full-time chairman and five part-time commissioners. The area of water and land under the control of the Trust is 10½ square miles, with sheds available for cargo in transit totalling 22,928 feet in length and covering an area of about 43 acres. Three of the largest transit sheds on the Australian coast are in operation at Appleton Dock. The sheds are 600 feet long by 150 feet wide, each with a cargo stacking area of 81,000 square feet. The berths are used for conventional general cargo trade as well as the unit-load container handling for general cargo in the overseas trade. The total length of wharves, piers and jetties in the port is 61,550 feet, covering an area of about 59 acres with 50,834 feet of effective berthing space.

In line with world-wide changes in cargo handling methods, current planning and construction in the Port of Melbourne are almost exclusively devoted to facilities catering for container ships and cargo as well as for the multi-purpose unit-load-container-conventional ships and cargo. The port's first overseas container terminal, Swanson Dock, which has 1,600 feet of concrete wharf apron with 24 acres stacking area behind the berth, was officially opened on 7 March 1968. Two additional

800 feet long 'common user' container berths on the east side of Swanson Dock are expected to be completed in 1972. Two roll-on/roll-off container unit-load berths were completed in early 1969, one at North Wharf for the trans-Tasman trade to New Zealand, having a 580 feet wharf apron and 3.3 acre stacking area behind the berth and the other at Webb Dock, with a 600 feet wharf apron and additional 11.3 acre stacking area for the eastern seaboard trade.

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

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

MELBOURNE HARBOR TRUST: FINANCES, 1967 TO 1971
(\$'000)

Year	Gross loan Revenue		Expenditure				Total	Surplus
	indebtedness at 31 December	Wharfage and tonnage rates	Total	Operation, administration and maintenance	Interest, debt redemption, exchange, etc.	General reserve, depreciation, renewals and insurance account		
1967	34,484	6,692	11,322	6,441	2,142	2,567	11,150	172
1968	36,029	8,357	13,573	6,972	2,381	4,002	13,355	218
1969	37,888	8,901	14,321	7,903	2,127	4,049	14,079	242
1970	40,690	9,475	15,047	8,512	2,869	3,419	14,800	247
1971	44,059	10,038	16,263	9,719	3,152	3,158	16,029	233

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

The *Port of Portland* continued to expand the range of facilities available for maritime trade during the year 1970-71 through the erection of a cold store complex and transit shed, and the construction of a 4 million bushel horizontal wheat store linked with the Harbor Trust's bulk grain terminal and existing shipping facilities. Total trade handled exceeded the previous year's figure by 38.3 per cent and operating revenue rose by 42.9 per cent to \$1,248,000.

Queensland

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

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

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

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

The finances of Brisbane Harbour for the years 1966-67 to 1970-71 are shown in the following table.

BRISBANE HARBOUR: FINANCES, 1966-67 TO 1970-71
(\\$'000)

Year	Loan indebtedness at 30 June	Receipts		Payments	
		Harbour dues	Total	Working expenses(a)	Total
1966-67 . . .	4,636	2,044	2,987	2,228	2,561
1967-68 . . .	4,504	2,019	3,475	3,039	3,376
1968-69 . . .	4,890	2,333	3,622	3,156	3,483
1969-70 . . .	5,726	2,320	3,772	4,542	4,927
1970-71 . . .	5,576	2,685	3,788	3,556	4,004

(a) Excludes interest and redemption included in total.

South Australia

Department of Marine and Harbors. All South Australian harbours are controlled by the Department of Marine and Harbors, which is responsible to the Minister of Marine for the discharge of its duties and functions. The most important ports are the six deep-sea ports of Port Adelaide, Port Pirie, Wallaroo, Port Lincoln, Port Giles and Thevenard. In South Australia there are also eight privately-owned and operated ports. The principal of these are Whyalla, Ardrossan, Rapid Bay, and Proper Bay (Broken Hill Pty Co. Ltd), Port Augusta (Commonwealth Railways) and Port Stanvac (Petroleum Refineries (Aust.) Pty Ltd). Maximum depths of water (low water) at the wharves of the main ports range from 27 feet at Port Pirie to 35 feet at Port Adelaide. The following table shows the finances of the Department for 1966-67 to 1970-71.

