

## CHAPTER 22

### 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. 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 in the Australian economy of the public sector as a whole. Then follows a section on government borrowing activities at all levels.

#### COMMONWEALTH GOVERNMENT 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 of Australia are contained in Sections 81 to 105A of the Commonwealth Constitution (*see* pages 18–21 of Year Book No. 62).

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 of the Constitution 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); and details of current provisions for financial assistance to the States are given on pages 563–567 of this Year Book.

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

##### Commonwealth Government Budget

The Commonwealth Government Budget records the transactions of those authorities of the Commonwealth Government whose receipts and payments are summarised in the statements of Public Account balances. In 1980–81 the change in cash balances was represented by the following—

	\$'000
Cash receipts of the Consolidated Revenue Fund . . . . .	35,051,594
<i>plus</i> cash receipts of Loan Fund . . . . .	32,914,002
<i>plus</i> cash receipts of Trust Fund . . . . .	12,294,780
<i>Total</i> . . . . .	80,260,376
<i>less</i> cash payments from Consolidated Revenue Fund . . . . .	35,051,594
<i>less</i> cash payments from Loan Fund . . . . .	32,915,449
<i>less</i> cash payments from Trust Fund (including increase in investments of the Trust Fund) . . . . .	12,051,082
<i>Total</i> . . . . .	80,018,125
<i>equals</i> increase in cash balances . . . . .	242,251

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 Government at some future time. The Loan Fund receives its funds from the sale of Commonwealth Government 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 Government on their behalf and by capital assistance grants, the remaining disbursements being mainly for Commonwealth Government purposes.

The receipts and outlay of the Budget for 1981-82 are set out in the table which follows, together with figures for the years 1976-77 to 1980-81. 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 Budget Paper No. 10, *National Accounting Estimates of Receipts and Outlays of Commonwealth Government Authorities*.

## OUTLAYS AND RECEIPTS OF THE COMMONWEALTH BUDGET

(\$ million)

(Source: 1981-82 Budget Paper No. 10 *National Accounting Estimates of Receipts and Outlays of Commonwealth Government Authorities*)

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82 Budget Estimates
<b>Outlay—</b>						
Net expenditure on goods and services—						
Current . . . . .	4,635	5,177	5,628	6,132	7,251	8,375
Capital (a) . . . . .	520	388	298	290	438	434
Total . . . . .	5,155	5,565	5,927	6,422	7,690	8,808
Transfer payments—						
Personal benefit payments . . . . .	7,388	8,277	9,104	9,905	11,225	12,966
Unfunded employee retirement benefits . . . . .	121	139	162	181	207	242
Grants to States and local government authorities . . . . .	7,661	8,738	9,349	10,302	11,514	12,574
Grants to the Northern Territory . . . . .	—	53	290	361	468	535
Interest paid . . . . .	1,412	1,649	1,971	2,223	2,561	2,808
Transfers overseas . . . . .	388	417	477	520	576	667
Subsidies . . . . .	220	322	365	589	746	917
Grants for private capital purposes . . . . .	101	124	116	165	132	159
Purchase of existing assets . . . . .	16	15	22	20	16	22
Total . . . . .	17,307	19,735	21,856	24,264	27,446	30,889
Total expenditure . . . . .	22,462	25,300	27,783	30,686	35,136	39,698
Net advances—						
States . . . . .	1,278	1,261	1,129	817	853	788
Northern Territory . . . . .	—	—	-2	79	83	81
Commonwealth authorities . . . . .	303	101	66	110	180	250
Other sectors . . . . .	79	76	37	-32	22	46
Total . . . . .	1,660	1,438	1,230	974	1,138	1,164
Total outlay . . . . .	24,123	26,738	29,012	31,660	36,274	40,862
<b>Receipts—</b>						
Taxation—						
Indirect taxes . . . . .	5,523	5,834	7,178	8,584	9,958	11,455
Income tax on companies . . . . .	2,921	3,213	3,151	3,548	4,856	5,345
Income tax on persons . . . . .	11,054	12,129	12,804	15,040	17,543	20,860
Estate and gift duties . . . . .	87	102	83	49	17	9
Other direct taxes, fees, fines, etc. . . . .	14	15	18	19	21	28
Unfunded employee retirement contributions . . . . .	52	61	63	67	73	72
Less remissions . . . . .	8	8	8	1	1	2
Total . . . . .	19,642	21,346	23,288	27,305	32,467	37,768
Other receipts—						
Interest, rent and dividends . . . . .	1,626	1,812	1,923	2,032	2,242	2,596
Gross income of public enterprises . . . . .	85	225	299	265	243	301
Net sales of existing assets (b) . . . . .	30	22	25	24	195	51
Total . . . . .	1,741	2,059	2,246	2,321	2,680	2,948
Total receipts . . . . .	21,383	23,404	25,534	29,627	35,146	40,716
<b>Deficit . . . . .</b>	<b>2,740</b>	<b>3,333</b>	<b>3,478</b>	<b>2,034</b>	<b>1,127</b>	<b>146</b>

(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 Government 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 1981-82 represents the Commonwealth Government budget sector's 'financing requirements'. Most such transactions involve the issue,

repurchase, redemption or acquisition of Commonwealth Government securities, but some involve or are represented by changes in other assets or liabilities of the Commonwealth Government.

Specifically the deficit is financed as follows:

Net sales of Commonwealth Government securities (new issues *less* redemptions *less* net purchases from Commonwealth Government balances in the Trust Fund);  
*less* net purchases of other investments from Commonwealth Government balances in the Trust Fund  
*plus* minor items of indebtedness (such as borrowing by Australian Capital Territory housing trust account)  
*less* net additions to cash balances, and funds provided for the International Monetary Fund and the Australian Wheat Board.

A table summarising the financial transactions of the Commonwealth Government budget sector for recent years is given on page 300, Statement No. 6 in 1981-82 *Budget paper* No. 1.

## COMMONWEALTH AUTHORITIES

In addition to the group of authorities of the Commonwealth Government whose transactions are covered by the Budget (i.e. itemised in the Consolidated Revenue Fund, the Loan Fund, or recorded in a Trust Fund), there are a number of organisations owned or controlled by the Commonwealth Government whose transactions do not, for the most part, pass through the Public Account. This category includes public enterprises such as the Australian Postal Commission, Australian Telecommunications Commission, Overseas Telecommunications Commission, Qantas, Trans-Australia Airlines, the Australian 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 last 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 Government 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 Federal authorities. The remaining tables in this section have been prepared on that basis.

Public financial enterprises have been omitted from the consolidated accounts presented here largely on the ground that combining the income and outlay and capital financing transactions of the Reserve Bank, the publicly owned trading and savings banks, government insurance offices and other public financial institutions with the equivalent transactions of public trading enterprises and general government seems to provide a less meaningful account of public sector activity. For example, omission of the borrowing and lending activities of the government banks and the Reserve Bank allows attention to be centred on the borrowing and lending activities of general government and public trading enterprises, which are quite different in nature and economic effect from the financing activities of the banking system.

### Coverage—Northern Territory government authorities

On 1 July 1978 the Northern Territory became self-governing with expenditure responsibilities and revenue raising powers broadly approximating those of a State. In public authority finance statistics Northern Territory government authorities are grouped with State and local authorities from 1978-79 onwards. This results in a discontinuity in time series for the financial transactions of Commonwealth Government authorities because:

- In the period up to and including 1977-78 Commonwealth spending on State-type services in the Northern Territory is included under the various Commonwealth outlay categories such as final consumption expenditure and gross capital formation. Similarly, State-type taxation and income from N.T. public enterprises is included in the respective Commonwealth receipt categories.

- From 1978–79 onwards Commonwealth spending in respect of the Northern Territory consists to a large extent of grants and advances to Northern Territory government authorities while State-type taxation and income from N.T. public enterprises are no longer part of Commonwealth receipts.
- Not all State-type functions were fully transferred to the Northern Territory Government from 1 July 1978. Responsibility for health services was transferred on 1 January 1979 and responsibility for education services was transferred from 1 July 1979. The Commonwealth retains responsibility for certain State-type matters such as uranium mining and Aboriginal affairs (other than provision of services to Aboriginal communities).

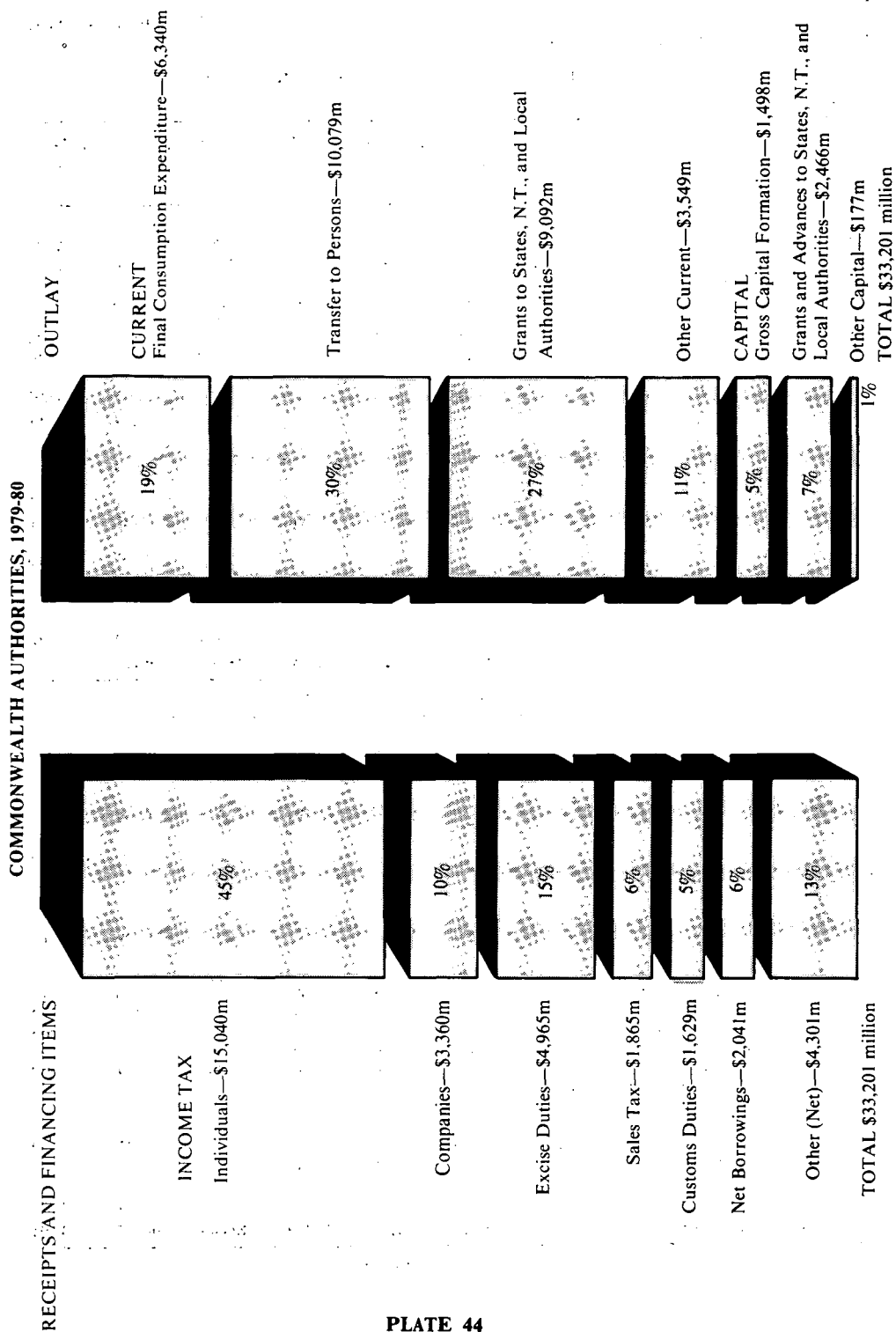


PLATE 44

**Summary of outlay and receipts**

The outlay and receipts, and outlay classified by purpose, of all Commonwealth authorities for the latest six-year period are given in the following tables.

**COMMONWEALTH AUTHORITIES(a): OUTLAY AND RECEIPTS**

(\$ million)

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
<b>OUTLAY</b>						
Current outlay—						
Final consumption expenditure . . . . .	3,552	4,155	4,737	5,293	5,742	6,340
Interest, etc., paid . . . . .	893	972	1,440	1,733	2,070	2,355
Transfers to persons—						
Personal benefit payments . . . . .	4,322	6,091	7,390	8,281	9,105	9,899
Unfunded employee retirement benefits . . . . .	88	106	121	139	162	181
Subsidies . . . . .	284	271	287	380	513	674
Transfers overseas . . . . .	349	370	388	417	475	520
Grants to States, Northern Territory and local government authorities . . . . .	3,780	5,524	6,115	7,222	8,147	9,092
<i>Total current outlay . . . . .</i>	<i>13,268</i>	<i>17,489</i>	<i>20,478</i>	<i>23,465</i>	<i>26,214</i>	<i>29,061</i>
Capital outlay—						
Expenditure on new fixed assets . . . . .	1,353	1,578	1,667	1,772	1,498	1,603
Expenditure on existing assets . . . . .	109	8	4	-14	-79	-38
Increase in stocks . . . . .	312	-75	-50	-121	-206	-67
Grants for private capital purposes . . . . .	122	179	110	130	132	171
Grants to States, Northern Territory and local government authorities . . . . .	1,414	1,567	1,546	1,516	1,492	1,570
Advances to States, Northern Territory and local government authorities . . . . .	1,225	1,372	1,278	1,261	1,127	896
Advances to other sectors . . . . .	337	178	110	52	18	6
<i>Total capital outlay . . . . .</i>	<i>4,872</i>	<i>4,808</i>	<i>4,665</i>	<i>4,596</i>	<i>3,982</i>	<i>4,141</i>
<b>Total outlay . . . . .</b>	<b>18,140</b>	<b>22,297</b>	<b>25,143</b>	<b>28,064</b>	<b>30,197</b>	<b>33,201</b>
<b>RECEIPTS AND FINANCING ITEMS</b>						
Receipts—						
Taxes, fees, fines, etc. . . . .	14,212	16,938	19,806	21,501	23,534	27,552
Income from public enterprises . . . . .	243	434	657	819	1,011	993
Interest received from the States and the Northern Territory . . . . .	784	855	1,032	1,174	1,278	1,376
Other interest, etc., received . . . . .	88	119	156	202	179	232
<i>Total receipts . . . . .</i>	<i>15,327</i>	<i>18,346</i>	<i>21,651</i>	<i>23,696</i>	<i>26,002</i>	<i>30,154</i>
Financing items—						
Depreciation allowances . . . . .	279	406	442	494	550	596
Funds provided for (-), or received from (+), International Monetary Fund . . . . .	-	-	-	-	28	61
Net sale of securities—						
Treasury bills and notes . . . . .	1,689	-770	363	194	1,547	705
Commonwealth Government securities . . . . .	554	3,166	2,098	2,979	2,470	893
Public corporations securities . . . . .	22	18	446	331	193	442
Net receipts of private trust funds . . . . .	83	217	60	152	155	175
Reduction in cash and bank balances . . . . .	579	264	-297	214	-480	524
Reduction in securities holdings . . . . .	-511	568	166	-232	-344	-589
Other funds available (including errors and omissions)—						
Other reserves and provisions . . . . .	12	19	15	9	39	17
Capital transfers . . . . .	96	146	151	167	41	59
Change in creditors/debtors . . . . .	-25	-70	25	-4	-59	93
Other . . . . .	35	-12	22	63	54	72
<i>Total financing items . . . . .</i>	<i>2,814</i>	<i>3,951</i>	<i>3,492</i>	<i>4,368</i>	<i>4,194</i>	<i>3,047</i>
<b>Total funds available . . . . .</b>	<b>18,140</b>	<b>22,297</b>	<b>25,143</b>	<b>28,064</b>	<b>30,197</b>	<b>33,201</b>

(a) Excludes financial enterprises.

## COMMONWEALTH AUTHORITIES: OUTLAY, CLASSIFIED BY PURPOSE

(\$million)

Purpose	1977-78	1978-79	1979-80
General public services—			
General administration, n.e.c.	891.2	910.3	1,005.9
External affairs	565.1	600.2	664.1
Law, order and public safety	155.2	172.8	198.6
General research	199.2	224.1	272.3
<i>Total general public services</i>	<i>1,810.7</i>	<i>1,907.3</i>	<i>2,140.9</i>
Defence	2,376.7	2,605.9	3,007.8
Education—			
General administration, regulation and research	30.0	32.6	31.9
Transportation of students	3.1	3.4	2.1
Primary and secondary education	788.2	829.5	817.7
Vocational training	143.4	173.7	199.7
University education	781.0	810.2	875.0
Other higher education	526.3	562.3	583.2
Other education programs	116.3	111.0	98.6
<i>Total education</i>	<i>2,388.3</i>	<i>2,522.7</i>	<i>2,608.1</i>
Health—			
General administration, regulation and research	107.5	109.0	92.5
Hospital and clinical services	1,760.6	1,802.3	1,972.2
Other health services	825.1	986.0	1,097.8
<i>Total health</i>	<i>2,693.1</i>	<i>2,897.3</i>	<i>3,162.4</i>
Social security and welfare—			
General administration, regulation and research	132.4	157.4	184.1
Care of and assistance to—			
Aged persons	3,041.6	3,343.5	3,643.5
Incapacitated and handicapped persons	689.0	794.9	901.0
Unemployed and sick persons	942.0	1,061.0	1,104.7
Ex-servicemen	834.8	895.7	1,005.8
Widowed and deserted spouses	652.4	752.1	845.9
Families and children	1,077.1	1,038.0	1,055.5
Other social security and welfare services	49.3	49.8	54.2
<i>Total social security, etc.</i>	<i>7,418.6</i>	<i>8,092.4</i>	<i>8,794.7</i>
Housing and community amenities—			
Housing	489.9	315.0	253.6
Community and regional development	149.8	111.7	99.9
Protection of the environment	20.4	14.3	14.5
Community amenities, n.e.c.	0.4	0.5	1.2
<i>Total housing, etc.</i>	<i>660.5</i>	<i>441.6</i>	<i>369.2</i>
Recreation and culture—			
General administration, regulation and research	0.1	0.1	0.3
Cultural facilities	32.3	37.0	42.6
Support of the creative and performing arts	22.9	24.6	25.2
Broadcasting services and film production	176.6	186.2	206.2
Recreational facilities and services	23.8	23.6	33.0
Other programs	7.5	7.9	11.0
<i>Total recreation, etc.</i>	<i>263.3</i>	<i>279.2</i>	<i>318.3</i>
Economic services—			
General administration, regulation and research	382.4	453.9	449.6
Agriculture, forestry and fishing	374.5	308.1	385.8
Mining, manufacturing and construction	51.4	137.7	369.3
Electricity and water supply	55.3	17.2	34.7
Transport and communication	1,943.2	1,801.0	2,029.9
Other economic services	51.3	89.8	75.7
<i>Total economic services</i>	<i>2,858.1</i>	<i>2,807.7</i>	<i>3,344.9</i>
Other purposes—			
General purpose inter-authority transfers	5,808.5	6,549.5	7,089.6
Natural disaster relief	53.1	23.6	10.3
Interest	1,732.7	2,069.6	2,354.7
<i>Total other purposes</i>	<i>7,594.2</i>	<i>8,642.7</i>	<i>9,454.6</i>
<i>Total outlay, all purposes</i>	<i>28,063.5</i>	<i>30,196.8</i>	<i>33,200.9</i>
Of which—			
Current outlay	23,466.0	26,214.2	29,060.5
Capital outlay	4,597.5	3,982.6	4,140.5



## Main components of outlay

The following tables give details of the main components of the outlay of Commonwealth authorities, i.e. final consumption expenditure, expenditure on new fixed assets, personal benefits payments, subsidies and payments to the States and the Northern Territory. More detailed information relating to outlay classified by economic type and purpose, and outlay under specific purpose headings such as education, social security and welfare, is given in *Commonwealth Government Finance* (5502.0). Additional details of public authorities' transactions engaged in particular fields of activity, e.g. health, may be found in the relevant chapters of this Year Book.

### Final consumption expenditure and expenditure on new fixed assets

Final consumption expenditure consists of current expenditure on goods and services by public authorities other than those classified as enterprises, *less* any charges made for goods and services which they themselves provide. Expenditure on new fixed assets consists of purchases of new durable assets *less* sales of previously rented dwellings. Purchases of defence equipment are treated as current expenditure and expenditure on new construction and maintenance of roads is treated as capital. The following tables show dissections by purpose of final consumption expenditure and expenditure on new fixed assets for the six years ended 1979–80.

#### COMMONWEALTH AUTHORITIES: FINAL CONSUMPTION EXPENDITURE CLASSIFIED BY PURPOSE

	(\$ million)					
Purpose	1974–75	1975–76	1976–77	1977–78	1978–79	1979–80
General public services—						
General administration . . . . .	556	665	728	843	866	953
External affairs . . . . .	84	92	98	106	116	136
Law, order and public safety . . . . .	73	98	112	138	150	168
General research . . . . .	112	131	152	170	183	210
<i>Total general public services</i> . . . . .	<i>825</i>	<i>986</i>	<i>1,090</i>	<i>1,257</i>	<i>1,315</i>	<i>1,467</i>
Defence . . . . .	1,444	1,680	1,999	2,184	2,401	2,786
Education . . . . .	165	195	235	256	287	250
Health . . . . .	303	416	466	504	504	534
Social security and welfare . . . . .	149	194	212	249	283	321
Housing and community amenities . . . . .	49	67	52	49	47	41
Recreation and culture . . . . .	180	203	213	228	248	278
Economic services—						
General administration, regulation and research . . . . .	166	167	206	284	353	338
Agriculture, forestry, fishing . . . . .	101	114	125	135	144	157
Mining, manufacturing and construction . . . . .	18	17	21	29	28	34
Transport and communication . . . . .	90	93	95	96	109	103
Other . . . . .	19	19	21	22	24	31
<i>Total economic services</i> . . . . .	<i>393</i>	<i>410</i>	<i>469</i>	<i>566</i>	<i>657</i>	<i>662</i>
Other purposes . . . . .	43	5	—	—	—	—
<i>Grand total</i> . . . . .	<i>3,552</i>	<i>4,155</i>	<i>4,737</i>	<i>5,293</i>	<i>5,742</i>	<i>6,340</i>

**COMMONWEALTH AUTHORITIES: EXPENDITURE ON NEW FIXED ASSETS, CLASSIFIED BY PURPOSE**

**I. GENERAL GOVERNMENT**

(\$ million)

<i>Purpose</i>	<i>1974-75</i>	<i>1975-76</i>	<i>1976-77</i>	<i>1977-78</i>	<i>1978-79</i>	<i>1979-80</i>
General public services—						
General administration . . . . .	56.9	62.2	60.0	49.7	39.9	60.9
External affairs . . . . .	15.9	20.3	25.5	24.4	12.0	9.1
Law, order and public safety . . . . .	7.2	9.4	10.9	15.3	22.1	30.0
General research . . . . .	20.6	32.1	23.6	18.0	29.6	49.3
<i>Total general public services . . . . .</i>	<i>100.5</i>	<i>124.0</i>	<i>120.1</i>	<i>107.4</i>	<i>103.7</i>	<i>149.3</i>
Education . . . . .	45.1	73.4	62.2	54.2	50.7	33.2
Health . . . . .	40.3	57.7	58.3	53.5	36.5	31.4
Social security and welfare . . . . .	8.7	12.9	8.5	6.7	5.6	2.9
Housing and community amenities . . . . .	68.8	131.1	112.1	61.3	15.5	6.2
Recreation and culture . . . . .	31.3	32.1	29.8	25.2	27.7	34.2
Economic services—						
General administration, regulation and research . . . . .	3.9	6.4	8.8	6.1	7.6	11.6
Agriculture, forestry, fishing . . . . .	12.6	10.6	8.1	16.0	6.1	7.4
Mining, manufacturing and construction . . . . .	1.9	1.8	1.0	1.2	0.6	0.7
Transport and communication . . . . .	56.7	57.5	46.0	73.6	49.0	50.0
Other economic services . . . . .	—	—	—	0.5	0.1	0.1
<i>Total economic services . . . . .</i>	<i>75.2</i>	<i>76.3</i>	<i>63.8</i>	<i>97.4</i>	<i>63.4</i>	<i>69.8</i>
Other purposes . . . . .	6.5	5.1	—	—	—	—
<i>Total general government . . . . .</i>	<i>376.4</i>	<i>512.6</i>	<i>454.7</i>	<i>405.8</i>	<i>303.1</i>	<i>327.0</i>

**II. PUBLIC ENTERPRISES**

(\$ million)

<i>Purpose</i>	<i>1974-75</i>	<i>1975-76</i>	<i>1976-77</i>	<i>1977-78</i>	<i>1978-79</i>	<i>1979-80</i>
Public trading enterprises—						
General public services . . . . .	1.5	1.5	0.9	0.5	0.3	—1.4
Housing and community amenities—Housing . . . . .	8.5	18.7	23.5	17.9	2.3	2.6
Sewerage and drainage . . . . .	15.6	24.8	28.8	14.8	5.0	3.6
Economic services—						
Technical services, n.e.c. . . . .	0.6	0.2	0.2	0.5	0.1	0.1
Mining activities . . . . .	—	—	—	—	16.5	60.4
Manufacturing activities . . . . .	4.9	11.6	5.8	5.5	3.8	4.6
Electricity, water supply . . . . .	26.2	31.6	48.5	52.0	17.9	7.7
Transport and communication—						
Air transport . . . . .	70.5	67.5	41.0	145.8	136.9	160.5
Rail transport . . . . .	13.6	45.5	35.9	40.2	46.3	49.8
Sea transport . . . . .	55.9	46.6	136.9	138.3	36.6	7.1
Urban transit systems . . . . .	3.3	5.7	1.6	7.2	6.7	0.6
Pipelines . . . . .	56.5	51.3	18.2	2.1	7.7	2.4
Communications services . . . . .	717.7	756.3	855.1	913.4	904.8	976.6
<i>Total . . . . .</i>	<i>917.5</i>	<i>973.0</i>	<i>1,088.9</i>	<i>1,247.0</i>	<i>1,139.1</i>	<i>1,197.1</i>
Other economic services . . . . .	1.8	4.5	15.3	27.6	10.2	0.8
<i>Total public trading enterprises . . . . .</i>	<i>976.6</i>	<i>1,065.8</i>	<i>1,212.0</i>	<i>1,365.7</i>	<i>1,195.3</i>	<i>1,275.6</i>

**Personal benefit payments**

Total personal benefit payments during the latest six years are shown in the next table. Further information relating to items in this table is given in the appropriate chapters of this Year Book.

**COMMONWEALTH AUTHORITIES: PERSONAL BENEFIT PAYMENTS**  
(S'000)

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
General public services—						
General research—						
Queen Elizabeth fellowships . . . . .	473	584	528	567	531	748
Assistance to inventors . . . . .	—	20	32	33	34	76
Education . . . . .	124,273	162,455	193,970	212,647	224,928	225,232
Health . . . . .	817,015	1,369,405	1,140,399	1,010,432	1,198,068	1,341,965
Social security and welfare . . . . .	3,354,893	4,506,592	6,031,946	7,031,002	7,652,463	8,307,069
Recreation—						
Overseas study fellowships . . . . .	—	193	190	102	38	1
Economic services—						
General administration, regulation and research—						
Hostel tariffs of unemployed migrants . . . . .	289	148	195	728	1,892	2,560
Maintenance of migrant families . . . . .	6,029	6,498	6,035	5,510	6,766	7,629
Stevedoring industry—attendance money, etc. . . . .	2,126	2,692	2,305	988	—	—
Widows' training scheme . . . . .	863	47	21	—	—	—
Tertiary education assistance to ex-servicemen . . . . .	421	—	—	—	—	—
National employment training scheme . . . . .	10,590	31,056	12,809	16,163	16,931	10,511
Apprenticeship training . . . . .	—	8,662	1,738	2,966	3,116	3,246
Other . . . . .	3	—	—	—	—	—
Total . . . . .	20,321	49,103	23,103	26,355	28,705	23,946
Agriculture, forestry, fishing—						
War service land settlement—rent remissions, etc. . . . .	12	6	1	—	—	—
Allowances to agricultural trainees . . . . .	49	—	—	—	—	—
Total . . . . .	61	6	1	—	—	—
Mining, manufacturing and construction—						
Joint Coal Board—Welfare fund . . . . .	5	4	4	3	7	14
Total economic services . . . . .	20,387	49,113	23,108	26,358	28,712	23,960
Other purposes . . . . .	5,217	2,882	201	2	—	—
<b>Total . . . . .</b>	<b>4,322,258</b>	<b>6,091,244</b>	<b>7,390,374</b>	<b>8,281,143</b>	<b>9,104,774</b>	<b>9,899,051</b>

**Subsidies**

The following table shows details of Commonwealth Government outlay on subsidies and bounties. Other assistance to primary producers is included in, for example, tables relating to personal benefit payments and payments to the States, and additional information is given in Chapter 13, Agricultural Industries.

**COMMONWEALTH AUTHORITIES: SUBSIDIES**  
(S'000)

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
General public services—						
Departmental cafeteria compensation . . . . .	179	125	—	10	—	—
General Services . . . . .	—	—	—	—	—	25
Health—						
Serum laboratories . . . . .	1,542	1,242	250	1,200	2,100	2,938
Health insurance organisations subsidy . . . . .	—	—	1,748	9,064	6,588	2,638
Total . . . . .	1,542	1,242	1,998	10,264	8,688	5,576
Housing and community amenities—						
N.T. Housing Commission assistance . . . . .	64	50	96	429	—	—
Recreation and related cultural services—						
Canberra Theatre Trust subsidy . . . . .	120	143	167	199	191	376
Economic services—						
Assistance to employers—						
Stevedoring industry assistance . . . . .	22,330	28,571	27,066	21,953	16,598	15,797
Apprenticeship training . . . . .	16,551	26,215	37,750	24,312	28,774	40,784
Technical Services . . . . .	—	—	—	—	—	—110
Total . . . . .	38,881	54,786	64,816	46,265	45,372	56,471

## COMMONWEALTH AUTHORITIES: SUBSIDIES—continued

(\$'000)

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Assistance to agricultural and pastoral enterprises—						
Dairy products subsidy . . . . .	9,000	1,275	—	5,250	12,387	17,664
Dairy industry stabilisation . . . . .	—	—	—	52,399	80,723	91,230
Wheat prices stabilisation payments . . . . .	—	—	41,103	6,971	67,402	4,390
Wheat Industry Stabilisation (Reimbursement of borrowing costs) . . . . .	—	—	—	—	—	7,712
Reimbursement by Wheat Board . . . . .	—	—	810	—	—	—
Phosphate fertilisers bounty . . . . .	29,508	20,133	38,733	42,057	46,202	51,425
Nitrogenous fertilisers bounty . . . . .	13,983	13,044	15,180	13,329	10,413	7,300
Processed milk products bounty . . . . .	633	167	—	—	—	—
Poultry industry assistance . . . . .	12,735	11,401	11,128	10,625	9,772	18,275
Dried vine fruits stabilisation payments . . . . .	—	—	658	768	216	—
Wool marketing assistance . . . . .	—	—	—	—	—	—
Apple and pear stabilisation payments . . . . .	3,119	2,705	4,168	595	463	2,891
Apple, pear and canning fruit emergency assistance . . . . .	14	—	—	—	—	—
Beef industry assistance . . . . .	—	—	—	84,953	32,543	—
Meat exports to U.S.S.R. . . . .	—	1,240	—	—	—	—
Beef cattle freight subsidy . . . . .	—	—	296	807	—	—
N.T. transport of stud stock . . . . .	—	7	—	—	—	—
Other . . . . .	1	1	—	—	—	21
<i>Total</i> . . . . .	<i>68,993</i>	<i>49,973</i>	<i>112,076</i>	<i>217,754</i>	<i>260,121</i>	<i>200,908</i>
Assistance to mining enterprises—						
Oil search subsidy . . . . .	5,858	186	—	—	—	—
Revaluation adjustment assistance, etc. . . . .	84	—	—	—	—	—
Mary Kathleen Uranium Ltd—Costs concerning borrowing of uranium . . . . .	—	—	168	102	—	—
<i>Total</i> . . . . .	<i>5,942</i>	<i>186</i>	<i>168</i>	<i>102</i>	—	—
Assistance to manufacturing enterprises—						
Agricultural tractor bounty . . . . .	4,442	3,628	4,880	5,700	5,490	8,263
Cellulose acetate flake bounty . . . . .	136	109	—	—	—	—
Book bounty . . . . .	5,936	6,749	8,034	9,538	12,463	13,662
Printed sheeting subsidy . . . . .	—	—	300	451	500	737
Industrial research and development grants . . . . .	17,500	19,300	15,400	13,649	22,750	30,599
Ship construction subsidy . . . . .	31,153	40,966	21,301	7,605	3,559	833
Shipbuilding bounty . . . . .	—	1,553	7,674	7,800	8,326	13,530
Export incentive grants . . . . .	93,151	62,825	973	1,303	20,012	170,000
Export market development grants . . . . .	—	17,076	24,079	30,000	38,001	45,000
Metal-working machine tools bounty . . . . .	1,711	1,585	2,350	3,977	7,048	12,700
Structural adjustment assistance . . . . .	5,304	1,120	637	—	—	—
Refrigeration compressors bounty . . . . .	3,877	1,367	—	—	—	—
Electronic components assistance . . . . .	385	973	776	293	—	—
ADP equipment bounty . . . . .	—	—	—	600	654	733
Commercial motor vehicles bounty . . . . .	—	—	—	—	2,384	6,177
Injection moulding equipment bounty . . . . .	—	—	—	—	—	2,010
Paper bounty . . . . .	—	—	—	—	—	2,060
Other . . . . .	368	26	—	149	730	606
<i>Total</i> . . . . .	<i>163,963</i>	<i>157,277</i>	<i>86,404</i>	<i>81,065</i>	<i>121,917</i>	<i>306,910</i>
Assistance to air transport services—						
Air services subsidy . . . . .	926	768	675	842	753	491
Assistance to sea transport services—						
Tasmania shipping service subsidy . . . . .	1,000	5,488	4,109	2,000	2,000	2,000
Tasmanian freight equalisation scheme . . . . .	—	—	16,409	20,927	24,700	27,561
Other . . . . .	40	48	48	50	—	—
<i>Total</i> . . . . .	<i>1,040</i>	<i>5,536</i>	<i>20,566</i>	<i>22,977</i>	<i>26,700</i>	<i>29,561</i>
Assistance to communications services—						
Newspaper postage subsidy . . . . .	—	1,000	—	—	—	—
Other assistance to enterprises—						
Petroleum products prices scheme . . . . .	—	—	—	—	42,929	63,429
Petrol prices equalisation . . . . .	1,708	—	—	—	—	—
N.T. petrol prices equalisation . . . . .	626	—	—	72	5,124	7,348
Export finance insurance subsidy . . . . .	—	70	298	354	1,496	2,600
<i>Total</i> . . . . .	<i>2,334</i>	<i>70</i>	<i>298</i>	<i>426</i>	<i>49,549</i>	<i>73,377</i>
Natural disaster relief—						
N.T. freight subsidies . . . . .	48	—	15	—	—	—
<i>Total</i> . . . . .	<i>284,032</i>	<i>271,156</i>	<i>287,279</i>	<i>380,333</i>	<i>513,291</i>	<i>673,695</i>

**Grants and advances to the States and the Northern Territory**

Commonwealth Government financial assistance to the States and the Northern Territory takes two main forms: (i) grants for general and specific purposes, and (ii) assistance for developmental and other specific purposes in the form of repayable advances. Some information about these forms of financial assistance is given below, but for more complete information reference should be made to the Commonwealth Government Budget Paper No. 7 *Payments to or for the States, the Northern Territory and Local Government Authorities*. 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 and the Northern Territory**

The following tables show details of grants to the States and the Northern Territory for general and specific purposes. More detailed figures appear in *Commonwealth Government Finance* (5502.0).

**COMMONWEALTH AUTHORITIES: GRANTS TO THE STATES AND THE NORTHERN TERRITORY,  
1979-80  
(\$'000)**

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	N.T.	Total
<b>FOR CURRENT PURPOSES</b>								
General public services . . . . .	4,613	3,094	1,462	2,161	1,019	293	-	12,641
Defence . . . . .	502	257	438	55	466	77	-	1,794
Education . . . . .	606,430	530,761	247,641	167,181	162,904	48,592	7,695	1,771,202
Health . . . . .	452,972	287,546	165,721	119,176	141,020	40,005	20,820	1,227,257
Social security and welfare . . . . .	13,997	13,381	7,680	6,733	5,370	1,984	503	49,641
Housing and community amenities . . . . .	1,848	1,429	439	1,097	987	314	-	6,114
Recreation and culture . . . . .	45	42	34	32	30	149	84	416
Economic services . . . . .	16,201	7,877	12,311	3,399	2,622	1,232	31,428	75,068
Other purposes—								
States' Personal Income Tax sharing entitlements . . . . .	1,663,466	1,233,934	952,533	630,392	662,888	272,696	-	5,415,910
Global allocation . . . . .	-	-	-	-	-	-	208,857	208,857
Special grants . . . . .	-	-	12,400	-	-	-	-	12,400
Additional Assistance Grant . . . . .	-	-	-	-	-	-	20,000	20,000
Interest on State debt . . . . .	5,835	4,254	2,192	1,408	947	534	-	15,170
Sinking fund on State debt . . . . .	12,580	9,649	5,029	4,771	3,576	2,544	-	38,148
Natural disaster relief . . . . .	45	-	1,303	-	293	-	-	1,641
Debt charge assistance . . . . .	-	-	-	-	-	-	1,573	1,573
Local government assistance . . . . .	80,930	56,436	37,387	19,072	20,821	7,095	1,062	222,801
Establishment grants . . . . .	-	-	-	-	-	-	7	7
<i>Total other purposes</i> . . . . .	<i>1,762,856</i>	<i>1,304,273</i>	<i>1,010,844</i>	<i>655,643</i>	<i>688,525</i>	<i>282,869</i>	<i>231,499</i>	<i>5,936,507</i>
<b>Total grants for current purposes</b> . . . . .	<b>2,859,463</b>	<b>2,148,658</b>	<b>1,446,569</b>	<b>955,475</b>	<b>1,002,941</b>	<b>375,513</b>	<b>292,029</b>	<b>9,080,646</b>
<b>FOR CAPITAL PURPOSES</b>								
Education . . . . .	111,770	89,276	51,193	31,689	27,564	9,412	4,207	325,109
Health . . . . .	2,367	1,898	1,070	576	1,372	5,437	14	12,735
Social security and welfare . . . . .	13,696	8,392	4,830	3,509	2,605	2,005	-	35,036
Housing and community amenities . . . . .	26,557	18,538	9,179	12,565	10,947	4,783	6,109	88,678
Recreation and culture . . . . .	410	300	2,938	574	300	744	140	5,405
Economic services—								
General administration, regulation and research . . . . .	-	-	-	-	-	-	-	-
Soil and water resources management . . . . .	4,609	3,188	3,552	2,068	3,920	-	1,940	19,277
Assistance to agricultural and pastoral industries . . . . .	706	594	372	513	418	40	75	2,720
Electricity, gas, water supply . . . . .	-	-	250	2,555	-	-	-	2,805
Rail transport . . . . .	-	-	-	-	-	-	-	-
Sea transport . . . . .	-	-	-	-	-	-	-	-
Road systems and regulation . . . . .	179,459	115,525	116,003	46,943	69,856	26,128	19,000	572,914
Urban transit systems . . . . .	14,125	12,131	9,219	4,000	1,533	1,075	-	42,084
Other . . . . .	-	-	-	-	-	-	948	948
<i>Total economic services</i> . . . . .	<i>198,899</i>	<i>131,438</i>	<i>129,396</i>	<i>56,079</i>	<i>75,727</i>	<i>27,243</i>	<i>21,963</i>	<i>640,748</i>
Other purposes—								
Capital assistance . . . . .	134,146	104,260	55,026	54,083	38,400	29,085	35,803	450,803
Natural disaster relief . . . . .	-	-229	6,313	-270	1,057	-	-	6,870
<b>Total grants for capital purposes</b> . . . . .	<b>487,844</b>	<b>353,871</b>	<b>259,944</b>	<b>158,804</b>	<b>157,973</b>	<b>78,711</b>	<b>68,237</b>	<b>1,565,384</b>
<b>TOTAL GRANTS</b>								
<b>Total grants to the States</b> . . . . .	<b>3,347,307</b>	<b>2,502,529</b>	<b>1,706,513</b>	<b>1,114,279</b>	<b>1,160,914</b>	<b>454,224</b>	<b>360,266</b>	<b>10,646,030</b>

**COMMONWEALTH AUTHORITIES: GRANTS TO THE STATES AND THE NORTHERN TERRITORY**  
(S'000)

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
<b>FOR CURRENT PURPOSES</b>						
General public services . . . . .	8,955	7,910	13,140	11,450	11,905	12,641
Defence . . . . .	325	897	1,199	1,362	1,744	1,794
Education . . . . .	910,391	1,133,808	1,390,758	1,517,840	1,592,322	1,771,202
Health . . . . .	47,281	942,673	720,325	1,038,323	1,114,339	1,227,257
Social security and welfare . . . . .	61,208	64,137	24,844	36,500	46,177	49,647
Housing and community amenities . . . . .	9,494	9,863	7,425	5,834	5,540	6,114
Recreation and culture . . . . .	70	600	600	489	282	416
Economic services . . . . .	22,713	28,008	40,539	45,548	51,609	75,068
Other purposes—						
States' Personal Income Tax sharing entitlements(a) . . . . .	2,373,811	3,072,780	3,695,594	4,316,641	4,778,669	5,415,910
Global allocation . . . . .	—	—	—	—	280,000	208,857
Special grants . . . . .	64,684	38,800	27,000	24,800	21,700	12,400
Special revenue assistance . . . . .	75,000	—	—	—	—	20,000
Interest on State debt . . . . .	15,287	15,170	15,170	15,170	15,170	15,170
Sinking fund on State debt . . . . .	30,805	30,200	31,635	33,747	35,959	38,148
Debt charges assistance . . . . .	57,520	—	—	—	—	1,573
Natural disaster payments . . . . .	1,090	807	1,925	2,311	2,679	1,641
Local government assistance . . . . .	56,345	79,908	140,000	165,328	179,427	222,801
Establishment grants . . . . .	—	—	—	—	330	7
Other . . . . .	—	1,968	—	—	—	—
<i>Total other purposes</i> . . . . .	<i>2,674,542</i>	<i>3,239,633</i>	<i>3,911,324</i>	<i>4,557,997</i>	<i>5,313,934</i>	<i>5,936,507</i>
<b>Total grants for current purposes</b> . . . . .	<b>3,734,979</b>	<b>5,427,526</b>	<b>6,110,154</b>	<b>7,215,343</b>	<b>8,137,852</b>	<b>9,080,646</b>
<b>FOR CAPITAL PURPOSES</b>						
Education . . . . .	415,473	319,246	327,763	343,108	363,718	325,109
Health . . . . .	60,735	140,239	132,455	68,902	17,784	12,735
Social security and welfare . . . . .	7,795	17,080	15,233	16,344	19,116	35,036
Housing and community amenities . . . . .	70,182	79,402	37,171	12,310	13,128	88,678
Recreation and culture . . . . .	12,623	11,036	8,976	5,540	5,767	5,405
Economic services—						
General administration, regulation and research . . . . .	180	60	—	—	—	—
Soil and water resources management . . . . .	15,193	14,343	11,636	10,508	11,946	19,277
Assistance to agricultural and pastoral industries . . . . .	10,317	12,585	8,550	7,413	7,167	2,720
Electricity, gas, water supply . . . . .	—	4,081	3,910	2,125	1,885	2,805
Rail transport . . . . .	734	3,472	490	14	—	—
Sea transport . . . . .	2,018	1,285	15	-305	-178	—
Road systems and regulation . . . . .	373,860	458,439	456,215	493,224	513,728	572,914
Urban transit systems . . . . .	45,258	34,096	58,403	51,000	41,869	42,084
Other . . . . .	1,081	1,829	832	—	—	948
<i>Total economic services</i> . . . . .	<i>448,641</i>	<i>530,190</i>	<i>540,051</i>	<i>564,047</i>	<i>576,417</i>	<i>640,748</i>
Other purposes—						
Natural disaster relief . . . . .	48,446	29,150	23,697	20,820	9,844	6,870
Capital assistance . . . . .	345,878	430,333	452,000	477,930	477,936	450,803
<b>Total grants for capital purposes</b> . . . . .	<b>1,409,773</b>	<b>1,556,676</b>	<b>1,537,346</b>	<b>1,508,923</b>	<b>1,483,710</b>	<b>1,565,384</b>
<b>TOTAL GRANTS</b>						
<b>Total grants to the States and the Northern Territory</b> . . . . .	<b>5,144,752</b>	<b>6,984,202</b>	<b>7,647,500</b>	<b>8,724,266</b>	<b>9,621,562</b>	<b>10,646,030</b>

(a) Prior to 1976-77 'Financial assistance grants'.

**General purpose grants**

*Financial Assistance Grants.* Details of the financial assistance grants arrangements existing in 1972-73 and previous years are given in earlier issues of the Year Book (see No. 60, page 578.)

Arrangements for the years 1973-74 to 1975-76 are embodied in the *States Grants Act 1973*. Under these arrangements the financial assistance grants 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 State's population in the year ending 31 December in the year of payment, and by a betterment factor of 1.8 per cent. Adjustments were made to these arrangements to reduce the grants when the Commonwealth assumed full responsibility for financing tertiary education from 1 January 1974 and on account of transfers of railways from South Australia and Tasmania to the Commonwealth. Financial assistance grants additional to the grants determined by the formula were paid to Western Australia in 1973-74 and 1974-75, and to Tasmania in 1974-75. In 1975-76, \$220 million was paid to the States in addition to the amounts otherwise payable in that year and in the same proportion.

These arrangements were replaced by the *Personal Income Tax Sharing Entitlements* between the Commonwealth and the State and local governments which came into operation in 1976-77. A comprehensive description of this scheme is given in the Commonwealth Budget Paper *Payments to or for the States, the Northern Territory and Local Government Authorities*.

The following table shows the calculations underlying the States' tax sharing entitlements in 1979-80:

DISTRIBUTION OF STATES' PERSONAL INCOME TAX SHARING ENTITLEMENTS IN 1979-80

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
(1) Population at 31 December 1979(a)	5,111,561	3,874,450	2,213,020	1,297,171	1,257,039	420,098	14,173,339
(2) Per capita relativities(b)	1.02740	1.00000	1.39085	1.52676	1.66516	2.00188	
(3) Row (1) weighted by Row (2)	5,251,618	3,874,450	3,077,979	1,980,469	2,093,171	840,986	17,118,673
(4) Percentage distribution of Row (3) between States (per cent)	30.67772	22.63289	17.98024	11.56906	12.22741	4.91268	100.00000
(5) Share of 39.87 per cent of \$12,670.8 million(c)—Distributed according to Row (4) \$'000	1,549,794	1,143,381	908,336	584,452	617,711	248,181	5,051,855
(6) Amount guaranteed under Section 8 of the Act (Financial Assistance Grants formula) (d) \$'000	1,663,466	1,233,934	952,533	630,392	662,888	272,696	5,415,910
(7) States' entitlements under the Act (\$'000) (e)	1,663,466	1,233,934	952,533	630,392	662,888	272,696	5,415,910

(a) Determined in accordance with section 9 of the *States (Personal Income Tax Sharing) Act 1976*. (b) Relativities specified in section 4 (1) of the Act. (c) Net personal income tax collections (excluding receipts from the Health Insurance levy) in 1978-79 as determined by the Commissioner of Taxation in accordance with section 6 of the Act. (d) Determined in accordance with section 8 of the Act. Calculated by applying to the notional 1978-79 financial assistance grants the estimated increases in State populations in the year ended 31 December 1979 (New South Wales 1.35 per cent, Victoria 1.00 per cent, Queensland 1.53 per cent, South Australia 0.47 per cent, Western Australia 2.06 per cent and Tasmania 1.07 per cent), the estimated increase in average wages for Australia as a whole in the year ended 31 March 1980 of 8.81 per cent and the betterment factor of 3.0 per cent. (e) For all States amounts in Row (6).

*Special Grants.* These grants are paid to the financially weaker States as supplements to the financial assistance grants. They are paid on the recommendation of the Commonwealth Grants Commission. The recommendation by the Commission for payment of a special grant consists of two parts: 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); and the other part represents the final adjustment to the advance payment made two years earlier and is known as the completion payment. Queensland has been the only applicant State in the period 1976-77 to 1980-81. (Tasmania, which had withdrawn from claimancy in 1974-75, applied on 30 June 1978 for a special grant in respect of 1977-78 but subsequently withdrew its application.) The following table shows special grants paid in recent years.

COMMONWEALTH GRANTS COMMISSION: SPECIAL GRANTS  
(\$'000)

	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Queensland—						
Advance or interim payment	25,000	18,000	14,000	16,000	11,000	25,000
Completion payment (a)	10,800	5,700	1,400	6,700	33,500	..
Grand total	35,800	23,700	15,400	22,700	25,000	44,500

(a) Actually paid two years subsequent to year shown.

*Capital assistance grants.* Since 1970-71 the Commonwealth Government has provided a portion of the State's Loan Council programs in the form of interest-free capital grants. 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) Acts*, totalled \$345.9 million in 1974-75, \$430.3 million in 1975-76, \$452.0 million in 1976-77, \$477.9 million in 1977-78 and 1978-79, \$415.0 million in 1979-80, and \$435.8 million in 1980-81.

### Specific purpose grants

The Commonwealth Government has provided financial assistance for certain specific types of expenditure by the States for many years. Unlike the general purpose grants, these current and capital grants are 'tied', that is, they are subject to conditions as to the purposes for which they may be spent. Purposes for which such grants have been made include educational programs, hospital development programs, welfare services for the aged, road construction, natural disaster relief and, since 1974-75, assistance to local government authorities. Specific purpose grants amounted to \$3,442.2 million in 1975-76, \$3,472.9 million in 1976-77, \$3,904.9 million in 1977-78, \$4,053.4 million in 1978-79, \$4,536.1 million in 1979-80, and \$5,172.2 million in 1980-81. From 1979-80 onwards the figures include specific purpose grants made to the Northern Territory.

For details of the various specific purpose programs reference should be made to the Commonwealth Budget Paper *Payments to or for the States, the Northern Territory and Local Government Authorities*.

### Advances to the States

The Commonwealth is also providing financial assistance for State projects by way of repayable advances. Borrowings of the Loan Council which are advanced to the States for their work programs and advances for State housing projects represent the largest proportion of the total funds advanced. Full descriptions of the various programs for which funds have been advanced in recent years are given in *Payments to or for the States, the Northern Territory and Local Government Authorities*.

The following table shows figures of advances to the States and repayments of advances. More detailed figures appear in *Commonwealth Government Finance* (5502.0).

COMMONWEALTH AUTHORITIES: NET ADVANCES TO THE STATES AND THE NORTHERN TERRITORY 1979-80  
(\$'000)

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	N.T.	Total
Defence . . . . .	1,026	-215	-224	-19	-3	-3	-	562
Housing and community amenities	59,900	43,612	13,183	28,100	14,757	8,696	7,906	176,152
Economic services—								
Soil and water resources management . . . . .	-2,367	-196	-716	-	14	-	-	-3,265
Forest resources management . . . . .	1,732	383	912	309	872	891	-	5,099
Assistance to agricultural and pastoral industries . . . . .	332	-1,548	20,936	954	487	-427	425	21,159
Mining . . . . .	1,179	-	-	-	-	-2,374	-	-1,195
Electricity, gas and water supply . . . . .	-	-	-1,169	-77	-508	-2,989	-1,109	-5,852
Rail transport . . . . .	-96	3,134	-288	-2	-2,364	-	-	384
Sea transport . . . . .	-	-	-96	-	-98	-132	-	-326
Other transport and communication . . . . .	-	-	-570	-1,875	-	-	-	-2,445
Total economic services . . . . .	780	1,773	19,009	-691	-1,597	-5,031	-684	13,558
Other purposes—								
State works programs . . . . .	202,369	160,326	83,958	83,749	57,694	46,694	71,606	706,396
Special resource assistance . . . . .	-2,500	-	-	-	-	-	-	-2,500
Natural disaster relief . . . . .	-964	-343	-2,175	-1,481	7,092	-294	-	1,835
Total other purposes . . . . .	198,905	159,983	81,783	82,268	64,786	46,400	71,606	705,731
Total net advances . . . . .	260,612	205,151	113,748	109,657	77,944	50,061	78,828	896,001

Minus sign (-) denotes excess of repayments.