DEPARTMENT OF MARINE AND HARBORS, SOUTH AUSTRALIA: FINANCES
1966-67 TO 1970-71
(\\$'000)

Year	Loan indebtedness at 30 June	Revenue	Expenditure from revenue			Surplus
			Working expenses	Interest	Total	
1966-67 . . .	44,264	6,734	4,019	1,807	5,827	907
1967-68 . . .	45,478	6,418	4,196	1,869	6,065	352
1968-69 . . .	47,614	6,653	4,365	1,957	6,322	331
1969-70 . . .	50,736	7,282	4,265	2,176	6,442	840
1970-71 . . .	55,081	7,628	5,056	2,431	7,487	141

Western Australia

The *Port of Fremantle* is operated and controlled by the Fremantle Port Authority. The port covers an extensive water area of some 180 square miles and comprises an inner and an outer harbour. The inner harbour includes 20 deep-water land-backed berths, providing more than 600,000 square feet of covered storage space and 13,104 feet of wharf berth accommodation. All inner harbour berths are dredged to a low water depth of 36 feet. The outer harbour includes 3 main anchorages, Gage Roads, Owen Anchorage and Cockburn Sound. Deep-water jetties, including the oil refinery jetty in Cockburn Sound, are available in the outer harbour. Ocean-going deep draft ships enter the Sound by means of a channel dredged through Success and Parmelia Banks to a low water depth of 45 feet and a bottom width of 500 feet. In the outer harbour there are 3 tanker berths each with a low water depth of 44 feet at the Kwinana oil refinery, 2 berths at the nearby steelworks jetties with a low water depth of 38 feet, 2 berths at the alumina works jetty with a low water depth of 40 feet and 1 berth at the bulk cargo jetty with a low water depth of 44 feet. There is also a special berth for the handling of explosives. Total effective berth accommodation in the outer harbour is 6,110 feet. Gross earnings for 1970-71 amounted to \$10,832,454, working expenses to \$7,639,235, interest charges on loan capital \$1,271,273, and loan indebtedness totalled \$23,809,432.

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

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

Tasmania

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

AUTHORITIES CONTROLLING PORTS, TASMANIA: FINANCES 1966-67 TO 1970-71 (\$'000)

Authority	Loan indebtedness at 30 June (a)	Receipts (revenue account) Total	Expenditure (revenue account)			New Loans raised	Loan expenditure
			Works and Services	Loan charges	Total (b)		
Hobart . . .	4,378	2,031	771	388	1,646	1,100	1,965
Launceston . . .	6,504	2,274	1,089	515	1,968	1,470	1,614
Devonport . . .	6,921	1,446	285	921	1,388	1,101	673
Burnie . . .	12,462	1,184	398	626	1,171	750	757
Circular Head . . .	526	74	11	54	77	50	32
King Island . . .	79	95	45	9	67	..	..
Strahan(a) . . .	..	1	7	9	17	..	..
Flinders Island . . .	187	25	12	14	29	..	..
Smithton . . .	..	2	1	..	2	..	..
Total 1970-71	31,057	7,133	2,618	2,535	6,366	4,471	5,042
1969-70	27,464	6,765	3,051	2,300	6,347	3,910	3,386
1968-69	24,376	6,274	2,817	2,011	6,253	2,837	4,574
1967-68	22,249	5,953	2,272	1,921	5,433	2,598	2,395
1966-67	20,361	5,628	2,711	1,646	5,333	2,310	2,184

(a) Strahan Marine Board was taken over by the Hobart Marine Board on 1 October 1970. Receipts and expenditure since that date and loan debt from 30 June 1971 are included with Hobart Marine Board. (b) Includes expenditure not specified in component items.