**COMMONWEALTH AUTHORITIES: ADVANCES TO THE STATES AND THE NORTHERN TERRITORY**  
(S'000)

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
<b>GROSS</b>						
Defence . . . . .	26,805	34,170	35,114	22,519	11,600	1,455
Housing and community amenities . . . . .	565,506	558,810	474,741	441,646	355,424	211,497
Economic services—						
Assistance to agricultural and pastoral industries . . . . .	28,478	50,328	31,981	37,489	39,812	40,739
Other . . . . .	57,118	65,606	48,900	8,175	10,770	11,733
Other purposes—						
State works programs . . . . .	741,541	860,667	904,000	955,867	955,867	901,606
Other . . . . .	3,663	1,098	4,828	34,369	14,444	7,308
<b>Total gross advances</b> . . . . .	<b>1,423,111</b>	<b>1,570,679</b>	<b>1,499,564</b>	<b>1,500,065</b>	<b>1,387,917</b>	<b>1,174,339</b>
<b>REPAYMENTS</b>						
Defence . . . . .	631	681	734	789	840	894
Housing and community amenities . . . . .	19,172	22,061	25,191	28,332	31,736	35,346
Economic services—						
Assistance to agricultural and pastoral industries . . . . .	3,391	5,451	8,548	11,074	13,365	19,581
Other . . . . .	9,372	11,997	13,116	13,351	14,364	19,333
Other purposes—						
State works programs . . . . .	149,400	151,999	159,323	171,032	185,269	195,210
Other . . . . .	16,245	6,096	14,589	14,343	13,398	7,974
<b>Total repayments</b> . . . . .	<b>198,211</b>	<b>198,286</b>	<b>221,501</b>	<b>238,921</b>	<b>258,972</b>	<b>278,338</b>
<b>NET</b>						
Defence . . . . .	26,174	33,490	34,380	21,730	10,760	561
Housing and community amenities . . . . .	546,334	536,749	449,550	413,314	323,688	176,151
Economic services—						
Assistance to agricultural and pastoral industries . . . . .	25,087	44,877	23,433	26,415	26,447	21,159
Other . . . . .	47,746	53,609	35,784	-5,176	-3,596	-7,600
Other purposes—						
State works programs . . . . .	592,141	708,668	744,677	784,835	770,598	706,396
Other . . . . .	-12,582	-4,999	-9,761	20,026	1,048	-667
<b>Total net advances</b> . . . . .	<b>1,224,900</b>	<b>1,372,393</b>	<b>1,278,063</b>	<b>1,261,144</b>	<b>1,128,945</b>	<b>896,001</b>

Minus sign (-) denotes excess of repayments.

### Main components of receipts

The main components of the receipts of Commonwealth authorities are taxation, income of public enterprises and other factor income transfers, and borrowing and financing transactions. Taxation constitutes by far the major source of receipts. In recent years, however, borrowing has become an increasingly significant source of funds for Commonwealth authorities.

In what follows, an account is given of the system of Commonwealth Government taxation, and some details are given of the current operations of Commonwealth public enterprises. Borrowings 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 Government taxation—summary

The following tables show Commonwealth Government taxation receipts classified by type of tax for the past six years, and the proportion of each type to total collections.

## COMMONWEALTH AUTHORITIES: TAXATION BY TYPE OF TAX(a)

(\$'000)

Type of tax	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>Taxes—</b>						
Income taxes—						
Individuals(b)	9,212,652	11,046,664	12,122,158	12,797,174	15,032,479	17,532,123
Superannuation Funds	—	—	—	—	7,618	11,129
Companies(c)	2,505,173	2,803,079	3,072,372	3,002,052	3,360,357	4,638,923
Dividend (withholding)	62,674	71,969	87,700	88,094	99,912	114,108
Interest (withholding)	32,344	24,408	30,153	25,975	41,018	46,596
Mining (withholding)	—	—	—	—	200	261
<i>Total income taxes</i>	<i>11,812,843</i>	<i>13,946,120</i>	<i>15,312,383</i>	<i>15,913,295</i>	<i>18,541,584</i>	<i>22,343,140</i>
Estate duty	76,391	76,189	95,823	82,061	48,398	17,123
Gift duty	10,454	11,486	6,574	1,445	529	-82
Rates on land	12,993	15,503	17,010	15,011	16,540	19,249
Customs duty on coal exports	111,640	121,329	100,165	93,524	90,716	84,947
Customs duties on imports	932,066	1,152,016	1,131,817	1,363,041	1,538,064	1,799,488
Excise duties—						
Crude oil and LPG	257,000	340,000	469,000	1,227,000	2,270,200	3,107,900
Other	2,074,325	2,145,420	2,264,490	2,617,686	2,695,138	2,726,125
Sales tax	1,408,286	1,650,256	1,757,702	1,769,840	1,864,813	2,102,254
Primary production taxes	115,594	189,006	179,368	283,092	278,270	352,753
Broadcast station licences	827	1,200	1,508	1,843	2,184	2,484
Television station licences	3,393	6,028	10,469	12,724	15,946	19,005
Stevedoring industry charge	37,150	46,884	28,955	19,004	20,137	19,483
Payroll tax	17,347	18,644	19,583	13,142	12,373	10,713
Departure tax	—	—	—	11,966	18,384	18,720
Other taxes	13,087	15,496	19,107	18,487	18,496	20,727
<i>Total taxes</i>	<i>16,883,396</i>	<i>19,735,577</i>	<i>21,413,954</i>	<i>23,443,161</i>	<i>27,431,772</i>	<i>32,644,029</i>
Fees from regulatory services	11,821	15,264	21,526	22,730	48,658	53,094
Fines	2,515	3,121	3,838	4,229	4,228	4,207
Unfunded employee retirement contribution	39,889	51,680	61,087	63,129	67,124	72,922
Other current transfers n.e.c.	209	678	554	403	569	663
<b>Total taxation</b>	<b>16,937,830</b>	<b>19,806,320</b>	<b>21,500,959</b>	<b>23,533,652</b>	<b>27,552,351</b>	<b>32,774,915</b>

(a) From 1978-79 excluded taxes collected by Northern Territory Government authorities. (b) Includes Medibank levy payable from 1 October 1976 to 31 October 1978. (c) Excludes income tax paid by public enterprises: 1975-76, \$17.7m; 1976-77, \$21.4m; 1977-78, \$23.1m; 1978-79, \$34.6m; 1979-80, \$46.5m; 1980-81, \$55.8m. (d) Abolished in September 1974.

**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 Government, 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 31 October 1981 were—*Income Tax Assessment Act 1936* (later referred to as 'the Assessment Act'); Acts declaring rates of tax—*Income Tax (Rates) Act 1976*, *Income Tax (Individuals) Act 1981*, *Income Tax (Companies, Corporate Unit Trusts and Superannuation Funds) Act 1981*, *Income Tax (Non-resident Companies Act) 1978*, *Income Tax (Dividends and Interest Withholding Tax) Act 1974*, *Income Tax (Drought Bonds) Act 1969*, *Income Tax (Withholding Tax Recoupment) Act 1971*, *Income Tax (Bearer Debentures) Act 1971*, *Income Tax (Mining Withholding Tax) Act 1979*, *Income Tax (Film Royalties) Act 1977*, *Income Tax (Diverted Income) Act 1981*, *Income Tax Regulations* and *Income Tax (Indexation) Regulations*.

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

The operation of the *Assessment Act* is affected by other Acts, the more important of which are:

- (a) *Taxation Administration Act 1953*, which provides for the administration of certain Acts relating to taxation and the screening for taxation purposes of applications for exchange control approval.
- (b) *Income Tax (International Agreements) Act 1953*, which gives the force of law to agreements with other countries for the avoidance of double taxation. Australia has concluded comprehensive agreements for the avoidance of double taxation with the United Kingdom, the United States of America, Canada, New Zealand, Singapore, Japan, the Federal Republic of Germany, the Netherlands, France, Belgium, the Philippines, Switzerland, Malaysia,

Sweden and Denmark and limited agreements dealing with airline profits have been concluded with France, Italy and Greece.

- (c) *The States (Personal Income Tax Sharing) Act 1976*, which provides for the States to receive a specified proportion of net personal income tax collections to 30 June 1981.
- (d) *The States (Tax Sharing and Health Grants) Act 1981*, operative as from 1 July 1981, under which the States are to receive a proportion of total Commonwealth tax collections.
- (e) *Income Tax (Arrangements with the States) Act 1978*, which enables each State to increase or reduce personal income tax levied on residents of the State.
- (f) *International Organizations (Privileges and Immunities) Act 1963*, and Regulations made under that Act, which provide for the exemption from income tax of certain income of international organizations and their officials.
- (g) *Diplomatic Privileges and Immunities Act 1967*, which provides for the exemption from income tax of certain income of diplomatic representatives, their staff and families.
- (h) *The Loan (Income Equalization Deposits) Act 1976*, which provides for the making of interest bearing income equalization deposits by primary producers with the Commissioner of Taxation.
- (i) *Consular Privileges and Immunities Act 1972*, which provides for the exemption from income tax of certain income of consular representatives, their staff and families.
- (j) *Loan (Drought Bonds) Act 1969*, which authorizes the issue of drought bonds and empowers the Commissioner of Taxation to declare when drought bonds have become redeemable.
- (k) *Taxation Debts (Abolition of Crown Priority) Act 1980*, which abolishes priority accorded to certain Crown Debts.
- (l) *The Crimes (Taxation Offences) Act 1980*, which established a number of criminal offences relating to the fraudulent evasion of income tax (and sales tax) by stripping companies or trusts of their capacity to pay.

An individual is required to lodge a return of income when his total income (other than dividends or interest upon which withholding tax has been paid) from all sources in Australia is in excess of \$4,195 in 1981–82. However, in the case of a minor i.e., a person under the age of 18 years at the end of the year of income, a return is to be lodged where income exceeds \$1,040 (see page 575).

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

Where applicable, income tax payable is assessed and assessment notices showing the amounts payable are issued during the year following the year of income. For individuals the approximate amount payable, however, has already been collected during the income year (from employees by deductions from salary or wages and from non-employees by a provisional tax). The amount shown on the assessment notice is therefore adjusted against the amount already paid, and any difference is 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 prescribed scales which show the amount to be deducted according to income. Under the group employer scheme, the amount deducted is required to be regularly remitted to the Australian Taxation Office.

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

Under the tax stamp scheme for employers other than group employers, a tax deduction sheet in two parts is used. Every four weeks the employer purchases tax stamps for the amount of deductions made each pay day and attaches the tax stamps to the tax stamps sheet in the space provided and the tax checks (attached to the stamps) in the space provided on the tax check sheet. At the end of the year the employer gives the employee the tax stamp sheet and sends the tax check sheet to the Taxation Office. The tax stamp sheet is then used in the same way as a group certificate.

*Individuals with taxable income other than salary or wages of \$1,000 or more* in 1981–82 may be required to pay provisional tax in respect of that income. Provisional tax is not generally charged, however, where tax instalment (PAYE) deductions made in the previous income year exceeded 95 per cent of the net tax payable for that 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. In order to account for an expected rise in provisional incomes in 1981–82, provisional tax is calculated using 1981–82 rates of tax applied to 1980–81 income increased by 10 per cent. 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. The assessment notice shows the tax assessed on income from the previous year less any provisional tax already paid for that year and provisional tax payable for the current year. Taxpayers may apply to vary the amount of provisional tax imposed if his or her circumstances change during the year.

#### *Assessable income—individuals*

Assessable income (from which deductions are made to arrive at taxable income) basically includes all receipts within the ordinary meaning of the word 'income', but excludes items of income that are specified as exempt. Assessable income specifically includes certain receipts such as casual profits arising from the sale of property held less than one year and profits arising from the sale of property acquired for the purpose of profit-making by sale regardless of the period the property is held before sale. The value to employees of allowances and benefits given by employers for services rendered is also specifically included in the assessable income of the employees. Receipts such as gifts (other than gratuities received by an employee in the course of employment), legacies, lottery wins and other receipts of capital generally do not form part of the assessable income.

Exemption from tax is provided by the Assessment Act in respect of a number of specified classes of income—for example, certain war pensions; invalid pensions; family allowances; income received from a scholarship, bursary or other educational allowance; the income of charitable institutions and public hospitals, certain foreign income where it has been taxed overseas, and income of certain Australian residents derived from personal services performed overseas.

#### *Deductions*

The taxable income to which the rates of tax are applied is arrived at by deducting from the assessable income any allowable deductions.

Deductions from assessable income are authorised for losses and outgoings incurred in gaining or producing assessable income or necessarily incurred in carrying on a business for that purpose except to the extent that they are of a capital, private or domestic nature, are incurred in gaining or producing exempt income, or are of the kinds that are specifically declared to be not deductible by provisions of the Assessment Act. In addition, certain other deductions are specifically authorised by the Assessment Act.

Deductions allowable include trading losses incurred in previous years, bad debts, depreciation, gifts to various institutions and, in certain circumstances, rates and land taxes paid. Expenditure of a capital nature incurred in relation to mining operations is generally deductible by reference to the estimated life of the mine or field or 10 years, whichever is the lesser. (For expenditure contracted for after 30 April 1981 and on or before 18 August 1981 the deduction is determined by reference to a maximum life of the mine or field of 6 years. Expenditure contracted for prior to 1 May 1981 is deductible by reference to a maximum life of the mine or field of 5 years.) Expenditure on mining plant may also be written off on that basis or, if the taxpayer chooses, by depreciation allowances. Exploration or prospecting expenses incurred by general (non-petroleum) mining companies are allowable as deductions against net assessable income from mining activities in the year in which the expenditure is incurred. Expenditure on exploration or prospecting for petroleum is immediately deductible against income from any source. Deductions are also available for the cost of converting certain oil fired industrial equipment to use other energy sources. The deduction, which replaces annual depreciation allowances, is an amount equal to the cost of the conversion and is allowable for expenditure incurred on or after 22 August 1979 and before 1 July 1984. The deduction is allowable in equal instalments over 2 years, commencing with the year in which the expenditure is incurred. (For expenditure contracted on or before 30 April 1981 the deduction is wholly allowable in the year of expenditure.) A special allowance of 40 per cent of the cost of certain capital expenditure incurred on the purchase or construction of certain non-oil fired plant to replace oil fired plant is also available in respect of expenditure on such plant incurred on or after 22 August 1979. Normal depreciation allowances apply to the plant and the 40 per cent allowance takes the place of any investment allowance that otherwise might have applied. A special loading applies to increase the depreciation rates that would otherwise apply to most plant contracted for after 19 August 1980. For plant contracted for after that date and before 1 May 1981 the loading applies to increase the rate otherwise applicable by 20 per cent. For plant contracted for on or after 1 May 1981 the loading is set at 18 per cent.

Certain expenditure of a capital nature incurred by primary producers in carrying out improvements to their land is deductible over 10 years or, in respect of some of those expenditures incurred on soil conservation measures under contracts entered into after 30 September 1980, in the year of expenditure. Certain expenditure in connection with conserving or conveying water for use in a business of

primary production is deductible in the year of expenditure. Expenditure incurred by a primary producer before 1 July 1984 in constructing stockyard or subdivisional fences where their construction is certified as being desirable for the eradication or control of bovine brucellosis or tuberculosis is also deductible in the year of expenditure. Certain new items of plant and machinery acquired for use in a business of primary production under a contract entered into on or after 1 October 1980 are depreciable in equal instalments over 5 years, as are certain structural improvements for the storage of hay, grain or fodder contracted for after 21 August 1979. Deductions are allowable in respect of cash deposits made by primary producers (income equalisation deposits), which fall for inclusion in assessable income on withdrawal.

Deductions may also be allowed for a percentage of the capital cost of certain new plant first ordered on or after 1 January 1976 (investment allowance). For plant ordered during the period 1 January 1976 to 30 June 1978 and first used or installed ready for use as reserve plant on or before 30 June 1979, the percentage is 40 per cent of qualifying expenditure. For plant (not satisfying the 40 per cent time limits) ordered during the period 1 January 1976 to 30 June 1985 and first used or installed ready for use as reserve plant not later than 30 June 1986, the percentage is 20 per cent of qualifying expenditure for plant contracted for on or before 30 April 1981 or 18 per cent of qualifying expenditure for plant contracted for after that date. However, the 40 per cent rate applies to so much of the eligible expenditure incurred by 3 June 1979 as was attributable to plant installed as at that date even though the uncompleted plant was not first used or installed ready for use by 30 June 1979.

Capital expenditure incurred on or after 1 October 1980 in affecting or upgrading mains electricity connections to a property on which a business is carried on, the certain expenditure incurred in insulating a taxpayer's first home where the home was purchased on or after that date or where the taxpayer constructed the home, the construction of which commenced on or after that date, is deductible in the year of expenditure. A 100 per cent depreciation allowance is available for the cost of plant contracted for on or after 1 October 1980 that is used in Australia exclusively to store fuel held for use in a business as fuel or as trading stock for disposal. Special concessions involving a deduction loading and income exemption are available for capital investment in the production of certain new Australian films where that expenditure is under a contract entered into on or after that date. Capital expenditure contracted for after 18 August 1981 on plant and equipment used to produce basic iron and steel is deductible on a prime cost depreciation basis at 20 per cent per annum.

*Living-away-from-home allowance.* Where an allowance is paid to an employee under any award, industrial agreement, etc.—

- (a) if it is received in cash and does not exceed \$7 per week, a deduction is allowable of the amount of the allowance, up to \$5 per week;
- (b) if it is received otherwise than in cash and exceeds a value of \$2 per week but does not exceed a value of \$5 per week, a deduction is allowable of the excess of that value over \$2 per week.

In any other case the deduction allowable is the amount which the Commissioner deems reasonable but may not exceed the total amount received less \$2 per week.

*Subscriptions.* When they are paid in respect of membership of any trade, business or professional association or union.

*Gifts.* Those of \$2 and upwards made to specified funds, authorities and institutions including public benevolent institutions, approved research institutions for scientific research, building funds for schools conducted by non-profit organisations, certain approved voluntary overseas aid organisations, etc.

*Superannuation contributions* of eligible self-employed persons and employees not covered by funds to which any other person contributes for their benefit that are paid after 19 August 1980 to approved funds are deductible to a maximum \$1,200 in any one year of income. Any excess of contributions over \$1,200 falls for consideration under the superannuation provisions subject to concessional rebate (see page 572).

#### *Rebates of Tax*

From the gross amount of tax calculated by applying the relevant rate to the taxpayer's taxable income, a deduction is made for any rebates allowable to the taxpayer.

*Dependant, housekeeper and sole parent rebates.* A concessional rebate of the relevant amount specified below for each *dependant* is allowable to a resident taxpayer if, during the whole of the year of income, the taxpayer is the sole contributor to the dependant's maintenance and that dependant does not have a separate net income in excess of \$282.

<i>Dependant</i>	<i>Maximum rebate 1981-82</i>
	\$
Spouse, daughter-housekeeper . . . . .	830
Parent or parent-in-law . . . . .	749
Invalid relative . . . . .	376

If a person in one or other of these dependant categories is a dependant during part only of the year of income (such a person residing with the taxpayer is ordinarily regarded as a dependant throughout the period of residence), the maximum rebate is proportionately reduced. Rebates for a parent, parent-in-law or invalid relative are allowable only in respect of residents of Australia.

Where a person has a separate net income in excess of \$282 while a dependant of a taxpayer, the rebate otherwise allowable is reduced by \$1 for every complete \$4 by which the separate net income exceeds \$282, irrespective of the period over which the person has derived the income. When two or more people contribute to the maintenance of a person who is a dependant of both of them, the rebate allowable is apportioned between the contributing taxpayers.

A concessional rebate of \$830 is allowable to a resident taxpayer in respect of a *housekeeper* who, during the whole of the year of income, is wholly engaged in keeping house in Australia for the taxpayer and has the care of (a) a child or step-child of the taxpayer, less than 16 years of age; (b) an invalid relative in respect of whom the taxpayer is entitled to a rebate or any child under 16 years classed as a dependant for this purpose; or (c) the taxpayer's spouse if in receipt of an invalid pension under the *Social Services Act*. A child under 16 years referred to in (b) will be classed as a dependant where the taxpayer contributes to that child's maintenance and the child's separate net income is less than \$1,786.

If these conditions apply for only part of the year, a proportionate rebate may be allowed. Where the taxpayer is married, a rebate may be allowable for a housekeeper if the housekeeper is engaged in caring for an invalid spouse (*see* (c) above) or the Commissioner is of the opinion that, because of special circumstances, it is just to allow a rebate. The rebate is not allowable in respect of any period during which the taxpayer is entitled to a deduction for a daughter-housekeeper.

A concessional rebate of \$580 is allowable to a *sole parent* i.e., a resident single, widowed or divorced person who has the sole care of a child under sixteen years of age or a student (up to 25 years of age, receiving full-time education at a school, college or university), whose separate net income is ordinarily less than \$1,786. The sole parent rebate is not allowable where the taxpayer is entitled to a rebate for a housekeeper or daughter-housekeeper or is living in a de-facto relationship.

#### *Concessional rebates*

Resident taxpayers may be allowed a concessional rebate in respect of certain expenses listed below amounting in total to more than \$1,590. The amount of the rebate for 1981-82 is 32 per cent of the excess of the total expenditure over \$1,590, but the rebate cannot exceed the tax otherwise payable.

*Medical, dental, optical, etc. expenses.* Rebates are allowable in respect of medical, dental, optical and therapeutic treatment expenses paid by the taxpayer, less any amounts in respect of those expenses which are received or receivable by the taxpayer or any other person from a Government or friendly society or medical benefit fund. Included are amounts paid in respect of artificial limbs and eyes, hearing aids and medical and surgical appliances and the remuneration of an attendant of a person who is blind or permanently confined to a bed or invalid chair. Domiciliary nursing care benefits are to be disregarded in calculating the rebatable amount in respect of medical expenses.

Rebates in respect of the above medical, etc. expenses are allowable only for expenditure in respect of a resident taxpayer, spouse, children under 21 years of age or any other 'dependant' resident in Australia, but not a 'housekeeper'.

*Funeral, burial or cremation expenses.* Rebates are allowable only in respect of the taxpayer's spouse, children under 21 years of age or any other 'dependant', but not a 'housekeeper', provided the dependant was a resident of Australia at the time of death. The amount of expenses allowable in respect of any one dependant is limited to \$100.

*Adopted children.* Legal expenses and court costs of the kind normally incurred by a taxpayer in adopting a child.

*Payments of life, sickness and accident insurance premiums and payments to a Friendly Society, Superannuation, Sustentation or similar Fund.* Amounts subject to rebate are limited to a total of \$1,200 in respect of such payments made on behalf of the taxpayer, his spouse or children. In the case of self-employed and "unsupported" employees contributions that are deductible, the excess over

\$1,200 not allowed as a deduction may be allowed as a rebate within the \$1,200 limit on such rebatable expenditure. Where policies are taken out on or after 1 January 1973 or where the first premium of a policy was paid on or after that date, rebates for premiums of such policies are *not* allowable if the benefits, other than death benefits, are payable within a period of 10 years of commencement of risk.

**Education expenses.** An amount not exceeding \$250 is allowed in respect of each child of the taxpayer or 'dependant' under 25 years of age receiving full-time education. Education expenses include expenditure for recognised school uniforms, on school fees, board and accommodation, text books, stationery, equipment and fares.

**Self-education expenses.** These are allowable where they are paid by the taxpayer for or in connection with a course of education undertaken by him for the purpose of gaining qualifications for use in carrying on a profession, business or trade or in the course of employment. The maximum amount subject to rebate is \$250.

**Calls.** One-third of the amount of calls paid by the taxpayer in the year of income on shares owned by him in a company carrying on as its principal business afforestation in Australia.

**Rates and land taxes.** These are allowable when they are paid by a taxpayer who is personally liable. The maximum amount rebatable is \$300 and must be in respect of a sole or principal place of residence.

#### *Other rebates*

**Zone allowance rebate.** A separate rebate is allowable to resident taxpayers who have resided in Zone A or B (prescribed isolated areas) for more than one half of the income year. The rebates are as follows.

- (a) Zone A: A rebate equal to the sum of \$216 and 50 per cent of certain amounts in respect of dependants, sole parent and housekeeper (prior to 1 November 1981 the rebate was \$216 and 25 per cent);
- (b) Zone B: A rebate equal to the sum of \$36 and 20 per cent of those amounts stipulated under Zone A. (Prior to 1 November 1981 the rebate was \$36 and 4 per cent).

The amount in respect of dependants, sole parent and housekeeper that may be the subject of a percentage increment to the basic zone allowance are:

	1981-82
	\$
Sole parent . . . . .	580
Housekeeper . . . . .	830
Spouse, daughter-housekeeper . . . . .	830
Parent or parent-in-law . . . . .	749
One child under 16 years, not being a student . . . . .	376
Each other child under 16 years, not being a student . . . . .	282 <sup>(a)</sup>
Student . . . . .	376
Invalid relative . . . . .	376

(a) Where one of these persons has a separate net income in excess of \$282 while a dependant of a taxpayer, the amount to be taken into account is reduced by \$1 for every complete \$4 by which that income exceeds \$282, irrespective of the period over which it was derived. Where two or more people contribute to the maintenance of a person who is a dependant of both of them, the amount to be taken into account is apportioned between the contributing taxpayers.

Amounts for a parent, parent-in-law or invalid relative are allowable only in respect of resident dependants.

'Child' or 'children' includes a legally adopted child, a step-child or ex-nuptial child of the taxpayer. 'Student' means a person less than 25 years of age who is receiving full-time education at a school, college or university.

**Overseas service rebate.** Separate rebates are also allowable to certain members of the Defence Force serving in prescribed overseas localities. Where the period of service is more than one-half of the year of income, the rebate is equal to the Zone A rebate. Where the period is less than one-half of the year of income, a proportionate part of the Zone A rebate is allowable.

**Unused leave rebate.** Where a taxpayer's taxable income exceeds \$17,894 and includes lump sum payments in consequence of termination of employment or retirement for unused annual leave or unused long service leave attributable to service after 15 August 1978 or both, a rebate is allowable to limit the marginal rate on such payments to the standard rate of 32 per cent.

*Rebate for government and other loan interest.* A rebate of tax may be allowed in respect of certain Government and other loan interest included in an individual's taxable income. Particulars are given on page 567.

*Capital subscription rebate.* Section 160ACA of the Income Tax Assessment Act provides for a rebate of tax to shareholders in respect of capital subscribed to certain petroleum exploration and mining companies. The rebate allowable is 27 cents for each \$1 of amounts paid on shares after 30 April 1981 by way of application and allotment moneys and calls which are applied by a company towards the paid-up value of its shares. (Prior to 1 May 1981 the allowable rebate was 30 cents for each \$1 subscribed after 24 August 1977). The allowance of the rebate is conditional upon the company lodging a declaration satisfying the Commissioner that the share moneys will be, or have been, spent on outgoings for exploration for petroleum and the development of petroleum fields. It is also conditional upon the company forgoing any right to a deduction under Division 10AA for the expenditure.

*For primary producers,* whose taxable income exceeds the average of the current and preceding four years taxable incomes, a rebate is allowable in respect of taxable income derived from primary production and in respect of other taxable income where it does not exceed \$5,000. Where non-primary production income exceeds \$5,000, the amount deemed to be derived from primary production is the amount, if any, that remains after deducting from \$5,000 the excess of that income over \$5,000. In determining the rebate, an averaging benefit is calculated by subtracting from the tax on the taxable income, the tax that would be payable if an average rate appropriate to the average on the taxable incomes of the current and four previous years had applied. The rebate is that proportion of the averaging benefit that the deemed primary production taxable income bears to the total taxable income.

#### *Effective exemption from tax*

For the income years 1972-73 to 1974-75 inclusive the income of a taxpayer without dependants was exempt from income tax if it did not exceed \$1,040. In 1975-76 and 1976-77 after the application of the general concessional rebate of \$540 and \$610 respectively to resident taxpayers, the corresponding figures were \$2,518 and \$2,845. In 1977-78, with the composite tax scale applying, the figure was \$3,402. For 1978-79 and 1979-80 no tax was payable unless taxable income exceeded \$3,893 and for 1980-81 no tax was payable unless taxable income exceed \$4,041 (except in the case of certain minors). In 1981-82 no tax is payable unless taxable income exceeds \$4,195 (except in the case of certain minors). Special rates of tax apply where the trustee of a trust estate is liable to be assessed and to pay tax in respect of income where a presently entitled beneficiary is under a legal disability and to certain other income of a trust estate. The effect of deductions or rebates 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—		
	No dependants	Wife	Sole parent
1977 . . . . .	2,845	4,697	4,141
1978 . . . . .	3,402	5,335	4,761
1979 . . . . .	3,893	5,675	5,137
1980 . . . . .	3,893	5,698	5,153
1981 . . . . .	4,041	6,541	5,787
1982 . . . . .	4,195	6,788	6,007

#### *Rates of income tax on individuals*

The table below shows the rates of income tax for the income year 1981-82. Rates for income years 1954-55 to 1973-74 were published in Year Book No. 60, page 590, for income years 1974-75 and 1975-76 they were published in Year Book No. 61, page 586, for income years 1976-77 and 1977-78 they were published in Year Book No. 62, pages 593 and 594, for income year 1978-79 they were published in Year Book No. 63, page 529 and for income year 1979-80 they were published in Year Book No. 64, page 604. For the income year 1980-81 they were published in Year Book No. 65, page 567.



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.*

Interest derived from bonds, etc., issued between 1 January 1940 and 31 October 1968 by the Commonwealth Government, 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.

**Rates of tax—individuals**

The rates of tax on taxable incomes derived by individuals during the year ending 30 June 1982 (or substituted accounting period) are set out below.

**GENERAL RATES OF TAX—INDIVIDUALS**  
**1981-82 FINANCIAL YEAR, 1981-82 INCOME YEAR**

<i>Total taxable income</i>			
<i>Not less than—</i>	<i>Not more than—</i>	<i>Tax at general rates on total taxable income</i>	
\$	\$	\$	\$
0	4,195	Nil	
4,195	17,894	Nil	+ 32c for each \$1 in excess of 4,195
17,894	35,788	4383.68	+ 46c for each \$1 in excess of 17,894
35,788	..	12614.92	+ 60c for each \$1 in excess of 35,788

*Income of Certain Minors*

Special provisions in Division 6AA of the Assessment Act may apply to income, whether derived directly or through a trust, of a minor—a person who is under the age of 18 years at the end of the year of income. Under the new system, which commenced in the 1979-80 income year, a minimum rate of tax equal to the middle rate of personal tax—46 per cent in 1981-82—is imposed on specified income in excess of \$1040, subject to shading-in arrangements.

*Income tax payable on specified incomes at general rates*

The following table shows, for the income years 1976-77 to 1981-82, the actual income tax payable by taxpayers with various incomes and numbers of dependants. For 1976-77, the general concessional rebate of \$610 has been applied and for 1977-78 the composite rate scale has been used, which incorporates the general concessional rebate.

**COMMONWEALTH INCOME TAX PAYABLE ON SPECIFIED INDIVIDUAL INCOMES 1976-77 TO 1981-82 INCOME YEARS**  
**(\$)**

<i>Net Income(a)</i>	<i>1976-77(b)</i>	<i>1977-78(b)</i>	<i>1978-79(b)</i>	<i>1979-80(b)</i>	<i>1980-81(b)</i>	<i>1981-82(b)</i>
<b>TAXPAYER WITH NO DEPENDANTS</b>						
\$						
1,000	..	..	..	..	..	..
3,000	41.80	..	..	..	..	..
5,000	581.80	457.52	370.84	366.08	306.88	257.60
7,000	1,229.80	1,073.45	1,040.84	1,027.48	946.88	897.60
10,000	2,279.80	2,085.92	2,045.84	2,019.58	1,906.88	1,857.60
15,000	4,399.80	3,917.26	3,720.84	3,673.08	3,506.88	3,457.60
20,000	6,954.80	6,199.80	5,870.72	5,801.46	5,493.42	5,352.44
<b>TAXPAYER WITH DEPENDANT WIFE</b>						
1,000	..	..	..	..	..	..
3,000	..	..	..	..	..	..
5,000	81.80	..	..	..	..	..
7,000	729.80	518.45	443.84	430.48	146.88	67.60
10,000	1,779.80	1,530.92	1,448.84	1,422.58	1,106.88	1,027.60
15,000	3,899.80	3,362.26	3,123.84	3,076.08	2,706.88	2,627.60
20,000	6,454.80	5,644.80	5,273.72	5,204.46	4,693.42	4,522.44

(a) Income remaining after allowing all deductions other than concessional deductions. children and students were replaced by family allowances (formerly child endowment).

(b) In 1976-77 previously allowable rebates for

*Income tax assessments—Individuals*

The following tables show for the 1979-80 income year the number of taxpayers, taxable income, and net income tax assessed for individuals.

**COMMONWEALTH INCOME TAX ASSESSMENTS(a): TAXABLE INDIVIDUALS BY GRADE OF TAXABLE INCOME**  
(Income derived in the year 1979-80)

<i>Grade of taxable income</i>	<i>Number of Taxpayers</i>			<i>Net income(b)</i>	<i>Taxable income(c)</i>	<i>Net tax</i>
	<i>Males</i>	<i>Females</i>	<i>Total</i>			
<i>\$      \$</i>				<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>
Under 5,000 . . . . .	205,028	291,106	496,134	2,216,554	2,180,304	87,152
5,000-5,999 . . . . .	172,719	223,707	396,426	2,218,138	2,179,058	197,847
	<b>377,747</b>	<b>514,813</b>	<b>892,560</b>	<b>4,434,692</b>	<b>4,359,362</b>	<b>284,999</b>
6,000-6,999 . . . . .	180,027	204,590	384,617	2,543,519	2,498,050	306,623
	<b>557,774</b>	<b>719,403</b>	<b>1,277,177</b>	<b>6,978,211</b>	<b>6,857,412</b>	<b>591,622</b>
7,000-7,999 . . . . .	185,819	207,356	393,175	3,006,105	2,950,795	439,759
	<b>743,593</b>	<b>926,759</b>	<b>1,670,352</b>	<b>9,984,315</b>	<b>9,808,208</b>	<b>1,031,381</b>
8,000-8,999 . . . . .	215,396	223,100	438,496	3,802,923	3,734,654	630,856
	<b>958,989</b>	<b>1,149,859</b>	<b>2,108,848</b>	<b>13,787,238</b>	<b>13,542,862</b>	<b>1,662,238</b>
9,000-9,999 . . . . .	272,242	234,148	506,390	4,898,335	4,812,657	884,834
	<b>1,231,231</b>	<b>1,384,007</b>	<b>2,615,238</b>	<b>18,685,573</b>	<b>18,355,519</b>	<b>2,547,072</b>
10,000-10,999 . . . . .	309,566	183,767	493,333	5,274,753	5,176,859	1,009,800
	<b>1,540,797</b>	<b>1,567,774</b>	<b>3,108,571</b>	<b>23,960,326</b>	<b>23,532,378</b>	<b>3,556,872</b>
11,000-11,999 . . . . .	316,937	130,033	446,970	5,241,528	5,136,040	1,049,760
	<b>1,857,734</b>	<b>1,697,807</b>	<b>3,555,541</b>	<b>29,201,854</b>	<b>28,668,418</b>	<b>4,606,632</b>
12,000-12,999 . . . . .	286,122	93,273	379,395	4,835,812	4,736,822	1,007,898
	<b>2,143,856</b>	<b>1,791,080</b>	<b>3,934,936</b>	<b>34,037,666</b>	<b>33,405,240</b>	<b>5,614,529</b>
13,000-13,999 . . . . .	249,176	67,224	316,400	4,356,008	4,266,738	937,609
	<b>2,393,032</b>	<b>1,858,304</b>	<b>4,251,336</b>	<b>38,393,675</b>	<b>37,671,977</b>	<b>6,552,138</b>
14,000-14,999 . . . . .	214,930	52,080	267,010	3,948,731	3,867,921	873,610
	<b>2,607,962</b>	<b>1,910,384</b>	<b>4,518,346</b>	<b>42,342,406</b>	<b>41,539,898</b>	<b>7,425,748</b>
15,000-15,999 . . . . .	183,848	41,894	225,742	3,566,475	3,494,584	808,160
	<b>2,791,810</b>	<b>1,952,278</b>	<b>4,744,088</b>	<b>45,908,881</b>	<b>45,034,482</b>	<b>8,233,908</b>
16,000-16,999 . . . . .	152,767	31,656	184,423	3,102,657	3,039,818	720,205
	<b>2,944,577</b>	<b>1,983,934</b>	<b>4,928,511</b>	<b>49,011,538</b>	<b>48,074,300</b>	<b>8,954,114</b>
17,000-17,999 . . . . .	121,076	21,506	142,582	2,544,595	2,491,833	614,358
	<b>3,065,653</b>	<b>2,005,440</b>	<b>5,071,093</b>	<b>51,556,133</b>	<b>50,566,133</b>	<b>9,568,471</b>
18,000-18,999 . . . . .	96,179	15,259	111,438	2,104,180	2,059,396	529,207
	<b>3,161,832</b>	<b>2,020,699</b>	<b>5,182,531</b>	<b>53,660,313</b>	<b>52,625,529</b>	<b>10,097,678</b>
19,000-19,999 . . . . .	77,256	11,419	88,675	1,764,767	1,727,025	460,577
	<b>3,239,088</b>	<b>2,032,118</b>	<b>5,271,206</b>	<b>55,425,080</b>	<b>54,352,554</b>	<b>10,558,254</b>
20,000-21,999 . . . . .	106,386	15,021	121,407	2,596,538	2,540,474	709,036
	<b>3,345,474</b>	<b>2,047,139</b>	<b>5,392,613</b>	<b>58,021,618</b>	<b>56,893,028</b>	<b>11,267,291</b>
22,000-23,999 . . . . .	66,542	9,687	76,229	1,788,155	1,747,750	513,690
	<b>3,412,016</b>	<b>2,056,826</b>	<b>5,468,842</b>	<b>59,809,772</b>	<b>58,640,777</b>	<b>11,780,981</b>
24,000-25,999 . . . . .	43,022	6,670	49,692	1,268,990	1,239,173	379,829
	<b>3,455,038</b>	<b>2,063,496</b>	<b>5,518,534</b>	<b>61,078,763</b>	<b>59,879,950</b>	<b>12,160,810</b>
26,000-27,999 . . . . .	28,085	4,889	32,974	909,737	888,000	281,427

For footnotes see end of table.

**COMMONWEALTH INCOME TAX ASSESSMENTS(a): TAXABLE INDIVIDUALS BY GRADE OF  
TAXABLE INCOME—continued**  
(Income derived in the year 1979–80)

Grade of taxable income	Number of Taxpayers			Net income(b)	Taxable income(c)	Net tax
	Males	Females	Total			
\$      \$				\$'000	\$'000	\$'000
28,000–29,999 . . . . .	3,483,123 19,488	2,068,385 3,745	5,551,508 23,233	61,988,500 688,300	60,767,950 672,361	12,442,238 219,650
30,000–34,999 . . . . .	3,502,611 32,097	2,072,130 7,852	5,574,741 39,949	62,676,800 1,318,073	61,440,311 1,289,312	12,661,888 440,725
35,000–39,999 . . . . .	3,534,708 14,632	2,079,982 3,128	5,614,690 17,760	63,994,873 676,858	62,729,623 660,897	13,102,613 243,932
40,000–49,999 . . . . .	3,549,340 12,981	2,083,110 2,534	5,632,450 15,515	64,671,731 701,934	63,390,519 685,203	13,346,545 275,849
50,000–99,999 . . . . .	3,562,321 11,030	2,085,644 2,057	5,647,965 13,087	65,373,664 854,927	64,075,723 839,957	13,622,394 387,968
100,000 and over . . . . .	3,573,351 1,628	2,087,701 291	5,661,052 1,919	66,228,591 305,797	64,915,680 298,727	14,010,362 163,066
<b>Total . . . . .</b>	<b>3,574,979</b>	<b>2,087,992</b>	<b>5,662,971</b>	<b>66,534,388</b>	<b>65,214,407</b>	<b>14,173,429</b>

(a) Assessments in respect of 1979–80 income year issued during the period 1 July 1980 to 30 June 1981. (b) Net income is total assessable income less total deductions for expenses incurred in gaining assessable income. (c) Taxable income is the income remaining after deducting from assessable income all allowable deductions.

The above table excludes 26,807 assessments (with taxable income of \$194,635,000 and net tax of \$82,563,000) issued to trustees. Details of a further 80,838 assessments were not available for inclusion in this table. However, the following table includes all 1979–80 income year assessments issued during the period 1 July 1980 to 30 June 1981.

**COMMONWEALTH INCOME TAX ASSESSMENTS: TAXABLE INDIVIDUALS BY STATE OR  
TERRITORY OF RESIDENCE**  
(Income derived in the year 1979–80)

State or Territory of Residence	Number of taxpayers	Taxable income(a)	Net tax
		\$'000	\$'000
New South Wales . . . . .	2,028,770	23,743,256	5,261,742
Victoria . . . . .	1,601,118	18,353,575	4,020,630
Queensland . . . . .	808,843	9,021,782	1,900,309
South Australia . . . . .	523,926	5,780,982	1,210,471
Western Australia . . . . .	509,922	5,771,562	1,235,059
Tasmania . . . . .	163,515	1,856,290	397,858
Northern Territory(b) . . . . .	38,241	495,418	107,230
Australian Capital Territory . . . . .	96,281	1,293,803	313,642
<b>Australia . . . . .</b>	<b>5,770,616</b>	<b>66,316,669</b>	<b>14,446,940</b>

(a) Taxable income is the income remaining after deducting from assessable income all allowable deductions. (b) Assessments issued from South Australian Office.

### 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 tables show for the 1978–79 and 1979–80 income years numbers, total business income and net income of partnerships and trusts. Greater detail is published in the statistical supplement to the annual report of the Commissioner of Taxation and in the report itself.

## PARTNERSHIPS AND TRUSTS—INCOME YEAR 1978-79

Item		Partnerships	Trusts	Total
Number		488,196	178,014	666,210
Total business income	\$'000	16,479,619	3,270,297	19,749,916
Net income (a)	\$'000	5,393,213	1,327,265	6,720,478

(a) Total net income adjusted by subtraction of loss.

## PARTNERSHIPS AND TRUSTS INCOME YEAR 1979-80

Item		Partnerships	Trusts	Total
Number		484,779	192,198	676,977
Total business income	\$'000	18,209,360	5,094,799	23,304,159
Net income (a)	\$'000	5,897,173	1,696,991	7,594,164

(a) Total net income adjusted by subtraction of loss.

## Taxes on income—companies

For taxation purposes companies are divided into two main groups—public and private. A company is regarded as a public company if, broadly, its shares are on the official list of a stock exchange—in Australia or elsewhere and it is not capable of being controlled by relatively few individuals—or it is a co-operative, non-profit or mutual life insurance company or a Government established for public purposes. A subsidiary of a public company is itself classed as a public company, subject to its meeting certain tests specified in the Income Tax Assessment Act. A company that is not a 'public' company is classified as a 'private' company. Both public and private companies pay primary tax assessed on a taxable income ascertained on the same principles as for individuals.

**Rates of tax.** The rates of primary income tax for all companies and additional tax for private companies applicable to income years 1970-71 to 1980-81 are shown in the following table.

## RATES OF INCOME TAX: COMPANIES, 1970-71 TO 1980-81 INCOME YEARS

(Cents per \$)

Income years ended 30 June	Resident private company			Resident public company (a)		Non resident company			
	On taxable income		Additional tax on undistributed income	On taxable income		On dividends income		On other income	
	Up to \$10,000	On remainder		Up to \$10,000	On remainder	Up to \$10,000	On remainder	Up to \$10,000	On remainder
1971 and 1972	37.5	42.5	50	47.5	47.5	42.5	47.5	47.5	47.5
1973	45.0	45.0	50	47.5	47.5	47.5	47.5	47.5	47.5
1974	45.0	45.0	50	45.0	45.0	45.0	45.0	45.0	45.0
1975 and 1976	42.5	42.5	50	42.5	42.5	42.5	42.5	42.5	42.5
1977-1981	46.0	46.0	50	46.0	46.0	46.0	46.0	46.0	46.0

(a) Excludes co-operative, non-profit and life insurance companies.

For the income year ended 30 June 1974 the rate for companies other than friendly society dispensaries was 45 per cent, except that for the first \$10,000 of taxable income of co-operative and non-profit companies (other than friendly society dispensaries) the rate was 42.5 per cent. The rate for friendly society dispensaries was 37.5 per cent.

For the income years ended 30 June 1975 and 1976 the rate for companies other than friendly society dispensaries was 42.5 per cent and for friendly society dispensaries it was 37.5 per cent.

For the income years ended 30 June 1977 to 1981 the rates were 46 per cent and 41 per cent respectively. Tax exemption levels for these years are set out below.

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 \$2,311 the maximum amount payable is 50 per cent 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 \$2,542, 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.

Non-resident companies are also liable to additional tax at the rate of 5 per cent of the company's reduced taxable income. Reduced taxable income means the amount remaining after deducting from

Details in respect of company income-tax assessments for the 1978-79 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 1978-79)**

Grades 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 . . . . .	—	—	—	74,503	—	1,159,140
Nil . . . . .	—	—	—	50,745	—	—
1— 1,999 . . . . .	30,150	15,667	6,696	4,447	3,263	—
2,000— 9,999 . . . . .	19,166	99,028	40,420	4,942	25,344	—
10,000— 19,999 . . . . .	8,823	126,229	50,884	1,910	27,120	—
20,000— 39,999 . . . . .	7,294	206,623	84,037	1,220	33,994	—
40,000— 99,999 . . . . .	6,597	412,556	169,074	785	47,564	—
100,000— 199,999 . . . . .	2,927	409,843	168,199	277	37,287	—
200,000— 399,999 . . . . .	1,744	480,809	192,385	151	43,362	—
400,000— 999,999 . . . . .	1,260	796,227	305,955	112	65,818	—
1,000,000—1,999,999 . . . . .	581	821,421	296,043	30	38,394	—
2,000,000 and over . . . . .	647	6,336,174	2,119,052	35	226,947	—
<b>Total</b> . . . . .	<b>79,189</b>	<b>9,704,577</b>	<b>3,432,743</b>	<b>139,157</b>	<b>549,094</b>	<b>1,159,140</b>
New South Wales . . . . .	38,020	3,455,006	1,153,492	62,546	249,107	495,145
Victoria . . . . .	18,887	4,364,202	1,548,405	33,654	194,116	403,156
Queensland . . . . .	7,643	1,072,690	418,052	11,521	37,179	77,423
South Australia . . . . .	6,504	358,078	135,199	14,244	26,712	78,868
Western Australia . . . . .	4,782	315,277	131,358	10,328	18,223	59,869
Tasmania . . . . .	1,374	70,287	25,962	2,221	7,590	24,346
Northern Territory . . . . .	420	11,136	5,037	807	809	3,964
Australian Capital Territory . . . . .	1,559	57,901	15,239	3,836	15,358	16,369

(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.

**Income taxes collected.** The following table shows the net amounts of taxes collected and the proportions of the several components over recent years.

**COMMONWEALTH INCOME TAXES COLLECTED: COLLECTION YEARS 1975-76 TO 1980-81**[illegible]

**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 and superannuation funds during the collection years 1975-76 to 1980-81 were: 1975-76, \$1,535,935,000; 1976-77, \$1,501,555,000; 1977-78, \$1,218,225,000; 1978-79, \$1,407,257,000, 1979-80, \$1,478,387,000 and 1980-81, \$1,560,519,000

### Estate duty

Prior to 1 July 1979 estate duty was levied under the *Estate Duty Assessment Act* 1914 and was assessed on the net value of the estate less a statutory exemption. In respect of estates of persons who died after 21 November 1977 no duty was payable on that part of the estate which passed to or for the benefit of the deceased persons' widow or widower, children, grandchildren, parents or grandparents. Duty is not payable on estates of any person dying on or after 1 July 1979. For estates of persons who died before 1 July 1979, where no part of the estate passed to the relatives mentioned above, duty was payable on the net value less statutory exemption as follows:

-for qualifying estates of deceased primary producers—\$24,000

-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.

Additional information concerning a rural property rebate and higher exemption levels for primary producers, special exemptions for defence personnel and a quick succession rebate is given in Year Book No. 63, page 534.

The rates of duty remained unchanged from 1941 and increased as the value of the estate for duty increased, as follows: did 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 recent assessment years are given in the following table.

COMMONWEALTH ESTATE DUTY ASSESSMENTS

		1976-77	1977-78	1978-79	1979-80	1980-81
Estates . . . . .	No.	13,793	15,154	9,828	6,449	1,767
Gross value as assessed . . . . .	\$'000	1,208,236	1,443,967	980,304	n.a.	n.a.
Deductions(a) . . . . .	"	296,738	356,792	268,164	n.a.	n.a.
Statutory exemptions . . . . .	"	335,596	344,482	175,141	n.a.	n.a.
Dutiable value . . . . .	"	611,702	742,693	536,999	n.a.	n.a.
Net duty assessed . . . . .	"	73,512	99,050	76,301	41,434	10,434
Average dutiable value . . . . .	\$	44,349	49,010	54,640	n.a.	n.a.
Average duty assessed per estate . . . . .	\$	5,330	6,536	7,764	6,425	5,905

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

### Gift duty

Prior to 1 July 1979 the *Gift Duty Act* 1941 and the *Gift Duty Assessment Act* 1941 imposed a gift duty on gifts which were defined as dispositions of property made otherwise than by will, without adequate consideration in money or money's worth. Both the donor and the donee were liable to furnish a return, and both were jointly and severally liable for payment of the duty. However, if a return was furnished by the donor, the donee is relieved of this obligation. Under the *Gift Duty Assessment Act* 1978, gifts to the donor's spouse, children, grandchildren, parents or grandparents made after 21 November 1977 were not subject to duty. Gift duty is not levied on any gifts made after 1 July 1979.

Certain exemptions from duty were 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 Government or a State; and small gifts not exceeding \$100.

The rate of gift duty applicable to any particular gifts was 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 did not exceed \$10,000 no duty was payable. The rates of duty that applied to 30 June 1979 were (a) \$10,001 to \$20,000, 3 per cent provided that the gift duty payable did not exceed one half of the amount by which the gift exceeded \$10,000 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 recent assessment years are given in the following table.

## COMMONWEALTH GIFT DUTY ASSESSMENTS

		1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Assessments . . . . .	No.	6,564	7,480	4,352	995	875	233
Value as assessed . . . . .	\$'000	164,259	187,085	103,058	95,738	n.a.	n.a.
Duty assessed . . . . .	„	10,344	11,711	5,934	22,032	4,985	311

**Customs duties**

A description of the Australian Customs Tariff System is given in Chapter 24, Overseas Transactions. Details of duties collected on the import of commodities classified in accordance with the 'Brussels Nomenclature' are given in the following table.

**GROSS CUSTOMS DUTIES ON IMPORTS ACCORDING TO BRUSSELS TARIFF DIVISIONS**  
(S'000)

<i>Brussels Tariff Division</i>	<i>Source of receipts</i>	<i>1978-79</i>	<i>1979-80</i>	<i>1980-81</i>
1	Live animals; animal products . . . . .	968	1,320	966
2	Vegetable products . . . . .	1,252	2,305	2,937
3	Animal and vegetable fats and oils and their cleavage products; prepared edible fats; animal and vegetable waxes . . . . .	2,130	3,042	1,799
4	Prepared foodstuffs; beverages, spirits and vinegar; tobacco . . . . .	217,377	234,365	248,833
5	Mineral products . . . . .	2,941	3,801	4,700
6	Products of the chemical industry and allied industries . . . . .	24,678	51,785	53,084
7	Artificial resins and plastic materials, cellulose esters and ethers, and articles thereof; rubber, synthetic rubbers, factice and articles thereof . . . . .	72,138	96,815	100,521
8	Raw hides and skins, leather, furskins and articles thereof; saddlery and harness; travel goods, handbags and similar containers; articles of gut (other than silkworm gut) . . . . .	17,242	18,992	12,710
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 . . . . .	17,628	21,043	23,252
10	Paper-making material; paper and paperboard and articles thereof . . . . .	28,589	33,861	36,155
11	Textiles and textile articles . . . . .	189,841	199,637	214,798
12	Footwear, headgear, umbrellas, sunshades, whips, riding-crops and parts thereof; prepared feathers and articles made therewith; artificial flowers; articles of human hair; fans . . . . .	39,710	46,060	48,277
13	Articles of stone, of plaster, of cement, of asbestos, of mica and of similar materials; ceramic products; glass and glassware . . . . .	25,315	31,934	40,004
14	Pearls, precious and semi-precious stones, precious metals, rolled precious metals, and articles thereof; imitation jewellery; coin . . . . .	10,872	12,173	10,264
15	Base metals and articles of base metal . . . . .	68,903	87,166	100,983
16	Machinery and mechanical appliances; electrical equipment; parts therefor . . . . .	257,928	316,471	401,730
17	Vehicles, aircraft, and parts therefor; vessels and certain associated transport equipment . . . . .	330,322	327,634	423,874
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 reproducers, magnetic; parts therefor . . . . .	24,788	32,531	40,183
19	Arms and ammunition; parts therefor . . . . .	472	1,163	996
20	Miscellaneous manufactured articles . . . . .	45,319	53,560	59,374
21	Works of art, collectors' pieces and antiques . . . . .	510	578	647
22	Primage . . . . .	10,680	8,838	5,681
<b>Total customs duties and primage . . . . .</b>		<b>1,389,603</b>	<b>1,585,071</b>	<b>1,831,768</b>

The *net* receipts of custom duties into consolidated revenue fund for these years are 1978-79, \$1,363,041,000; 1979-80, \$1,538,064,000; and 1980-81, \$1,799,488,000.

Customs duties on imports as recorded in the Financial Statements prepared by the Minister for Finance for these years are: 1978-79, \$1,363,269,507; 1979-80, \$1,538,075,018; and 1980-81, \$1,799,507,666.



**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 GROSS REVENUE**  
(S'000)

<i>Source of revenue</i>	<i>1978-79</i>	<i>1979-80</i>	<i>1980-81</i>
Beer . . . . .	947,627	1,004,256	994,994
Spirits, including liqueurs, etc. . . . .	100,058	100,185	111,768
Tobacco (manufactured), snuff . . . . .	22,186	22,867	21,203
Cigars and cigarettes . . . . .	631,995	681,861	687,084
Aviation gasoline—by-law . . . . .	3,486	4,428	4,589
Aviation gasoline—other . . . . .	337	—	1
Other gasoline . . . . .	762,630	752,998	760,297
Mineral turpentine . . . . .	—	—	—
Coal tar and coke oven distillates, etc. . . . .	—	—	—
Aviation turbine kerosene . . . . .	45,659	46,232	48,138
Kerosene, n.e.i. . . . .	—	—	1
Diesel fuel—by-law . . . . .	98,732	107,743	116,819
Gasoline—commercial motor spirit/ethanol blends . . . . .	—	—	6
Playing cards . . . . .	140	116	57
Cigarette tubes, paper and papers . . . . .	803	790	590
Matches . . . . .	1,762	1,689	1,342
Wine—other than table wine (excise item 16) . . . . .	1	—	1
Petroleum and liquid petroleum gas (excise item 17) . . . . .	1,226,574	2,116,928	3,059,822
Coal . . . . .	10,422	10,767	11,663
Canned fruit . . . . .	285	160	—
Other and undistributed excise revenue . . . . .	5	4	—
<b>Total Gross Excise Duties . . . . .</b>	<b>3,852,702</b>	<b>4,851,025</b>	<b>5,818,374</b>
<b>Total Gross Customs, Primage and Excise Duties . . . . .</b>	<b>5,242,305</b>	<b>6,436,095</b>	<b>7,650,142</b>
<b>Total Customs, Primage and Excise Refunds and Drawbacks . . . . .</b>	<b>59,610</b>	<b>78,196</b>	<b>82,769</b>

Statistics of the value of duty included in the price of petroleum products purchased by Commonwealth Government departments and subsequently credited to those departments by the Department of Finance are not available. The *net* receipts into consolidated revenue fund for these years is: 1978-79, \$3,844,686,000; 1979-80, \$4,965,338,000; and 1980-81, \$2,726,125,000. The quantities of commodities on which excise duty was paid are given in chapter 24, Overseas Transactions, page . . . . . Commonwealth excise received, as recorded in the Financial Statement prepared by the Minister for Finance during these years are: 1978-79, \$3,844,819,457; 1979-81, \$4,964,954,815; and 1980-81, \$5,833,168,483.

**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* is 17.5 per cent and goods subject to special rates are taxed at either 2.5 per cent, 5 per cent or 30 per cent. Prior to 19 August 1981 these special rates were 2.5 per cent and 27.5 per cent.

Particulars of the sales of taxable goods in each rate class in each State for 1979-80 are given in the following table. The figures relate to sales during the period 1 July to 30 June.

**COMMONWEALTH SALES TAX: SALE VALUE OF TAXABLE GOODS INCLUDED IN RETURNS IN EACH RATE CLASS, 1979-80**

(\$'000)

State	Gross sales of goods taxable at various rates(a)				
	2½%	15%	27½%	Other	Total
New South Wales and A.C.T.	1,149,663	3,783,474	762,033	99,096	5,794,266
Victoria	964,242	3,060,376	341,225	69,311	4,435,154
Queensland	251,502	1,220,573	62,102	9,276	1,543,452
South Australia	236,397	684,168	46,790	14,802	982,157
Western Australia	148,446	627,667	42,316	8,918	827,347
Tasmania	33,954	162,398	8,597	3,189	208,138
Northern Territory	1,804	33,940	870	524	37,138
<b>Australia—1979-80</b>	<b>2,786,008</b>	<b>9,572,596</b>	<b>1,263,933</b>	<b>205,116</b>	<b>13,827,653</b>
1978-79	2,536,155	8,334,453	1,544,234	148,993	12,563,835
1977-78	2,358,989	6,081,979	2,820,401	105,818	11,367,172

(a) Estimated.

Sales of taxable goods included in returns lodged with the Australian Taxation Office and sales tax payable for Australia are shown in the following table for recent years.

**COMMONWEALTH SALES TAX: SALE VALUE OF GOODS INCLUDED IN RETURNS AND COLLECTIONS**

(\$ million)

Year of sale	Taxation Office		Bureau of Customs		Total net collections
	Gross taxable sales	Estimated net taxable sales(a)	Net collections	Net collections	
1974-75	7,739	7,345	1,103	51	1,154
1975-76	9,044	8,586	1,360	49	1,408
1976-77	10,752	10,220	1,589	61	1,650
1977-78	11,367(b)	10,709(b)	1,695	63	1,758
1978-79	12,564	11,739	1,699	71	1,770
1979-80	13,828(b)	13,187(b)	1,787	78	1,865
1980-81	15,713(b)	15,246	2,015	88	2,102

(a) Represents gross taxable sales less discounts, goods returned, bad debts and other adjustments. (b) Adjusted.

Sales tax is payable on goods transferred to stock for sale by retail 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*. 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 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 levies on primary production. Further information is given in Chapter 13, Agricultural Industries.

Expenditure on research, funded from industry levies, is usually matched dollar-for-dollar by the Commonwealth Government.

**Grain Export Inspection Charge.** Under the *Grain (Export Inspection Charge) Act 1979* a levy is imposed on exports of wheat, oats, barley and sorghum to recoup about half the cost of export grain

inspection. The levy is 4.5 cents per tonne on bulk grain, 25 cents per tonne on bagged grain and 29 cents per tonne on grain in containers.

*Wheat Export Charge, Wheat Levy and Wheat Tax.* For details see Chapter 13, Agricultural Industries.

*Wool Tax.* The *Wool Tax Acts* 1964 (Nos 1 to 5) As Amended, impose a levy of 8 per cent on the gross value of wool sold of which 5 per cent is levied for the market support activities of the Australian Wool Corporation and 3 per cent to provide the growers' contribution towards wool research (0.5 per cent) and promotion (2.5 per cent).

*Wool Inspection Fees.* Under the *Wool Industry Act* 1972, fees are imposed on the inspection of wool to recoup about half the cost of operating the Australian Wool Measurement Standards Authority. A fee for registering a wool sampling site is set at \$100 and is payable once only. The fee for providing pre-sale test certificates in respect of samples drawn at registered sites is currently 53 cents per certificate.

*Tobacco Charge.* The rates of Tobacco Charge currently collected under the *Tobacco Charges Acts* (Nos 1 to 3) 1955 and used to fund research into tobacco growing problems are:

- (a) in respect of leaf grown in Australia and sold to a manufacturer:
  - (i) 1.1 cents per kilogram of leaf, payable by the grower on leaf sold and
  - (ii) 2.2 cents per kilogram of leaf, payable by manufacturers on leaf purchased.

*Dairy Industry Stabilization Levy.* The Dairy Industry Stabilization Levy Act imposes a levy on the production of butter, butteroil, ghee, various milk powders, casein, caseinates and certain varieties of cheese. The levy is collected on products sold on the domestic market or used in the manufacture of other products. Basically the rate of levy is fixed at the difference between the domestic market return and the assessed average export return.

The purpose of the levy is to protect the domestic market through the equalisation of returns to manufacturers.

*Dairying Research and Promotion Levy.* The Dairying Industry Research and Promotion Levy Act 1972 provides for the imposition of a levy on all milk produced and sold in Australia. The Act provides for the levy to be payable by dairy farmers either on a whole milk or butterfat basis. Moneys collected from the levy finance the administration and promotional activities of the Australian Dairy Corporation and the industry contribution to the research programme recommended by the Australian Dairying Research Committee. The Dairying Industry Research and Promotion Levy Regulations prescribe levies of either 13.8 cents per 100 litres of whole milk or 345 cents per 100 kilograms of butterfat.

*Canned Fruits Levy.* The *Canned Fruits Levy Act* 1979 imposes a levy on the production of canned fruits in Australia.

The operative rates are:

Containers not exceeding 150 grams—0.6875 cents/doz. containers.

Containers exceeding 150 grams but not exceeding 320 grams—1.375 cents/doz. containers.

Containers exceeding 320 grams but not exceeding 490 grams—2.75 cents/doz. containers.

Containers exceeding 490 grams but not exceeding 680 grams—4.125 cents/doz. containers.

Containers exceeding 680 grams—5.5 cents/doz. containers plus 3.3 cents/doz. containers for each 450 grams by which the gross weight of the container exceeds 900 grams.

The funds raised are to be used to finance the operation of the Australian Canned Fruits Corporation.

*Canning Fruit Charge.* The *Canning Fruit Charge Act* 1959 imposes a charge on the intake of canning apricots, peaches and pears by fruit canneries. The rate currently prescribed by regulation is 50 cents per tonne. The revenue collected by way of the charge funds the operations of the Australian Canned Fruit Sales Promotion Committee.

*Honey Levy.* The *Honey Levy Acts* (Nos 1 & 2) 1962 impose a levy of 2.05 cents per kilogram on honey sold for domestic consumption.

*Honey Export Charge.* The *Honey Export Charge Act* 1973 imposes a charge of 0.75 cents per kilogram on honey exports.

The funds are used to finance the operations of the Australian Honey Board and provide the industry's contribution to research.

*Livestock Slaughter Levy.* The *Livestock Slaughter Levy Act* 1964 imposes a levy which is payable on all cattle, calves, bobby calves, sheep, lambs, goats and buffaloes slaughtered for human consumption. The funds are used by the Australian Meat and Livestock Corporation (AMLC) for marketing and promotion, by the Australian Meat Research Committee (AMRC) for production and economic research and by the CSIRO for meat processing research. The Slaughter Levy also provides the funds for the eradication of brucellosis and tuberculosis in cattle and buffaloes.

The levies are:

	Cents/Head		CSIRO processing research	Disease eradication	Total
	AMLC	AMRC			
Cattle . . . . .	75	25	2	300	402
Calves . . . . .	27	9	1	100	137
Bobby calves . . . . .	7.5	2.5	0.2	30	40.2
Sheep, lambs, goats . . . . .	7.5	3.33	0.2	—	11.03
Buffaloes . . . . .	75	25	2	300	402

**Livestock Slaughter—Export Inspection Charge.** Under the *Livestock Slaughter (Export Inspection Charge) Act 1979*, a charge is imposed on livestock slaughtered at export works to recoup about half of the cost of meat inspection incurred by the Commonwealth Government. The charges are:

Cattle (180 cents/head), calves (60 cents/head), bobby calves (18 cents/head), sheep, lambs and goats (18 cents/head), buffaloes (180 cents/head), horses, donkeys, mules (180 cents/head), pigs (60 cents/head).

**Export Inspection Charge—Overtime Recoveries—Meat.** Under the *Customs Act 1901* and the *Commerce (Trade Descriptions) Act 1905*, a levy at the rate prescribed in the Export Meat Regulations is levied on export meat-works to recover fully the cost of providing export meat inspection services outside normal hours.

**Livestock Export Charge.** The *Livestock Export Charge Act 1977* imposes charges which apply to all cattle, buffaloes, sheep, lambs and goats exported live from Australia. The funds are allocated to the Australian Meat and Livestock Corporation (AMLC), the Australian Meat Research Committee (AMRC) and for disease eradication.

The charges are:

	Cents/Head		Disease eradication	Total
	AMLC	AMRC		
Cattle . . . . .	75	25	300	400
Sheep, lambs, goats . . . . .	7.5	3.33	—	10.83
Buffaloes . . . . .	75	25	300	400

**Export Inspection Charges—Miscellaneous.** By arrangement, Commonwealth inspectors are provided to (i) abattoirs that are not registered export establishments to inspect meat for domestic consumption, (ii) State Dried Fruit Boards to inspect dried fruit for domestic use and to (iii) Australian Wheat Board for the issue of quality certificates.

The inspection charge in those cases is arrived at by agreement between the parties concerned.

**Export Inspection Charge—Overtime Recoveries—Products Other than Meat.** Fees are levied to recover the cost of providing export inspection, outside normal hours, for a number of products including field and horticultural crops, fish and dairy products. The fees are prescribed by the *Export Regulations* to the *Commerce (Trade Descriptions) Act, 1905* and *Customs Act 1901*.

**Pig Slaughter Levy.** A slaughter levy under the *Pig Slaughter Levy Act 1971* is payable on all pigs slaughtered for human consumption. The funds are used by the Australian Pig Industry Research Committee for production and marketing research and by the Piguement Promotion Advisory Committee for promotional activities within Australia. The present operative levy is 21 cents per pig. Of this amount 20 cents is for promotion and 10 cents for research.

**Meat Chicken Levy.** A levy is payable under the *Meat Chicken Levy Act 1969* on meat chickens hatched for human consumption. The funds are used by the Australian Chicken Meat Research Committee for research into problems associated with the chicken meat industry. The operative rate of levy is 0.1 cent per chicken.

**Poultry Industry Levy.** The *Poultry Industry Levy Act 1965* imposes a levy on domesticated fowls kept for commercial purposes. The operative rate of levy is 7.5 cents per bird per fortnight with a maximum of \$2.00 per hen per annum. The levy is designed to provide assistance to the poultry industry.

**Wine Grapes Levy.** The *Wine Grapes Levy Act 1979* imposes a levy on prescribed goods used at a winery in Australia in the manufacture of wine. The operative rate of levy is \$2.40 per tonne of fresh grapes with provision for conversion of dried grapes and grape juice to their fresh grape equivalents. Funds raised by the levy are used to finance the Australian Wine and Brandy Corporation.

*Dried Fruits Export Charges.* The *Dried Fruits Export Charges Act* 1924 imposes a levy of \$4.50 per tonne on the export of dried currants, sultanas and raisins. The funds are used to finance the Australian Dried Fruits Corporation.

*Dried Vine Fruits Equalisation Levy.* The *Dried Vine Fruits Equalisation Levy Act* 1978 imposes a levy on domestic sales of dried vine fruit which is equal to the difference between the assessed returns per tonne from the domestic market and the assessed average returns per tonne from export. The purpose of the levy is to facilitate the equalisation of returns to producers from all markets. Because of the buoyant nature of the export market for dried vine fruit, no levies applied in either the 1979, 1980 or 1981 seasons.

*Dried Fruits Levy.* The *Dried Fruits Levy Act* 1971 imposes a levy on dried fruits of a season received for packing in order to fund industry research programmes. The operative rates of levy are for dried vine fruits \$1.00 per tonne, dried tree fruits \$5.00 per tonne and dried plums \$2.50 per tonne.

*Dried Fruit—Export Inspection Charge.* Under the *Dried Fruit (Export Inspection Charge) Act* 1981, a charge is imposed on all dried fruit exported from Australia to recoup about half the cost of export inspection incurred by the Commonwealth Government. The operative charge is \$5.50 per tonne.

*Apple and Pear Levy.* The *Apple and Pear Levy Act* 1976 imposes a levy on the production and sale of apples and pears in Australia excluding fruit sent for export and pears delivered for the manufacture of canned fruit. The rates of the levy are: fresh market 5 cents per box; juicing 50 cents per tonne; processing \$1.00 per tonne.

The *Apple and Pear Export Charge Act* 1976 provides for the imposition of a charge on apples and pears exported from Australia. The rate of charge is 5 cents per box.

Monies collected from both the levy and the export charge are used to fund the operations of the Australian Apple and Pear Corporation.

*Barley Research Levy.* The *Barley Research Levy Act* 1980 imposes a levy on barley delivered for sale. The levy is disbursed for research by State barley research committees. The operative rate of levy is 15 cents per tonne.

*Oilseeds Research Levy.* The *Oilseeds Levy Act* 1977 imposes a levy on the production of sunflower seed, safflower seed, soybeans, linseed and rapeseed. The levy is used to fund research programmes. The operative rate of levy is \$1 per tonne.

*Fishing Licences and Charges.* Under the *Fisheries Act* 1952 and the *Continental Shelf (Living Natural Resources) Act* 1968, domestic and foreign boats and crews may be licensed to fish in the Australian Fishing Zone. Other charges such as access fees for foreign countries are also levied under the Fisheries Act. The rate of licence fees is set out in the Fisheries Regulations and Continental Shelf (Living Natural Resources) regulations.

*Fish—Export Inspection Charge.* Under the *Fish (Export Inspection Charge) Act* 1981, a charge is imposed on fish for which an export permit has been issued to recoup about half the cost of inspection incurred by the Commonwealth. The charges are:

- Rock lobster—3.9 cents per kilogram
- All other shellfish except oysters, squid, cuttlefish and octopus—2.5 cents per kilogram
- All other fish except oysters in the shell or half shell—0.34 cents per kilogram
- Oysters in the shell or half shell—1.0 cents per dozen.

**COMMONWEALTH PRIMARY PRODUCTION TAXES**  
(**\$'000**)

	1977-78	1978-79	1979-80	1980-81
Apple and pear export charge . . . . .	162	212	197	216
Apple and pear export duty . . . . .	—	129	11	444
Apple and pear levy . . . . .	621	565	627	604
Barley research levy . . . . .	—	—	—	314
Butterfat levy . . . . .	—	—	—	—
Canned fruit export charge (replaced by canned fruit levy 1.1.80) . . . . .	131	176	133	718
Canning fruit charge . . . . .	67	123	99	58
Dairy industry stabilization levy . . . . .	53,085	80,255	93,549	82,384
Dairying research and promotion levy . . . . .	3,360	5,674	5,689	6,119
Dried fruits export charge . . . . .	147	227	189	236
Dried fruits levy . . . . .	86	89	90	119
Dried vine fruits levy . . . . .	—	—	—	1,187
Honey export charge . . . . .	13	24	56	51
Honey levy . . . . .	158	186	200	233
Livestock slaughter levy—				
Cattle . . . . .	5,928	5,734	7,305	6,916
Pigs . . . . .	483	572	769	1,086
Sheep and lambs . . . . .	1,377	1,311	3,165	3,261
Goats, buffalo, calves and bobby calves . . . . .	—	—	281	296
Eradication of disease . . . . .	10,498	9,710	20,453	21,072
Meat export charge—				
Cattle meat . . . . .	98	31	46	118
Other meat . . . . .	56	289	771	918
Oil seeds research levy . . . . .	89	375	409	277
Meat chicken levy . . . . .	183	189	234	235
Poultry industry levy . . . . .	10,807	10,603	17,834	20,939
Tobacco charge . . . . .	495	514	504	519
Wheat export charge . . . . .	—	60,000	—	30,000
Wheat tax . . . . .	1,286	3,466	3,085	2,012
Wheat levy . . . . .	—	—	—	38,318
Wine grapes charges (replaced by wine grapes levy 1.7.79) . . . . .	1,109	1,030	1,174	65
Wine grapes levy . . . . .	—	—	—	1,224
Wool tax . . . . .	89,129	101,608	121,400	132,864
<b>Total . . . . .</b>	<b>179,368</b>	<b>283,092</b>	<b>278,270</b>	<b>352,803</b>

**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 not changed after its inception, but the general exemption was increased over the years from \$173.33 to \$1,733.33 per month (\$2,080 per annum to \$20,800 per annum).

From 1 September 1971, in accordance with an agreement between the Commonwealth Government and the States following the June 1971 Premiers' Conference, the Commonwealth Government vacated the pay-roll tax field in favour of the States. It continued, however, to impose pay-roll tax in 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*.

From 1 December 1974 the rate of tax payable in the Territories has been 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.

The *Pay-roll Tax (Territories) Assessment Act 1976* raised the level of the general exemption from pay-roll tax in the Territories from \$20,800 to \$48,000 per annum with effect from 1 January 1977. However the exemption was reduced by \$2 for every \$3 by which the annual pay-roll exceeded \$48,000. The maximum general exemption was increased to \$60,000 from 1 July 1978 under the *Pay-roll (Territories) Assessment Amendment Act 1978*. Commonwealth pay-roll tax in the Northern Territory was terminated from 1 July 1978 by the *Pay-roll Tax (Territories) Assessment Amendment Act (No. 2) 1978* giving the Territory the right to levy its own pay-roll tax.

The *Pay-roll Tax (Territories) Assessment Amendment Act 1979* increased the maximum exemption level in the Australian Capital Territory to \$66,000 with effect from 1 January 1979. The exemp-

tion level was further increased to \$72,000 with effect from 1 January 1980 under the *Pay-roll Tax (Territories) Assessment Amendment Act* 1980. Phasing out remains at \$2 for each \$3 by which the annual wages payable exceed the maximum exemption level.

Gross collections of pay-roll tax in 1978-79 and 1979-80 amounted to \$16,229,418 and \$15,706,287 respectively.

#### **Gross operating surplus of public enterprises**

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

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

**COMMONWEALTH AUTHORITIES: PUBLIC TRADING ENTERPRISES(a): REVENUE, WORKING  
EXPENSES AND GROSS OPERATING SURPLUS, CLASSIFIED BY INDUSTRY**

(\$ million)

Industry	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
<b>REVENUE</b>						
Manufacturing . . . . .	34.0	48.9	54.7	58.5	74.3	65.2
Electricity . . . . .	76.0	84.1	96.2	105.1	100.6	105.6
Water supply, sewerage and drainage . . . . .	5.0	7.6	9.6	12.5	12.9	14.2
Transport and communication—						
Air transport . . . . .	592.5	704.7	808.7	929.7	1,074.3	1,336.4
Rail transport . . . . .	41.4	108.2	122.9	121.7	131.4	157.6
Sea transport . . . . .	145.5	204.3	282.6	319.4	372.7	422.9
Urban transit systems . . . . .	9.3	14.0	16.8	15.8	10.2	11.0
Pipelines . . . . .	—	—	2.8	11.7	18.1	23.4
Communication . . . . .	1,444.0	2,008.7	2,314.7	2,521.3	2,811.9	3,121.1
Total transport, etc. . . . .	2,232.7	3,039.9	3,548.4	3,919.5	4,418.7	5,072.4
Commerce . . . . .	43.4	207.9	149.6	249.8	360.4	199.1
Property and business services—						
Housing . . . . .	21.9	23.0	22.6	27.6	25.6	27.9
Other . . . . .	18.7	25.5	25.7	36.5	38.7	43.5
Total property, etc. . . . .	40.6	48.4	48.3	64.1	64.3	71.4
Community, social and personal services . . . . .	16.9	22.8	22.7	28.1	42.7	52.6
<b>Total revenue . . . . .</b>	<b>2,448.5</b>	<b>3,459.6</b>	<b>3,929.5</b>	<b>4,437.6</b>	<b>5,073.9</b>	<b>5,580.5</b>
<b>WORKING EXPENSES(b)</b>						
Manufacturing . . . . .	35.0	46.9	52.4	55.6	68.6	60.1
Electricity . . . . .	29.3	37.3	48.3	56.9	39.7	48.4
Water supply, sewerage and drainage . . . . .	3.9	4.9	6.1	7.3	5.8	6.8
Transport and communication—						
Air transport . . . . .	550.7	647.6	722.7	833.8	969.2	1,267.5
Rail transport . . . . .	50.6	154.3	170.1	184.9	187.0	205.2
Sea transport . . . . .	136.8	184.2	231.2	260.4	312.8	377.7
Urban transit systems . . . . .	12.3	16.7	19.1	20.0	16.0	19.2
Pipelines . . . . .	—	—	1.4	3.4	3.1	3.7
Communication . . . . .	986.1	1,219.8	1,456.4	1,600.6	1,769.8	1,989.2
Total transport, etc. . . . .	1,736.4	2,222.6	2,601.0	2,903.0	3,258.0	3,862.6
Commerce . . . . .	68.6	248.3	160.7	255.0	348.6	190.0
Property and business services—						
Housing . . . . .	23.9	24.4	24.4	28.8	30.1	33.4
Other . . . . .	18.2	24.3	23.8	35.0	37.0	42.2
Total property, etc. . . . .	42.1	48.8	48.2	63.8	67.1	75.6
Community, social and personal services . . . . .	14.1	19.7	19.1	24.0	34.2	42.2
<b>Total working expenses . . . . .</b>	<b>1,929.3</b>	<b>2,628.4</b>	<b>2,935.8</b>	<b>3,365.6</b>	<b>3,822.1</b>	<b>4,285.7</b>
<b>GROSS OPERATING SURPLUS</b>						
Manufacturing . . . . .	-1.0	2.0	2.3	2.9	5.6	5.0
Electricity . . . . .	46.7	46.8	47.9	48.2	60.9	57.3
Water supply, sewerage and drainage . . . . .	1.1	2.6	3.5	5.2	7.0	7.4
Transport and communication—						
Air transport . . . . .	41.8	57.1	86.0	95.9	105.1	68.9
Rail transport . . . . .	-9.2	-46.1	-47.2	-63.2	-55.5	-47.6
Sea transport . . . . .	8.7	20.1	51.4	59.0	60.0	45.2
Urban transit systems . . . . .	-3.0	-2.7	-2.4	-4.1	-5.8	-8.5
Pipelines . . . . .	—	—	1.4	8.3	15.0	19.7
Communication . . . . .	458.0	788.9	858.2	920.7	1,042.1	1,131.9
Total transport, etc. . . . .	496.3	817.3	947.5	1,016.5	1,160.7	1,209.8
Commerce . . . . .	-25.1	-40.4	-11.1	-5.3	11.8	9.1
Property and business services—						
Housing . . . . .	-2.1	-1.5	-1.8	-1.2	-4.5	-5.5
Other . . . . .	0.5	1.2	1.8	1.6	1.7	1.2
Total property, etc. . . . .	-1.6	-0.3	—	0.4	-2.9	-4.3
Community, social and personal services . . . . .	2.9	3.2	3.6	4.0	8.5	10.4
<b>Total gross operating surplus . . . . .</b>	<b>519.2</b>	<b>831.2</b>	<b>993.8</b>	<b>1,072.0</b>	<b>1,251.8</b>	<b>1,294.7</b>

(a) Excludes Northern Territory public trading enterprises from 1978-79.

(b) 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, nor 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 such fields as construction and maintenance of roads and bridges, provision of water supply and sewerage services, harbour facilities, transport, electricity and gas, housing and banking may be found in chapters relevant to those subjects and in State Year Books.

Details of the transactions of State authorities are given in the tables which follow. Reference should be made to the introduction of *State and Local Government Finance, Australia* (5504.0) for definitions and descriptions of items appearing in these tables, and also for further details of the organisations covered by the figures. Additional information relating to the activities of the State authorities may also be found in the Year Books of the individual States.

### Coverage—Northern Territory government authorities

On 1 July 1978 the Northern Territory became self-governing with expenditure responsibilities and revenue raising powers broadly approximating those of a State. In the period up to and including 1977–78 receipts and outlays relating to the Northern Territory are included with Commonwealth receipts and outlays but from 1978–79 onwards they have been grouped with the receipts and outlays of State authorities.

**Outlay and receipts**

The outlay and receipts of State authorities for the six year period ended 1979-80 are given in the following table.

**STATE AUTHORITIES(a): OUTLAY AND RECEIPTS**  
(\$ million)

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
<b>OUTLAY</b>						
Final consumption expenditure . . . . .	5,247.9	6,825.6	8,147.1	9,253.2	10,237.1	11,645.3
Gross capital formation—						
Increase in stocks . . . . .	55.2	30.8	29.7	63.5	36.5	65.4
Expenditure on new fixed assets . . . . .	3,310.6	3,903.8	4,187.2	4,762.3	5,196.8	5,624.7
Expenditure on existing assets (net) . . . . .	232.3	179.8	148.0	106.3	82.3	6.2
<i>Total gross capital formation</i> . . . . .	<i>3,598.0</i>	<i>4,114.4</i>	<i>4,364.9</i>	<i>4,932.0</i>	<i>5,315.6</i>	<i>5,696.3</i>
Transfer payments—						
Interest . . . . .	1,099.9	1,248.1	1,491.1	1,744.1	2,004.5	2,240.3
Personal benefit payments . . . . .	185.4	220.2	247.2	280.2	285.1	308.6
Subsidies . . . . .	40.2	46.1	58.4	89.4	101.2	112.4
Transfers overseas . . . . .	0.1	0.1	0.1	0.1	0.1	0.1
Grants for private capital purposes . . . . .	57.1	57.7	49.8	64.4	73.2	65.2
Grants to local authorities . . . . .	282.5	347.3	414.1	479.0	512.4	587.2
<i>Total transfer payments</i> . . . . .	<i>1,665.3</i>	<i>1,919.5</i>	<i>2,260.7</i>	<i>2,657.2</i>	<i>2,976.7</i>	<i>3,313.8</i>
Net advances—						
To the private sector . . . . .	147.9	170.0	189.7	212.3	111.3	104.5
To public financial enterprises . . . . .	96.6	88.1	87.3	113.2	91.0	53.8
To local authorities . . . . .	17.9	18.6	16.0	9.3	12.8	8.9
<i>Total net advances</i> . . . . .	<i>262.4</i>	<i>276.7</i>	<i>293.0</i>	<i>334.9</i>	<i>215.1</i>	<i>167.3</i>
<i>Total outlay</i> . . . . .	<i>10,773.6</i>	<i>13,136.2</i>	<i>15,065.7</i>	<i>17,177.2</i>	<i>18,744.5</i>	<i>20,822.7</i>
<i>of which—</i>						
current outlay . . . . .	6,678.7	8,480.7	10,146.1	11,613.7	12,897.6	14,625.7
capital outlay . . . . .	4,094.9	4,655.6	4,919.7	5,563.5	5,846.9	6,197.0
<b>RECEIPTS AND FINANCING ITEMS</b>						
Receipts—						
Taxes, fees, fines, etc. . . . .	2,791.7	3,469.0	3,972.9	4,299.8	4,666.8	5,263.7
Income from public enterprises . . . . .	206.8	332.5	354.6	382.3	461.7	663.6
Property income . . . . .	466.4	489.5	645.5	755.7	803.1	1,028.0
Grants from the Commonwealth Government—						
for current purposes . . . . .	3,735.0	5,427.5	6,110.2	7,215.3	8,137.9	9,079.6
for capital purposes . . . . .	1,409.8	1,556.6	1,537.3	1,508.9	1,483.8	1,565.8
Grants from local authorities . . . . .	26.0	32.6	32.3	36.2	35.8	52.3
<i>Total receipts</i> . . . . .	<i>8,635.6</i>	<i>11,307.7</i>	<i>12,652.7</i>	<i>14,198.3</i>	<i>15,589.1</i>	<i>17,653.0</i>
Financing items—						
Net borrowing—						
Public trading enterprises . . . . .	421.3	561.2	662.8	887.7	1,182.8	1,427.1
General government . . . . .	72.3	112.2	126.2	120.4	205.5	269.8
Advances from the Commonwealth Government (net)—						
For loan works purposes . . . . .	592.2	708.7	744.7	784.8	770.6	704.5
Other . . . . .	632.7	663.8	533.4	476.3	356.6	191.1
Net receipts of private trust funds . . . . .	151.3	32.7	244.1	230.1	241.9	250.5
Reduction in cash and bank balances . . . . .	-32.3	-741.3	-408.5	-31.4	-240.5	-144.6
Reduction in security holdings—						
Investment of private trust funds . . . . .	-50.8	11.8	-61.5	-95.7	-113.8	-135.1
Investment of governmental trust funds and public corporations . . . . .	-1.0	-4.7	-58.1	-120.5	-53.4	-77.3
Other funds available (including errors and omissions)—						
Depreciation allowances . . . . .	265.8	308.8	354.3	410.5	467.0	496.2
Other . . . . .	86.5	175.6	275.7	316.5	338.8	187.4
<i>Total financing items</i> . . . . .	<i>2,138.0</i>	<i>1,828.5</i>	<i>2,413.0</i>	<i>2,978.9</i>	<i>3,155.3</i>	<i>3,169.7</i>
<i>Total funds available</i> . . . . .	<i>10,773.6</i>	<i>13,136.2</i>	<i>15,065.7</i>	<i>17,177.2</i>	<i>18,744.5</i>	<i>20,822.7</i>

(a) Excludes financial enterprises. Includes Northern Territory authorities from 1978-79.

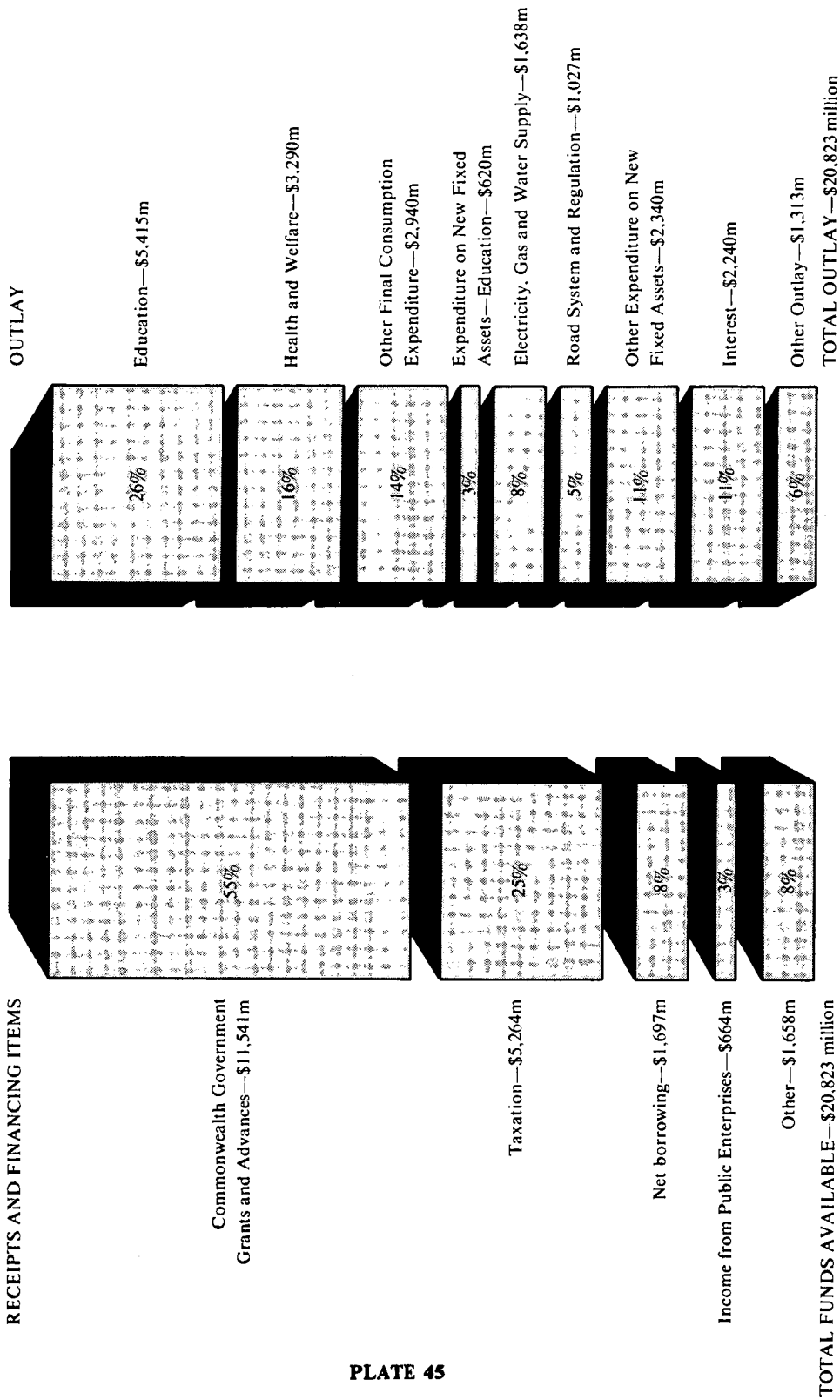
The following table provides details of the outlay and receipts of State authorities in each of the six States and the Northern Territory.

**STATE AUTHORITIES(a): OUTLAY AND RECEIPTS BY STATE, 1979-80**  
(\$ million)

	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Tas.</i>	<i>N.T.</i>	<i>Total</i>
<b>OUTLAY</b>								
Final consumption expenditure . . . . .	3,935.9	3,033.8	1,619.5	1,140.0	1,199.2	439.1	278.0	11,645.3
Gross capital formation—								
Increase in stocks . . . . .	12.9	19.2	2.2	4.5	20.0	2.3	4.3	65.4
Expenditure on new fixed assets . . . . .	1,754.0	1,592.6	921.7	393.6	568.4	215.1	179.2	5,624.7
Expenditure on existing assets (net) . . . . .	10.0	-1.9	-2.1	17.6	-0.9	-5.2	-11.3	6.2
<i>Total gross capital formation</i> . . . . .	<i>1,776.9</i>	<i>1,609.9</i>	<i>921.7</i>	<i>415.8</i>	<i>587.5</i>	<i>212.2</i>	<i>172.2</i>	<i>5,696.3</i>
Transfer payments—								
Interest . . . . .	696.4	675.2	355.1	225.7	170.9	102.9	14.3	2,240.3
Personal benefit payments . . . . .	145.0	64.0	35.3	23.1	27.3	13.4	0.5	308.6
Subsidies . . . . .	46.8	37.7	11.2	7.1	4.8	5.0	0.1	112.4
Transfers overseas . . . . .	-	-	-	-	-	-	-	0.1
Grants for private capital purposes . . . . .	26.2	18.2	9.6	6.8	3.1	0.5	0.7	65.2
Grants to local authorities . . . . .	184.8	149.0	133.6	34.5	57.2	20.1	8.0	587.2
<i>Total transfer payments</i> . . . . .	<i>1,099.3</i>	<i>944.0</i>	<i>544.7</i>	<i>297.3</i>	<i>263.3</i>	<i>141.9</i>	<i>23.4</i>	<i>3,313.8</i>
Net advances—								
To the private sector . . . . .	-16.5	33.8	67.6	-11.9	0.8	5.7	25.1	104.5
To public financial enterprises . . . . .	26.1	2.1	-	24.4	-1.2	2.5	-	53.8
To local authorities . . . . .	1.6	2.2	3.9	-0.7	-0.5	2.4	-	8.9
<i>Total net advances</i> . . . . .	<i>11.2</i>	<i>38.1</i>	<i>71.6</i>	<i>11.7</i>	<i>-0.9</i>	<i>10.5</i>	<i>25.1</i>	<i>167.3</i>
<i>Total outlay</i> . . . . .	<i>6,823.3</i>	<i>5,625.7</i>	<i>3,157.4</i>	<i>1,864.7</i>	<i>2,049.1</i>	<i>803.7</i>	<i>498.7</i>	<i>20,822.7</i>
of which—								
current outlay . . . . .	4,932.1	3,907.6	2,073.2	1,415.9	1,425.4	575.7	295.8	14,625.7
capital outlay . . . . .	1,891.2	1,718.1	1,084.2	448.9	623.7	228.0	202.9	6,197.0
<b>RECEIPTS AND FINANCING ITEMS</b>								
Receipts—								
Taxes, fees, fines, etc. . . . .	2,084.9	1,591.1	607.9	411.4	420.0	122.5	26.0	5,263.7
Income from public enterprises . . . . .	135.7	308.5	120.4	53.6	16.6	49.4	-20.5	663.6
Property income . . . . .	313.0	222.6	224.6	81.9	146.1	27.2	12.5	1,028.0
Grants from the Commonwealth								
Government—								
for current purposes . . . . .	2,859.5	2,148.7	1,446.6	955.5	1,002.9	375.5	291.0	9,079.6
for capital purposes . . . . .	487.3	350.7	264.0	157.3	160.1	77.8	68.7	1,565.8
Grants from local authorities . . . . .	14.9	10.3	6.0	6.4	2.6	12.1	-	52.3
<i>Total receipts</i> . . . . .	<i>5,895.3</i>	<i>4,631.7</i>	<i>2,669.5</i>	<i>1,666.0</i>	<i>1,748.3</i>	<i>664.6</i>	<i>377.6</i>	<i>17,653.0</i>
Financing items—								
Net borrowing—								
Public trading enterprises . . . . .	357.8	678.2	169.0	60.6	100.4	61.1	-	1,427.1
General government . . . . .	85.9	7.0	114.4	18.5	15.5	2.7	25.9	269.8
Advances from the Commonwealth								
Government (net)—								
For loan works purposes . . . . .	202.4	160.3	84.0	83.7	57.7	46.7	69.7	704.5
Other . . . . .	58.2	44.8	29.8	25.9	20.2	3.4	8.7	191.1
Net receipts of private trust funds . . . . .	4.8	58.7	137.1	9.5	29.6	10.8	-	250.5
Reduction in cash and bank balances . . . . .	72.0	-50.1	-127.1	-71.2	34.1	-1.3	-0.9	-144.6
Reduction in security holdings—								
Investments of private trust funds . . . . .	0.3	-72.0	-	-12.2	-41.1	-10.2	-	-135.1
Investments of governmental trust funds and public corporations . . . . .	-42.1	-25.5	-12.1	1.4	-0.9	1.8	-	-77.3
Other funds available (including errors and omissions)—								
Depreciation allowances . . . . .	185.4	122.9	67.4	49.1	53.8	11.4	6.1	496.2
Other . . . . .	3.4	69.5	25.5	33.2	31.3	12.8	11.5	187.4
<i>Total financing items</i> . . . . .	<i>928.0</i>	<i>993.9</i>	<i>488.0</i>	<i>198.7</i>	<i>300.8</i>	<i>139.2</i>	<i>121.1</i>	<i>3,169.7</i>
<i>Total funds available</i> . . . . .	<i>6,823.3</i>	<i>5,625.7</i>	<i>3,157.4</i>	<i>1,864.7</i>	<i>2,049.1</i>	<i>803.7</i>	<i>498.7</i>	<i>20,822.7</i>

(a) Excludes financial enterprises.

STATE AUTHORITIES, 1979-80



## Main components of outlay

The main component of the outlay of State authorities is expenditure on goods and services. As in the case of authorities of the Commonwealth Government, this expenditure consists mainly of final consumption expenditure and expenditure on new fixed assets. The following tables show final consumption expenditure and expenditure on new fixed assets classified by purpose for State authorities.

**STATE AUTHORITIES(a): FINAL CONSUMPTION EXPENDITURE CLASSIFIED BY PURPOSE**  
(*\$ million*)

<i>Purpose</i>	<i>1974-75</i>	<i>1975-76</i>	<i>1976-77</i>	<i>1977-78</i>	<i>1978-79</i>	<i>1979-80</i>
<b>General public services—</b>						
Law, order and public safety . . . . .	541.0	658.9	771.8	881.7	995.8	1,176.7
General administration, n.e.c. . . . .	337.6	413.0	510.2	591.3	668.7	781.7
Education . . . . .	2,596.2	3,222.6	3,871.9	4,388.1	4,764.6	5,415.4
Health . . . . .	1,207.2	1,835.8	2,209.8	2,486.6	2,761.8	3,076.3
Social security and welfare . . . . .	89.4	108.5	123.6	147.2	180.7	213.8
<b>Housing and community amenities—</b>						
Housing . . . . .	3.1	4.4	5.4	3.9	4.5	4.0
Community and regional development . . . . .	16.0	20.7	24.1	26.4	35.7	35.7
Protection of the environment, and community amenities . . . . .	12.0	17.6	22.0	24.8	28.3	32.5
Recreation and culture . . . . .	58.9	79.5	97.6	120.8	146.9	168.2
<b>Economic services—</b>						
Agriculture, forestry, fishing . . . . .	228.1	268.3	297.8	340.6	374.0	429.6
Mining, manufacturing and construction . . . . .	37.1	45.4	48.4	54.3	62.1	73.2
Electricity, gas and water supply . . . . .	4.4	7.6	6.1	8.1	9.6	9.7
Rail transport (b) . . . . .	1.2	1.4	1.0	1.2	0.7	1.0
Sea transport . . . . .	3.9	4.1	4.6	5.3	2.5	1.9
Road systems and regulation . . . . .	10.8	12.1	15.2	15.1	18.9	20.4
Other transport services, n.e.c. . . . .	2.4	4.5	4.2	4.0	7.0	9.6
Other economic services(c) . . . . .	97.5	120.3	132.0	151.7	173.6	193.8
Other purposes . . . . .	1.3	0.9	1.3	2.1	2.0	2.1
<b>Total . . . . .</b>	<b>5,247.9</b>	<b>6,825.6</b>	<b>8,147.1</b>	<b>9,253.2</b>	<b>10,237.1</b>	<b>11,645.3</b>

(a) Includes Northern Territory authorities from 1978-79.  
  tration, regulation and research.

(b) Includes suburban rail transport systems.

(c) Includes general admini-

**STATE AUTHORITIES(a): FINAL CONSUMPTION EXPENDITURE CLASSIFIED BY PURPOSE 1979-80**  
(*\$ million*)

	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Tas.</i>	<i>N.T.</i>	<i>Total</i>
<b>General public services—</b>								
Law, order and public safety . . . . .	419.3	265.6	179.8	110.1	125.7	42.2	33.8	1,176.7
General administration, n.e.c. . . . .	279.5	164.8	118.1	58.5	70.8	39.6	50.4	781.7
Education . . . . .	1,825.4	1,564.5	712.0	555.6	505.0	181.6	71.3	5,415.4
Health . . . . .	1,098.0	751.6	407.1	291.0	362.2	107.1	59.5	3,076.3
Social security and welfare . . . . .	51.1	60.9	42.9	20.9	19.4	5.9	12.7	213.8
<b>Housing and community amenities—</b>								
Housing . . . . .	-0.7	1.6	-1.0	1.0	0.6	0.8	1.6	4.0
Community and regional development . . . . .	11.7	14.8	—	4.1	1.9	0.7	2.5	35.7
Protection of the environment, and community amenities . . . . .	6.8	12.4	2.1	6.2	2.4	1.0	1.6	32.5
Recreation and culture . . . . .	40.7	34.5	21.3	25.5	24.8	12.1	9.4	168.2
<b>Economic services—</b>								
Agriculture, forestry, fishing . . . . .	117.8	97.1	109.0	30.6	36.2	27.4	11.5	429.6
Mining, manufacturing and construction . . . . .	24.0	9.3	9.3	8.2	13.4	4.3	4.6	73.2
Electricity, gas and water supply . . . . .	2.0	-2.4	4.1	—	5.1	0.8	—	9.7
Rail transport(b) . . . . .	—	0.3	—	—	0.7	—	—	1.0
Sea transport . . . . .	2.7	-0.1	-2.2	1.4	—	0.1	—	1.9
Road systems and regulation . . . . .	1.5	8.6	2.9	1.7	0.6	1.3	3.8	20.4
Other transport services, n.e.c. . . . .	1.7	2.0	—	0.3	0.6	0.2	4.7	9.6
Other economic services(c) . . . . .	54.2	47.0	14.3	24.7	29.2	13.7	10.6	193.8
Other purposes . . . . .	0.2	1.0	-0.1	0.1	0.7	0.2	—	2.1
<b>Total . . . . .</b>	<b>3,935.9</b>	<b>3,033.8</b>	<b>1,619.5</b>	<b>1,140.1</b>	<b>1,199.2</b>	<b>439.1</b>	<b>278.0</b>	<b>11,645.3</b>

(a) Includes Northern Territory authorities from 1978-79.  
  administration, regulation and research.

(b) Includes suburban rail transport systems.

(c) Includes general

**STATE AUTHORITIES(a): EXPENDITURE ON NEW FIXED ASSETS CLASSIFIED BY PURPOSE**  
(**\$ million**)

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
General public services—						
Law, order and public safety	46.9	63.8	73.3	91.0	100.3	114.0
General administration, n.e.c.	60.5	82.1	87.6	112.0	115.9	107.9
Education	609.2	618.2	574.2	659.9	677.6	620.1
Health	204.0	326.9	334.0	322.8	332.2	285.9
Social security and welfare	8.3	8.8	12.1	10.7	11.8	12.4
Housing and community amenities—						
Housing	270.3	260.0	237.0	294.9	270.1	279.2
Community and regional development	14.0	35.0	42.5	38.2	33.9	62.0
Protection of the environment, and community amenities	298.6	330.8	343.8	352.5	344.6	339.0
Recreation and culture	18.6	25.2	33.5	51.4	69.9	74.3
Economic services—						
Agriculture, forestry, fishing	146.0	173.2	204.1	219.3	215.6	225.2
Mining, manufacturing and construction	59.7	61.9	61.8	68.0	55.9	95.5
Electricity and gas	435.8	538.1	650.1	834.5	1,099.9	1,370.9
Water supply	198.2	237.7	260.2	278.3	274.8	267.3
Rail transport(b)	217.7	277.1	312.4	386.0	439.8	456.0
Sea transport	76.2	84.9	94.8	116.6	146.0	155.8
Road systems and regulation	580.0	688.3	770.5	829.0	911.3	1,026.7
Other transport services, n.e.c.	18.0	31.2	29.9	38.7	42.4	54.3
Other economic services(c)	48.8	60.4	64.9	57.7	53.3	78.4
Other purposes	-0.3	0.1	0.5	0.8	1.3	-0.1
<b>Total</b>	<b>3,310.6</b>	<b>3,903.8</b>	<b>4,187.2</b>	<b>4,762.3</b>	<b>5,196.8</b>	<b>5,624.7</b>

(a) Excludes financial enterprises. Includes Northern Territory authorities from 1978-79. (b) Includes suburban rail transport systems. (c) Includes general administration, regulation and research.

**STATE AUTHORITIES(a): EXPENDITURE ON NEW FIXED ASSETS CLASSIFIED BY PURPOSE**  
**1979-80**  
(**\$ million**)

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	N.T.	Total
General public services—								
Law, order and public safety	36.1	18.7	17.9	11.4	19.3	5.7	4.9	114.0
General administration, n.e.c.	32.0	9.1	32.2	3.4	11.3	8.0	12.1	107.9
Education	212.0	171.2	92.9	56.4	47.8	26.6	13.4	620.1
Health	61.3	59.8	54.4	25.7	56.8	17.9	9.9	285.9
Social security and welfare	4.6	1.4	3.6	1.2	1.2	0.4	-	12.4
Housing and community amenities—								
Housing	124.5	34.4	11.6	25.8	35.4	24.6	22.9	279.2
Community and regional development	33.6	21.0	-	1.2	1.3	-	4.8	62.0
Protection of the environment, and community amenities	160.1	118.5	0.2	22.4	34.7	-	2.9	339.0
Recreation and culture	9.8	26.8	15.5	10.7	5.5	1.6	4.5	74.3
Economic services—								
Agriculture, forestry, fishing	64.6	50.8	45.7	17.9	30.8	13.5	2.0	225.2
Mining, manufacturing and construction	21.5	55.3	11.3	2.2	4.1	0.6	0.5	95.5
Electricity and gas	287.0	525.6	260.3	76.6	129.4	61.7	30.4	1,370.9
Water supply	55.0	118.3	14.2	19.6	39.1	8.2	12.9	267.3
Rail transport(b)	190.6	114.3	123.3	-	27.7	0.1	-	456.0
Sea transport	67.2	20.0	47.7	5.2	6.7	4.8	4.2	155.8
Road systems and regulation	366.1	197.6	186.7	82.8	111.0	34.7	47.7	1,026.7
Other transport services, n.e.c.	2.6	15.5	-	28.6	4.1	1.9	1.6	54.3
Other economic services(c)	26.0	34.5	4.3	2.6	1.6	4.7	4.7	78.4
Other purposes	-0.8	-	-	-	0.7	-	-	-0.1
<b>Total</b>	<b>1,754.0</b>	<b>1,592.6</b>	<b>921.7</b>	<b>393.6</b>	<b>568.4</b>	<b>215.1</b>	<b>179.2</b>	<b>5,624.7</b>

(a) Excludes financial enterprises. Includes Northern Territory authorities from 1978-79. (b) Includes suburban rail transport systems. (c) Includes general administration, regulation and research.

## 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 Government. Taxation is also an important source of revenue, and central government borrowing by way of Commonwealth Government securities issued on behalf of the States, as well as borrowing by statutory bodies, accounted for a significant proportion of the total funds available.

Details of Commonwealth Government financial assistance to the States and the Northern Territory have already been given in the section dealing with Commonwealth Government 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 *Taxation Revenue, Australia* (5506.0).

**STATE AUTHORITIES(a): TAXATION BY TYPE OF TAX**  
(\$ million)

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Estate, gift, probate and succession duties . . . . .	198.1	226.9	251.5	241.1	205.4	171.4
Property taxes—						
Land tax . . . . .	168.0	200.1	218.1	236.6	258.0	290.8
Metropolitan improvement rates . . . . .	12.8	15.1	15.8	16.2	18.1	19.2
Other . . . . .	2.3	1.7	1.6	1.4	1.2	1.0
<i>Total property</i> . . . . .	<i>183.1</i>	<i>216.9</i>	<i>235.5</i>	<i>254.2</i>	<i>277.2</i>	<i>310.9</i>
Liquor taxes . . . . .	75.6	95.8	120.9	140.6	155.2	174.7
Taxes on gambling—						
Lotteries . . . . .	67.9	85.9	109.6	129.2	149.0	195.8
Poker machines . . . . .	71.9	83.4	92.0	98.2	108.0	120.7
Racing . . . . .	136.0	161.9	180.5	194.1	205.4	227.4
Other . . . . .	3.3	9.0	12.0	12.5	17.3	21.8
<i>Total gambling</i> . . . . .	<i>279.1</i>	<i>340.2</i>	<i>394.1</i>	<i>434.0</i>	<i>479.7</i>	<i>565.7</i>
Taxes on ownership and operation of motor vehicles—						
Vehicle registration fees and taxes . . . . .	284.1	334.3	397.0	461.3	499.7	498.1
Drivers', etc., licences and fees . . . . .	43.1	54.3	59.9	60.4	74.1	75.0
Stamp duty on vehicle registration . . . . .	51.5	84.2	116.5	126.0	141.0	151.1
Road transport taxes . . . . .	15.2	15.6	15.9	14.5	13.8	14.7
Road maintenance contributions . . . . .	44.4	44.4	44.7	44.5	45.3	6.4
Motor car third party insurance surcharge and duties . . . . .	9.8	12.5	12.9	13.4	13.7	18.7
<i>Total motor vehicles</i> . . . . .	<i>448.0</i>	<i>545.2</i>	<i>646.9</i>	<i>720.1</i>	<i>787.7</i>	<i>764.0</i>
Pay-roll tax . . . . .	997.6	1,160.9	1,305.7	1,418.4	1,526.4	1,694.8
Fire brigades contributions from insurance companies, etc. . . . .	66.2	85.3	99.0	113.0	120.8	137.9
Stamp duties, n.e.i. . . . .	389.3	550.8	666.8	702.6	800.2	993.4
Fees from regulatory services, n.e.i. . . . .	26.3	37.7	44.2	48.4	54.7	60.8
Other taxes, fees, fines, etc. . . . .	128.5	209.3	208.5	227.4	259.5	390.2
<i>Total taxation</i> . . . . .	<i>2,791.7</i>	<i>3,469.0</i>	<i>3,972.9</i>	<i>4,299.8</i>	<i>4,666.8</i>	<i>5,263.7</i>

(a) Includes Northern Territory authorities from 1978-79.

**STATE AUTHORITIES: TAXATION BY TYPE OF TAX, 1979-80**  
(\$ million)

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	N.T.	Total
Estate, gift, probate and succession duties . . . . .	80.3	52.5	3.1	18.5	13.0	3.9	—	171.4
Property taxes—								
Land tax . . . . .	133.0	90.1	18.4	21.3	23.0	5.1	—	290.8
Metropolitan improvement rates . . . . .	—	15.1	—	—	4.1	—	—	19.2
Other . . . . .	0.3	—	—	0.5	0.2	—	—	1.0
<i>Total property</i> . . . . .	<i>133.3</i>	<i>105.1</i>	<i>18.4</i>	<i>21.8</i>	<i>27.2</i>	<i>5.1</i>	<i>—</i>	<i>310.9</i>
Liquor taxes . . . . .	67.7	42.8	29.7	12.4	16.3	4.7	1.1	174.7
Taxes on gambling—								
Lotteries . . . . .	56.2	100.5	10.1	16.9	8.1	3.6	0.4	195.8
Poker machines . . . . .	120.7	—	—	—	—	—	—	120.7
Racing . . . . .	99.3	71.0	25.4	11.8	15.7	3.7	0.5	227.4
Other . . . . .	9.1	3.5	5.2	—	—	3.2	0.7	21.8
<i>Total gambling</i> . . . . .	<i>285.4</i>	<i>175.0</i>	<i>40.7</i>	<i>28.8</i>	<i>23.9</i>	<i>10.4</i>	<i>1.5</i>	<i>565.7</i>
Taxes on ownership and operation of motor vehicles—								
Vehicle registration fees and taxes . . . . .	181.4	135.0	76.9	38.4	45.7	17.5	3.1	498.1
Drivers', etc., licences and fees . . . . .	28.3	25.2	10.2	4.8	5.0	1.5	—	75.0
Stamp duty on vehicle registration . . . . .	55.2	53.6	13.2	17.7	6.3	5.0	—	151.1
Road transport taxes . . . . .	1.5	7.6	1.8	0.1	2.4	1.2	—	14.7
Road maintenance contributions . . . . .	1.2	1.5	1.4	1.1	1.0	0.2	—	6.4
Motor car third party insurance surcharge and duties . . . . .	—	12.5	—	2.0	3.7	0.5	—	18.7
<i>Total motor vehicles</i> . . . . .	<i>267.7</i>	<i>235.4</i>	<i>103.6</i>	<i>64.1</i>	<i>64.1</i>	<i>26.0</i>	<i>3.1</i>	<i>764.0</i>
Pay-roll tax . . . . .	686.4	473.7	205.0	134.2	137.0	43.4	15.2	1,694.8
Fire brigades contributions from insurance companies, etc. . . . .	39.9	43.1	23.8	11.1	15.7	4.2	—	137.9
Stamp duties, n.e.i. . . . .	395.6	290.4	144.8	69.4	71.1	19.0	3.1	993.4
Fees from regulatory services, n.e.i. . . . .	23.6	14.6	12.3	3.8	4.4	0.9	1.2	60.8
Other taxes, fees, fines, etc. . . . .	105.0	158.5	26.5	47.4	47.4	4.8	0.8	390.2
<i>Total taxation</i> . . . . .	<i>2,084.9</i>	<i>1,591.1</i>	<i>607.9</i>	<i>411.4</i>	<i>420.0</i>	<i>122.5</i>	<i>26.0</i>	<i>5,263.7</i>

## LOCAL AUTHORITIES

In each State of Australia and in the Northern Territory there exists a system of local government whose powers and responsibilities are generally similar and cover such matters as the construction and maintenance of roads, streets and bridges; water, sewerage and drainage systems; 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, swimming pools, 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 almost 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 and the Northern Territory as cities and municipalities. In New South Wales some local authorities in an area have combined to form County Councils which provide services such as electricity and water supply. Within shires there are also some municipal units known as urban areas. Apart from the Australian Capital Territory and the more sparsely populated parts of New South Wales, South Australia and the Northern Territory, practically the whole of Australia comes within local government jurisdiction. For further details *see* State Year Books.

### **Coverage—Northern Territory local authorities**

On 1 July 1978, the Northern Territory became self-governing with expenditure responsibilities and revenue raising powers broadly approximating those of a State. In the period up to and including 1977–78 receipts and outlays relating to the Northern Territory are included with Commonwealth Government receipts and outlays but from 1978–79 onwards they have been grouped with the receipts and outlays of State and local authorities.



**Area, population, dwellings, and rates and penalties for ordinary services**

The area, population, dwellings, and the amount of rates and penalties collected for ordinary services in the incorporated areas of each State are shown in the following table. Particulars of dwellings are in accordance with the definition used in the Census, and are compiled from information collected on the Census Schedules. In the table, where the boundary of a capital city statistical division cuts across a local government area, the area of that capital city statistical division has been estimated. Particulars of population for capital city statistical divisions take account of those local government areas which overlap with capital city statistical division boundaries.

The item 'Rates and Penalties for Ordinary Services' relates to general and other special or local rates (excluding water and sewerage rates) levied or declared or, where the cash accounting system operates, the rates collected.

**LOCAL GOVERNMENT AUTHORITIES: AREA, POPULATION, DWELLINGS, AND RATES AND PENALTIES FOR ORDINARY SERVICES—30 JUNE 1978**

<i>Location (a)</i>	<i>No. of local authorities</i>	<i>Area</i>	<i>Population</i>	<i>Dwellings (b)</i>	<i>Rates and penalties— ordinary services</i>
		<i>square kilometres</i>	<i>'000</i>	<i>'000</i>	<i>\$'000</i>
New South Wales—					
Sydney Statistical Division . . . . .	45	12,406	3,155	1,076	(c) 278,611
Other . . . . .	160	693,254	1,850	603	(c) 168,177
<i>Total New South Wales</i> . . . . .	<i>205</i>	<i>705,660</i>	<i>5,005</i>	<i>1,679</i>	<i>(c) 446,788</i>
Victoria—					
Melbourne Statistical Division . . . . .	56	6,110	2,718	913	(d) 239,449
Other . . . . .	155	220,990	1,100	369	(d) 90,500
<i>Total Victoria</i> . . . . .	<i>211</i>	<i>227,100</i>	<i>3,818</i>	<i>1,282</i>	<i>(d) 329,949</i>
Queensland—					
Brisbane Statistical Division . . . . .	9	3,080	1,005	328	67,797
Other . . . . .	122	1,722,946	1,161	364	89,707
<i>Total Queensland</i> . . . . .	<i>131</i>	<i>1,726,026</i>	<i>2,166</i>	<i>692</i>	<i>157,504</i>
South Australia—					
Adelaide Statistical Division . . . . .	34	1,842	931	328	62,572
Other . . . . .	98	149,681	343	128	22,896
<i>Total South Australia</i> . . . . .	<i>132</i>	<i>151,523</i>	<i>1,274</i>	<i>456</i>	<i>85,468</i>
Western Australia—					
Perth Statistical Division . . . . .	26	5,364	865	292	54,957
Other . . . . .	112	2,522,675	357	110	24,866
<i>Total Western Australia</i> . . . . .	<i>138</i>	<i>2,528,039</i>	<i>1,222</i>	<i>402</i>	<i>79,823</i>
Tasmania—					
Hobart Statistical Division . . . . .	7	940	167	56	13,859
Other . . . . .	42	67,394	247	86	18,840
<i>Total Tasmania</i> . . . . .	<i>49</i>	<i>68,334</i>	<i>414</i>	<i>142</i>	<i>32,699</i>

(a) Unincorporated areas are excluded in all States. (b) Dwelling figures are intercensal estimates of stocks of dwellings. (c) Based on year ended 31 December 1977. (d) Based on year ended 30 September 1978.

### Outlay and receipts

The following tables show details of the outlay and receipts of all local authorities for the years 1974-75 to 1979-80, and of local authorities in each of the six States and the Northern Territory in 1979-80. Figures shown for 1979-80 are based on limited data and may be subject to significant revision as more complete accounting information is collected.

#### LOCAL AUTHORITIES(a): OUTLAY AND RECEIPTS

	(\$ million)					
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
<b>OUTLAY</b>						
Final consumption expenditure—						
General public services	155.8	194.5	228.4	269.6	302.5	378.9
Education	4.6	7.4	8.5	8.5	9.5	10.1
Health	32.6	40.0	41.6	45.5	52.8	49.9
Social security and welfare	10.2	14.0	17.8	26.4	34.4	36.5
Housing and community amenities—						
Community and regional development	10.0	11.4	13.5	12.6	16.4	33.7
Protection of the environment	50.3	56.1	65.1	70.5	82.5	113.4
Other	7.2	10.1	10.6	12.9	15.3	17.8
Recreation and culture	115.0	159.4	167.4	192.0	215.7	237.1
Economic services	44.6	52.9	62.9	75.1	87.3	105.0
Other purposes	3.5	3.3	4.4	10.7	11.5	8.0
<b>Total</b>	<b>433.7</b>	<b>549.1</b>	<b>620.0</b>	<b>724.0</b>	<b>827.9</b>	<b>990.3</b>
Gross capital formation—						
Expenditure on new fixed assets—						
General public services	87.7	98.9	102.7	118.0	131.0	141.2
Education	1.9	3.2	4.2	2.8	2.8	2.3
Health	1.1	2.4	2.4	1.5	2.4	2.7
Social security and welfare	3.8	5.8	6.5	7.9	10.7	12.3
Housing and community amenities—						
Community and regional development	1.5	3.4	4.4	9.4	11.8	10.6
Protection of the environment	101.3	121.8	126.7	135.0	134.4	165.6
Other	4.7	8.6	9.1	10.4	7.9	13.6
Recreation and culture	55.0	85.9	75.5	103.6	139.6	147.6
Economic services—						
Mining, manufacturing and construction	4.7	10.8	8.6	9.1	9.6	5.2
Electricity and gas	94.5	112.7	131.4	121.7	122.0	144.7
Water supply	46.2	61.0	60.9	75.3	85.0	92.7
Road systems and regulation	493.3	599.6	607.0	650.7	708.3	683.5
Other transport services, n.e.c.	1.6	1.8	6.4	6.5	3.4	3.9
Other economic services(b)	3.4	5.4	6.5	7.1	7.9	16.7
Other purposes	1.2	1.6	2.3	7.9	2.7	11.4
<b>Total</b>	<b>901.7</b>	<b>1,122.9</b>	<b>1,154.5</b>	<b>1,267.0</b>	<b>1,379.5</b>	<b>1,454.1</b>
Expenditure on existing assets and stocks (net)	37.2	36.5	23.5	27.9	2.0	-3.3
Interest paid	147.3	179.1	217.7	255.6	293.8	314.7
Grants to State authorities	25.9	32.6	32.3	36.2	35.8	52.3
Net advances to the private sector	5.6	5.7	6.1	4.5	12.8	8.1
<b>Total outlay</b>	<b>1,551.4</b>	<b>1,925.8</b>	<b>2,054.0</b>	<b>2,315.3</b>	<b>2,551.7</b>	<b>2,816.3</b>
of which—						
current outlay	600.4	751.5	859.8	1,003.8	1,148.0	1,343.4
capital outlay	951.1	1,174.3	1,194.1	1,311.5	1,403.8	1,472.9
<b>RECEIPTS AND FINANCING ITEMS</b>						
Receipts—						
Taxes, fees, fines, etc.—						
Rates on land	703.4	879.7	1,023.9	1,120.9	1,214.8	1,339.2
Licences, etc.	27.5	35.7	48.5	43.3	49.0	60.9
<b>Total</b>	<b>730.9</b>	<b>915.4</b>	<b>1,072.4</b>	<b>1,164.2</b>	<b>1,263.8</b>	<b>1,400.1</b>
Income from public enterprises	100.7	138.3	181.6	188.9	186.0	200.4
Property income	44.4	43.6	58.2	84.9	97.9	109.9
Grants from State and Commonwealth authorities	331.8	453.7	427.6	493.2	530.0	604.5
<b>Total receipts</b>	<b>1,207.7</b>	<b>1,551.1</b>	<b>1,739.6</b>	<b>1,931.1</b>	<b>2,077.7</b>	<b>2,314.9</b>
Financing items—						
Net borrowing	214.5	287.3	332.0	309.4	333.3	334.7
Advances from State and Commonwealth authorities	17.9	18.6	16.0	9.3	12.8	8.9
Net receipts of private trust funds	-1.3	2.3	3.3	3.3	1.7	2.0
Reduction in cash and bank balances	44.3	-40.9	-148.8	-48.5	8.2	-4.4
Reduction in security holdings—						
Investments of governmental funds and trading enterprises	-0.2	-9.1	-12.6	-69.4	-57.9	-55.7
Other funds available (including errors and omissions)—						
Depreciation allowances	41.5	46.7	52.8	58.5	73.3	74.3
Other	27.1	69.7	71.5	121.7	102.7	141.6
<b>Total financing items</b>	<b>343.7</b>	<b>374.6</b>	<b>314.3</b>	<b>384.2</b>	<b>474.0</b>	<b>501.4</b>
<b>Total funds available</b>	<b>1,551.4</b>	<b>1,925.8</b>	<b>2,054.0</b>	<b>2,315.3</b>	<b>2,551.7</b>	<b>2,816.3</b>

(a) Includes Northern Territory authorities from 1978-79.

(b) Includes general administration, regulation and research.

## LOCAL AUTHORITIES: OUTLAY AND RECEIPTS, 1979-80

(\$ million)

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	N.T.	Total
<b>OUTLAY</b>								
Final consumption expenditure—								
General public services	156.1	97.5	67.6	21.3	24.3	10.0	2.0	378.9
Education	0.5	9.5	—	—	0.1	—	—	10.1
Health	17.2	19.5	6.6	1.8	3.9	0.8	0.1	49.9
Social security and welfare	6.6	26.5	—	1.4	1.5	0.4	0.1	36.5
Housing and community amenities—								
Community and regional development	19.7	4.9	3.5	2.3	3.3	0.1	—	33.7
Protection of the environment	43.6	40.1	10.3	12.1	4.4	2.6	0.4	113.4
Other	5.9	3.3	4.9	1.2	2.0	0.4	0.2	17.8
Recreation and culture	80.6	71.3	34.3	17.1	26.0	5.7	1.9	237.1
Economic services	17.8	61.7	16.7	5.4	3.0	-0.8	1.0	105.0
Other purposes	—	—	—	3.2	4.5	0.2	0.2	8.0
Total	348.0	334.3	143.8	65.8	73.1	19.4	6.0	990.3
Gross capital formation—								
Expenditure on new fixed assets—								
General public services	43.5	61.6	22.0	5.3	6.7	1.3	0.8	141.2
Education	0.3	2.0	—	—	0.1	—	—	2.3
Health	1.4	0.3	0.3	0.2	0.6	—	—	2.7
Social security and welfare	4.7	4.3	0.2	0.5	2.0	0.4	0.2	12.3
Housing and community amenities—								
Community and regional development	0.4	0.2	1.5	0.2	8.2	0.1	—	10.6
Protection of the environment	60.8	10.2	72.2	8.7	7.7	5.8	0.1	165.6
Other	6.5	2.0	1.2	0.8	2.0	0.3	0.8	13.6
Recreation and culture	37.8	49.3	22.8	12.2	21.1	3.6	0.7	147.6
Economic services—								
Mining, manufacturing and construction	3.4	1.8	—	—	—	—	—	5.2
Electricity and gas	136.4	6.9	—	0.3	1.1	—	—	144.7
Water supply	49.7	—	39.7	—	—	3.3	—	92.7
Road systems and regulation	273.6	146.3	111.9	49.1	73.3	26.8	2.5	683.5
Other transport services, n.e.c.	1.0	1.2	1.0	0.3	0.4	—	—	3.9
Other economic services(a)	10.1	4.7	—	0.8	0.8	0.3	—	16.7
Other purposes	—	—	—	6.6	2.1	1.7	1.0	11.4
Total	629.8	290.8	272.8	85.1	125.8	43.8	6.0	1,454.1
Expenditure on existing assets and stocks (net)	1.1	11.9	-5.6	-0.3	-11.5	1.2	-0.1	-3.3
Interest paid	138.1	52.5	78.0	13.0	19.9	13.3	—	314.7
Grants to State authorities	14.9	10.3	6.0	6.4	2.6	12.1	—	52.3
Net advances to the private sector	8.1	0.1	—	—	—	-0.1	—	8.1
Total outlay	1,140.0	699.9	495.0	170.1	209.9	89.7	11.9	2,816.3
of which—								
current outlay	500.1	391.4	227.7	80.5	93.0	44.8	6.0	1,343.4
capital outlay	639.9	308.5	267.2	89.6	116.9	44.9	5.9	1,472.9
<b>RECEIPTS AND FINANCING ITEMS</b>								
Receipts—								
Taxes, fees, fines, etc.—								
Rates on land	511.6	389.4	191.4	105.2	99.1	36.9	5.6	1,339.2
Licences, etc.	18.7	20.2	10.8	5.3	3.6	2.1	0.2	60.9
Total	530.3	409.6	202.2	110.6	102.7	39.0	5.8	1,400.1
Income from public enterprises	90.0	22.6	67.4	5.0	0.6	14.8	—	200.4
Property income	65.2	13.7	15.1	4.5	8.2	3.4	-0.2	109.9
Grants from State and Commonwealth authorities	189.2	154.4	135.5	35.9	59.3	20.9	9.4	604.5
Total receipts	874.7	600.3	420.2	155.8	170.8	78.2	14.9	2,314.9
Financing items—								
Net borrowing	135.0	56.5	90.8	16.8	23.5	12.2	—	334.7
Advances from State and Commonwealth authorities	1.6	2.2	3.9	-0.7	-0.5	2.4	—	8.9
Net receipts of private trust funds	—	—	2.0	—	—	—	—	2.0
Reduction in cash and bank balances	18.8	17.4	-35.4	-6.1	0.9	2.5	-2.6	-4.4
Reduction in security holdings—								
Investments of governmental funds and trading enterprises	-37.3	-15.5	—	—	—	-2.9	—	-55.7
Other funds available (including errors and omissions)—								
Depreciation allowances	74.3	—	—	—	—	—	—	74.3
Other	72.8	39.1	13.4	4.3	15.1	-2.7	-0.5	141.6
Total financing items	265.2	99.6	74.7	14.3	39.1	11.5	-3.0	501.4
Total funds available	1,140.0	699.9	495.0	170.1	209.9	89.7	11.9	2,816.3

(a) Includes general administration, regulation and research.

## ALL PUBLIC AUTHORITIES

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

## Summary of outlay and receipts

The outlay and receipts of all public authorities for the six year period ended 1979-80 are set out in the following table.

ALL PUBLIC AUTHORITIES(a): OUTLAY AND RECEIPTS  
(\$ million)

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
<b>OUTLAY</b>						
Final consumption expenditure . . . . .	9,234.1	1,1529.7	1,3503.8	1,5270.3	1,6807.1	1,8975.7
Gross capital formation—						
Increase in stocks . . . . .	380.0	-35.5	-18.9	-46.8	-162.0	9.1
Expenditure on new fixed assets . . . . .	5,565.4	6,605.1	7,008.4	7,800.8	8,074.7	8,681.4
Expenditure on existing assets (net) . . . . .	366.0	216.0	174.5	109.8	-1.8	-45.5
<i>Total gross capital formation</i> . . . . .	<i>6,311.5</i>	<i>6,785.5</i>	<i>7,164.1</i>	<i>7,863.9</i>	<i>7,911.0</i>	<i>8,645.1</i>
Transfer payments—						
Interest . . . . .	1,355.5	1,544.1	2,116.6	2,558.0	3,090.0	3,534.2
Transfers to persons . . . . .	4,595.6	6,417.1	7,758.7	8,700.7	9,552.0	10,388.3
Subsidies . . . . .	324.2	317.3	345.7	469.7	614.5	786.8
Transfers overseas . . . . .	349.2	370.1	387.8	417.3	474.9	520.1
Grants for private capital purposes . . . . .	178.6	236.3	159.9	194.5	205.0	235.8
<i>Total transfer payments</i> . . . . .	<i>6,803.3</i>	<i>8,884.9</i>	<i>10,768.7</i>	<i>12,340.3</i>	<i>13,936.5</i>	<i>15,465.1</i>
Net advances—						
To the private sector . . . . .	278.7	296.3	255.3	279.9	134.3	101.0
To public financial enterprises . . . . .	273.2	67.0	94.7	102.7	80.8	-7.4
To overseas . . . . .	35.3	79.0	42.7	0.3	18.4	79.1
<i>Total net advances</i> . . . . .	<i>587.1</i>	<i>442.3</i>	<i>392.7</i>	<i>382.9</i>	<i>233.5</i>	<i>172.7</i>
<i>Total outlay</i> . . . . .	<i>22,935.8</i>	<i>27,642.3</i>	<i>31,829.3</i>	<i>35,857.6</i>	<i>38,888.1</i>	<i>43,258.4</i>
of which—						
current outlay . . . . .	15,858.6	20,178.2	24,112.6	27,416.1	30,538.7	34,205.1
capital outlay . . . . .	7,077.2	7,464.2	7,716.7	8,441.4	8,349.4	9,053.4
<b>RECEIPTS AND FINANCING ITEMS</b>						
Receipts—						
Taxes, fees, fines, etc. . . . .	17,734.1	21,322.2	24,851.5	26,965.0	29,464.4	34,216.3
Income from public enterprises . . . . .	550.7	904.6	1,192.7	1,390.4	1,659.0	1,856.9
Interest, etc., received . . . . .	598.9	652.1	859.9	1,041.9	1,080.6	1,371.3
<i>Total receipts</i> . . . . .	<i>18,883.8</i>	<i>22,879.0</i>	<i>26,904.0</i>	<i>29,397.4</i>	<i>32,204.0</i>	<i>37,444.3</i>
Financing items—						
Net borrowing—						
Treasury notes . . . . .	1,689.1	-769.6	363.2	193.5	1,546.8	705.3
Commonwealth Government securities . . . . .	554.1	3,165.5	2,097.5	2,979.2	2,469.6	893.4
Local authority and public corporation securities . . . . .	657.9	866.7	1,441.2	1,528.6	1,709.3	2,204.0
Other general Government securities . . . . .	72.3	112.2	126.2	120.4	205.5	269.8
<i>Total net borrowing</i> . . . . .	<i>2,973.4</i>	<i>3,374.8</i>	<i>4,028.0</i>	<i>4,821.6</i>	<i>5,931.2</i>	<i>4,072.4</i>
Funds provided for, or received from I.M.F. . . . .	—	—	—	—	27.9	60.6
Net receipts of private trust funds . . . . .	232.7	251.7	307.8	385.4	398.5	427.1
Reduction in cash and bank balances . . . . .	591.0	-518.7	-854.7	133.8	-711.9	375.0
Reduction in security holdings . . . . .	-562.6	566.3	34.2	-517.2	-569.4	-857.5
Other funds available (including errors and omissions)—						
Depreciation allowances . . . . .	586.3	761.0	849.5	963.0	1,090.7	1,166.3
Other . . . . .	231.3	328.4	560.4	673.6	516.7	570.3
<i>Total financing items</i> . . . . .	<i>4,052.1</i>	<i>4,763.4</i>	<i>4,925.2</i>	<i>6,460.2</i>	<i>6,683.8</i>	<i>5,813.9</i>
<i>Total funds available</i> . . . . .	<i>22,935.8</i>	<i>27,642.3</i>	<i>31,829.3</i>	<i>35,857.6</i>	<i>38,888.1</i>	<i>43,258.4</i>

(a) Excludes financial enterprises.

ALL PUBLIC AUTHORITIES, 1979-80

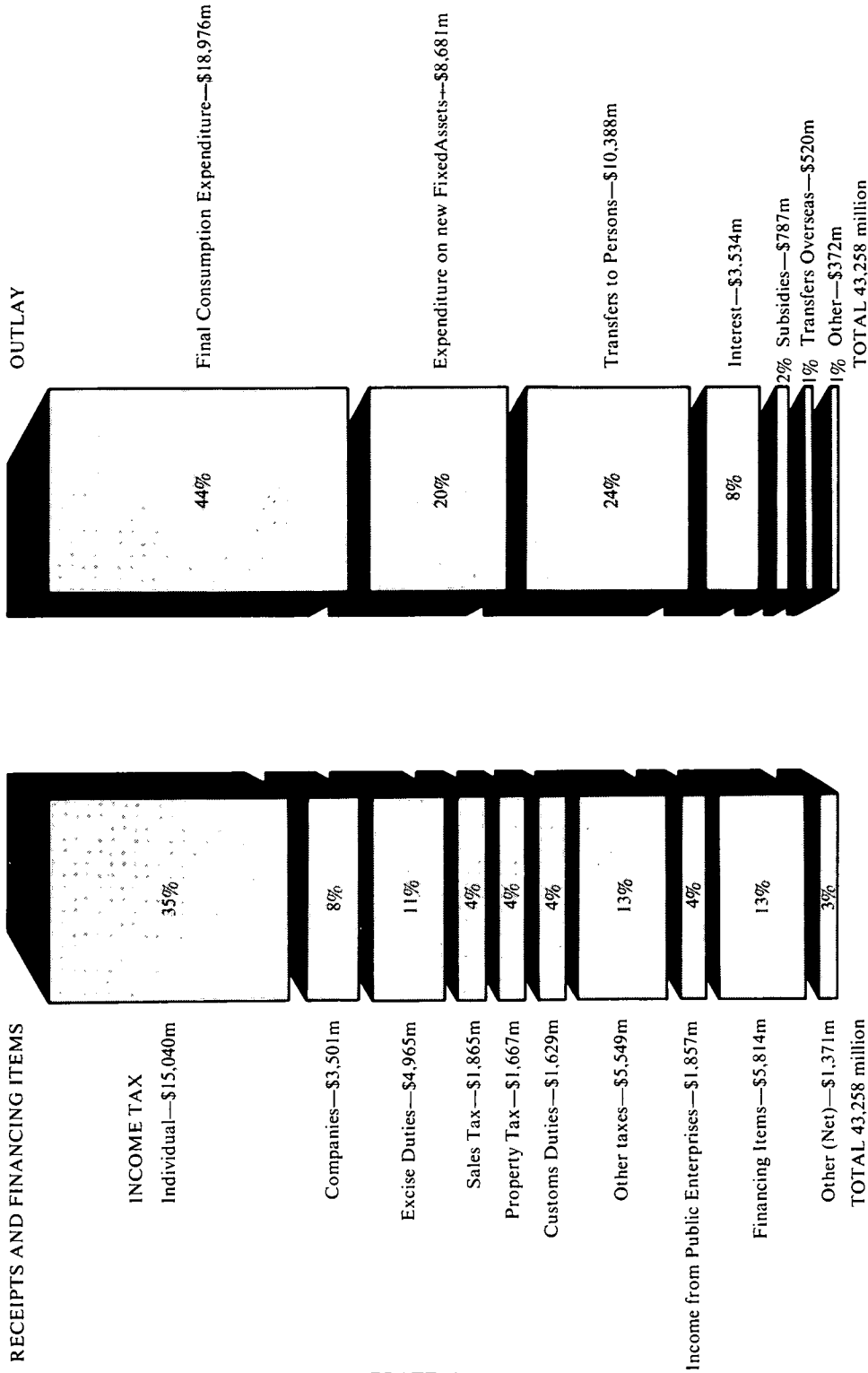


PLATE 46

**Main components of outlay**

The following tables show final consumption expenditure and expenditure on new fixed assets of all public authorities classified by purpose for the years 1974-75 to 1979-80.

**ALL PUBLIC AUTHORITIES: FINAL CONSUMPTION EXPENDITURE CLASSIFIED BY PURPOSE**  
(£ million)

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
General public services—						
General administration, n.e.c.	1,045.9	1,268.6	1,462.7	1,694.6	1,826.0	2,096.7
External affairs	83.8	91.7	98.2	105.8	116.4	135.6
Law, order and public safety	617.9	761.2	887.9	1,029.5	1,157.1	1,361.9
General research	111.8	130.5	152.0	170.1	182.6	209.6
Defence	1,444.2	1,679.9	1,998.6	2,184.5	2,401.3	2,786.4
Education	2,765.6	3,425.1	4,115.0	4,652.9	5,061.0	5,675.7
Health	1,542.7	2,291.9	2,717.5	3,035.8	3,318.8	3,660.5
Social security and welfare	248.9	316.0	353.3	422.2	497.9	571.9
Housing and community amenities—						
Housing	11.4	14.4	6.7	3.6	7.1	6.0
Community and regional development	61.2	82.9	85.8	86.5	93.1	100.4
Protection of the environment	67.7	80.7	90.9	98.2	115.5	153.3
Community amenities	7.0	9.2	10.1	11.7	13.4	18.4
Recreation and culture	354.4	441.6	477.6	541.0	610.7	683.2
Economic services—						
Agriculture, forestry, fishing	332.6	387.6	428.0	479.7	522.8	592.6
Mining, manufacturing and construction	61.4	69.7	78.6	93.7	101.2	119.5
Electricity, gas and water supply	4.4	7.6	6.1	8.4	9.7	10.2
Transport and communication	131.6	143.0	154.2	158.7	181.4	190.9
Other economic services(a)	293.3	318.8	374.4	480.6	577.7	593.4
Other purposes	48.2	9.5	6.1	12.8	13.5	9.5
<b>Total</b>	<b>9,234.1</b>	<b>11,529.7</b>	<b>13,503.8</b>	<b>15,270.3</b>	<b>16,807.1</b>	<b>18,975.7</b>

(a) Includes general administration, regulation and research.

**ALL PUBLIC AUTHORITIES(a): EXPENDITURE ON NEW FIXED ASSETS CLASSIFIED BY PURPOSE**  
(£ million)

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
General public services—						
General administration	205.9	243.2	250.2	278.3	284.9	302.1
External affairs	15.9	20.3	25.5	24.4	12.1	9.1
Law, order and public safety	54.6	74.6	85.2	108.1	124.6	150.5
General research	20.6	32.1	23.6	18.0	29.6	49.3
Education	656.2	694.7	640.6	717.0	731.2	655.6
Health	245.4	387.0	394.7	377.8	371.1	320.0
Social security and welfare	20.8	27.4	27.2	25.3	28.1	27.6
Housing and community amenities—						
Housing	296.6	351.0	327.9	334.6	273.0	284.3
Community and regional development	65.3	95.8	95.1	91.8	61.8	82.8
Protection of the environment	420.3	483.9	501.5	503.9	487.6	510.0
Community amenities	1.3	3.6	3.4	4.2	3.3	5.3
Recreation and culture	104.9	143.4	138.8	180.3	237.2	256.3
Economic services—						
Agriculture, forestry and fishing	158.7	183.9	212.3	235.5	222.1	233.2
Mining, manufacturing and construction	71.2	86.1	77.2	83.7	86.4	166.3
Electricity and gas	552.6	671.9	803.7	985.1	1,230.7	1,521.7
Water supply	248.2	309.2	347.4	376.6	368.8	361.7
Rail transport(b)	231.3	322.6	348.3	426.5	486.7	506.3
Sea transport	133.1	133.0	233.0	255.9	185.0	166.3
Road systems and regulation	1,102.1	1,322.1	1,409.7	1,535.2	1,651.7	1,736.2
Air transport	96.2	87.5	52.9	162.1	150.9	180.7
Pipelines	58.4	57.4	22.2	8.6	11.9	8.2
Other transport services, n.e.c.	22.0	34.1	34.4	46.2	48.0	52.7
Communications	717.9	756.6	855.4	913.6	905.0	976.9
Other economic services(c)	58.4	76.8	95.4	99.2	78.7	107.0
Other purposes	7.4	6.8	2.8	8.7	4.0	11.3
<b>Total</b>	<b>5,565.4</b>	<b>6,605.1</b>	<b>7,008.4</b>	<b>7,800.8</b>	<b>8,074.7</b>	<b>8,681.4</b>

(a) Excludes financial enterprises.

(b) Includes suburban rail transport system.

(c) Includes general administration, regulation and research.

**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 1974-75 to 1979-80 was as follows.

**ALL PUBLIC AUTHORITIES: TAXATION, BY TYPE OF TAX**

(\$ million)

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Income tax—						
Individuals . . . . .	7,709	9,213	11,047	12,122	12,797	15,040
Companies(a) . . . . .	2,432	2,600	2,899	3,190	3,116	3,501
Estate, gift, probate and succession duties . . . . .	278	314	339	344	289	220
Customs duties . . . . .	840	1,044	1,273	1,232	1,457	1,629
Excise duties . . . . .	1,729	2,331	2,485	2,734	3,844	4,965
Sales tax . . . . .	1,154	1,408	1,650	1,758	1,770	1,865
Primary production taxes . . . . .	143	115	189	179	283	278
Payroll tax . . . . .	1,012	1,179	1,324	1,438	1,540	1,707
Property taxes . . . . .	898	1,110	1,275	1,392	1,507	1,667
Liquor taxes . . . . .	77	98	123	143	158	177
Taxes on gambling . . . . .	280	340	395	434	480	566
Taxes on ownership and operation of motor vehicles . . . . .	452	550	653	728	796	772
Stamp duties, n.e.i. . . . .	393	555	672	708	806	1,000
Other taxes, fees, fines, etc. . . . .	338	465	527	562	623	829
<b>Total . . . . .</b>	<b>17,734</b>	<b>21,322</b>	<b>24,852</b>	<b>26,965</b>	<b>29,465</b>	<b>34,216</b>

(a) Includes dividend and interest (withholding) taxes. Excludes income taxes paid by Commonwealth Government public enterprises.

**Level of government**

In the following tables details are given for 1979-80 of the outlay and receipts of all public authorities, broken down by level of government in order to show their relative contributions to various expenditure programs, and their roles in financing these programs through taxes and transfers.

**ALL PUBLIC AUTHORITIES(a): OUTLAY AND RECEIPTS BY LEVEL OF GOVERNMENT, 1979-80**

(\$ million)

	<i>Commonwealth authorities</i>	<i>State authorities</i>	<i>Local authorities</i>	<i>All public authorities</i>
<b>OUTLAY</b>				
Expenditure on goods and services—				
General public services—				
General administration, n.e.c.	1,012.7	889.6	520.1	2,422.4
External affairs	144.7	—	—	144.7
Law, order and public safety	198.1	1,290.7	—	1,488.8
General research	258.9	—	—	258.9
Defence	2,786.4	—	—	2,786.4
Education	283.4	6,035.5	12.4	6,331.3
Health	565.7	3,362.2	52.6	3,980.5
Social security and welfare	324.6	226.2	48.8	599.6
Housing and community amenities—				
Housing	-3.5	283.2	10.6	290.3
Community and regional development	41.1	97.7	44.3	183.1
Protection of the environment	14.6	369.8	279.0	663.4
Community amenities	1.2	1.7	20.8	23.7
Recreation and culture	312.3	242.5	384.7	939.5
Economic services—				
Agriculture, forestry and fishing	164.9	654.8	5.5	825.2
Mining, manufacturing and construction	99.2	168.7	17.9	285.8
Electricity, gas and water supply	7.7	1,647.9	237.4	1,893.0
Transport and communication	1,349.7	1,725.7	742.9	3,818.3
Other economic services	381.5	272.2	48.0	701.7
Other purposes	-0.6	2.0	19.4	20.8
<b>Total expenditure on goods and services</b>	<b>7,942.6</b>	<b>17,270.0</b>	<b>2,444.4</b>	<b>27,657.0</b>
of which—				
Final consumption expenditure	6,340.0	11,645.3	990.3	18,975.7
Expenditure on new fixed assets	1,602.6	5,624.7	1,454.1	8,681.4
Increase in stocks	-66.6	65.4	10.3	9.1
Expenditure on existing assets (net)	-38.0	6.2	-13.7	-45.5
Transfer payments—				
Interest	2,354.7	2,240.3	314.7	3,534.2
Transfers to persons	10,079.7	308.6	—	10,388.3
Subsidies	673.7	112.4	—	786.8
Transfers overseas	520.0	0.1	—	520.1
Grants for private capital purposes	170.6	65.2	—	235.8
Grants to the States—for current purposes	8,788.6	—	38.3	(b)
—for capital purposes	1,497.1	—	14.0	(b)
Grants to the Northern Territory				
—for current purposes	292.0	—	—	(b)
—for capital purposes	68.3	—	—	(b)
Grants to local authorities	15.7	587.2	—	(b)
<b>Total transfer payments</b>	<b>24,460.8</b>	<b>3,313.8</b>	<b>367.0</b>	<b>15,465.1</b>
Net advances to—				
The private sector	-11.6	104.5	8.1	101.0
Public financial enterprises	-61.1	53.8	—	-7.4
The States	817.1	—	—	(b)
The Northern Territory	78.8	—	—	(b)
Local authorities	—	8.9	—	(b)
Overseas	79.1	—	—	79.1
<b>Total net advances</b>	<b>902.1</b>	<b>167.3</b>	<b>8.1</b>	<b>172.7</b>
<b>Total outlay</b>	<b>33,200.9</b>	<b>20,822.7</b>	<b>2,816.3</b>	<b>43,258.4</b>
of which—				
current outlay	29,059.8	14,625.7	1,343.4	34,205.1
capital outlay	4,141.1	6,197.0	1,472.9	9,053.4

(a) Excludes financial enterprises.

(b) In consolidated figures for all public authorities, inter-authority grants and advances are not shown.



**ALL PUBLIC AUTHORITIES(a): OUTLAY AND RECEIPTS  
BY LEVEL OF GOVERNMENT, 1979-80—continued**

(\$ million)

	<i>Commonwealth authorities</i>	<i>State authorities</i>	<i>Local authorities</i>	<i>All public authorities</i>
<b>RECEIPTS AND FINANCING ITEMS</b>				
<b>Receipts—</b>				
Taxes, fees, fines, etc.—				
Income tax—				
Individuals . . . . .	15,040.1	—	—	15,040.1
Companies(b) . . . . .	3,501.5	—	—	3,501.5
Estate, gift, probate and succession duties . . . . .	48.9	171.4	—	220.3
Customs duties . . . . .	1,628.8	—	—	1,628.8
Excise duties . . . . .	4,965.3	—	—	4,965.3
Sales tax . . . . .	1,864.8	—	—	1,864.8
Payroll tax . . . . .	12.4	1,694.8	—	1,707.2
Primary production taxes and charges . . . . .	278.3	—	—	278.3
Property taxes . . . . .	16.5	310.9	1,339.2	1,666.6
Liquor taxes . . . . .	2.1	174.7	—	176.8
Taxes on gambling . . . . .	—	565.7	—	565.7
Taxes on ownership and operation of motor vehicles . . . . .	7.8	764.0	0.2	772.0
Stamp duties, n.e.i. . . . .	6.9	993.4	—	1,000.3
Departure Tax . . . . .	18.4	—	—	18.4
Fees from regulatory services . . . . .	48.7	60.8	43.7	153.2
Other taxes, fees, fines, etc. . . . .	111.9	528.1	17.0	657.0
<b>Total taxes, etc. . . . .</b>	<b>27,552.4</b>	<b>5,263.7</b>	<b>1,400.1</b>	<b>34,216.2</b>
Income from public enterprises . . . . .	992.9	663.6	200.4	1,856.9
Property Income—				
Interest received—				
From the States and the Northern Territory . . . . .	1,375.6	—	—	(c)
Other . . . . .	184.7	593.5	109.9	888.1
Land rent, royalties, dividends . . . . .	48.7	435.4	—	483.2
Grants from the Commonwealth Government—				
For current purposes . . . . .	—	9,079.6	—	(c)
For capital purposes . . . . .	—	1,565.8	—	(c)
Direct grants from Commonwealth Government to local authorities . . . . .	—	—	17.3	(c)
Grants from State authorities . . . . .	—	—	587.2	(c)
Grants from local authorities . . . . .	—	52.3	—	(c)
<b>Total receipts . . . . .</b>	<b>30,154.2</b>	<b>17,653.0</b>	<b>2,314.9</b>	<b>37,444.4</b>
<b>Financing items—</b>				
Net borrowing—				
Treasury bills and notes . . . . .	705.3	—	—	705.3
Commonwealth Government securities . . . . .	893.4	—	—	893.4
Local authorities and public corporation securities . . . . .	442.0	1,427.1	334.7	2,203.8
Other general government securities . . . . .	—	269.8	—	269.8
<b>Total net borrowing . . . . .</b>	<b>2,040.6</b>	<b>1,696.9</b>	<b>334.7</b>	<b>4,072.3</b>
Advances from the Commonwealth Government—				
For loan works purposes . . . . .	—	704.5	—	(c)
Other . . . . .	—	191.1	—	(c)
Advances from State authorities . . . . .	—	—	8.9	(c)
Funds provided for or received from I.M.F. . . . .	60.6	—	—	60.6
Net receipts of private trust funds . . . . .	174.6	250.5	2.0	427.1
Reduction in cash and bank balances . . . . .	523.9	-144.6	-4.4	374.9
Reduction in security holdings . . . . .	-589.4	-212.4	-55.7	-857.5
Other funds available (including errors and omissions)—				
Depreciation allowances . . . . .	595.8	496.2	74.3	1,166.3
Other . . . . .	240.5	187.4	141.6	569.5
<b>Total financing items . . . . .</b>	<b>3,046.7</b>	<b>3,169.7</b>	<b>501.4</b>	<b>5,813.2</b>
<b>Total funds available . . . . .</b>	<b>33,200.9</b>	<b>20,822.7</b>	<b>2,816.3</b>	<b>43,257.6</b>

(a) Excludes financial enterprises. (b) Includes dividend, interest and mining (withholding) taxes. Excludes income taxes paid by Commonwealth Government public enterprises. (c) In consolidated figures for all public authorities, inter-authority grants and advances are not shown.

## 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 Government and the States, together with some details of the amounts borrowed by State and local authorities with independent borrowing powers.

For a number of reasons, this information cannot be aggregated, without adjustment, to provide a measure of the 'debt' of public authorities. There are forms of debt not evidenced by the issue of securities, such as Commonwealth Government advances to the States for specific capital purposes. 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 Government represent the proceeds of overseas loans, securities for which were issued directly by the Commonwealth Government, the Australian currency counterpart proceeds of the loans being invested in special loans to finance State works programs. A number of State public corporations and local authorities also maintain significant investments in government securities (including their own securities). Aggregation of the figures for securities on issue which follow would clearly involve a substantial degree of duplication; the sum of securities on issue therefore cannot be regarded as representing 'net public debt'.

### Commonwealth Government and States: Government securities on issue

Under the 1927 Financial Agreement between the Commonwealth Government 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 Government securities for all moneys borrowed.

A National Debt Sinking Fund, which is administered by the National Debt Commission, was established by the *National Debt Sinking Fund Act 1923* for the redemption of securities issued on behalf of the Commonwealth Government. Under the terms of the Financial Agreement, the sinking funds existing in respect of the States' debts were also placed under the control of the Commission. The Commonwealth Government is reimbursed by the States for interest, exchange, etc. paid on their behalf, and the securities are redeemed from the Fund to which both the Commonwealth and the State governments make pre-determined contributions. The amounts to be contributed were varied when the *National Debt Sinking Fund Act 1966* repealed all previous legislation on sinking funds relating to securities on issue on behalf of the Commonwealth Government, and again in 1976 when the Act was amended to reflect the amendments to the Financial Agreement. In 1976 the Commonwealth assumed the responsibility for over \$1,000 million of States' debt existing as at 30 June 1975. As a consequence, the separate States' Sinking Funds were absorbed into the National Debt Sinking Fund, with separate accounts being maintained for the Commonwealth and each State.

For further information relating to the recent operations of the National Debt Sinking Fund reference should be made to the fifty-seventh annual report of the National Debt Commission. Particulars of the creation and operation of sinking funds by the *National Debt Sinking Fund Act 1923* are included in issues of the Year Book prior to No. 23, and a general description of the provisions applying between 1966 and 1976 is given in issue No. 61.

In the tables which follow, details are given of transactions in Commonwealth Government securities issued on account of the Commonwealth Government and the States. Amounts relating to overseas loans are shown in Australian currency equivalent calculated on the basis of the rates of exchange ruling at 30 June in each year shown. All amounts shown are at face value.

For figures which permit accurate analysis of the structure and movement of securities issued on behalf of the Commonwealth and States, refer to the Commonwealth Budget Paper No. 6, *Government Securities on Issue*.

### Net movement in securities on issue

Summary details of the net movement in securities issued for Commonwealth Government purposes and on account of the States during the period 1975-76 to 1980-81, are given in the following group of tables.

## NET MOVEMENT IN GOVERNMENT SECURITIES ON ISSUE

(\$ million)

	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
NEW SECURITIES ISSUED						
Securities repayable in Australian currency—						
Treasury bonds	2,176.6	1,581.0	965.7	1,018.5	1,485.7	2,774.7
Australian savings bonds	1,202.3	736.3	719.6	531.2	806.1	2,024.0
Special bonds	160.1	—	—	—	—	—
Income equalization deposits	—	—	—	33.1	73.5	72.0
Drought bonds	0.2	0.2	—	—	—	—
Advance loan subscriptions	22.6	(a)-21.7	(a)0.4	(a)-4.6	—	—
Overdue securities	—	—	—	—	—	—
Tax-free stock	—	—	—	—	—	—
Debentures	—	—	—	—	—	—
Stock issued to Government savings banks under special agreements(b)	5.9	35.4	57.9	35.8	36.5	54.6
Treasury notes	2,667.1	4,105.7	1,766.7	4,245.1	7,870.4	12,058.1
Treasury bills—						
Internal	(a)157.0	(a)323.8	(a)365.2	(a)-187.7	141.8	2,234.2
Public	(a)850.0	(a)450.0	(a)200.0	(a)500.0	500.0	14,706.0
Total	7,241.9	7,210.8	4,075.5	6,171.3	10,913.9	33,923.6
Securities repayable in overseas currencies(c)	268.1	424.2	1,738.3	1,453.8	482.1	178.2
Total new securities issued	7,510.0	7,634.9	5,813.9	7,625.1	11,396.0	34,101.8

## REDEMPTIONS, REPURCHASES, CANCELLATIONS(d)

Securities repayable in Australian currency—						
Treasury bonds	286.7	243.0	114.6	222.6	1,035.6	2,587.1
Australian savings bonds	13.1	176.7	174.8	164.4	586.2	2,093.4
Special bonds	216.9	180.3	133.3	72.7	44.6	251.4
Income equalization deposits	—	—	—	20.4	16.4	45.1
Drought bonds	0.9	2.8	0.6	0.2	0.2	0.1
Advance loan subscriptions	—	—	—	—	—	—
Overdue securities	0.6	-2.2	0.8	1.8	0.6	-1.5
Tax-free stock	0.2	—	0.1	0.3	—	—
Debentures	3.4	3.5	3.7	3.8	4.0	4.2
Stock issued to Government savings banks under special agreements(b)	8.1	7.2	6.6	9.6	6.3	6.4
Treasury notes	4,286.7	4,192.5	1,773.3	3,198.3	7,665.2	10,145.9
Treasury bills—						
Internal	—	—	—	—	—	2,888.3
Public	—	—	—	—	—	15,306.0
Total	4,816.6	4,803.8	2,207.8	3,694.2	9,359.1	33,326.4
Securities repayable in overseas currencies(c)	125.6	-121.1	-26.3	-165.7	340.4	922.5
Total redemptions, etc.	4,942.2	4,682.8	2,181.4	3,528.5	9,699.5	34,248.9

## NET MOVEMENT

Securities repayable in Australian currency—						
Treasury bonds	1,889.9	1,338.1	851.1	795.9	450.1	187.6
Australian savings bonds	1,189.2	559.6	544.8	366.8	219.9	-69.4
Special bonds	-56.7	-180.3	-133.3	-72.7	-44.6	-251.4
Income equalization deposit	—	—	—	12.7	57.1	26.9
Drought bonds	-0.7	-2.6	-0.6	-0.2	-0.2	-0.1
Advance loan subscriptions	22.6	-21.7	0.4	-4.6	—	—
Overdue securities	-0.6	2.2	-0.8	-1.8	-0.6	1.5
Tax-free stock	-0.2	—	-0.1	-0.3	—	—
Debentures	-3.4	-3.5	-3.7	-3.8	-4.0	-4.2
Stock issued to Government savings banks under special agreements(b)	-2.2	28.2	51.3	26.2	30.2	48.2
Treasury notes	-1,619.6	-86.8	-6.5	1,046.8	205.2	1,912.2
Treasury bills—						
Internal	157.0	323.8	365.2	-187.7	141.8	-654.1
Public	850.0	450.0	200.0	500.0	500.0	-600.0
Total	2,425.4	2,406.9	1,867.8	2,477.2	1,554.8	597.2
Securities repayable in overseas currencies(c)	142.6	545.2	1,764.7	1,619.5	141.7	-744.3
Net movement in securities on issue	2,568.0	2,952.1	3,632.4	4,096.7	1,696.5	-147.1

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

NOTE: For securities repayable in overseas currencies the amounts shown also include an element due to exchange rate variations in Securities on Issue.

**Government securities on issue.**

The following table provides details of government securities on issue on account of the Commonwealth Government and the States, repayable in Australian and in overseas currencies.

**GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH GOVERNMENT AND STATES**  
(\$ million)

	30 June—					
	1976	1977	1978	1979	1980	1981
<b>For Commonwealth Government purposes—</b>						
Repayable in Australian currency—						
Treasury bonds	3,947.5	4,494.7	4,949.3	5,269.8	5,523.6	5,037.4
Australian savings bonds	1,178.4	1,637.3	1,669.3	1,700.5	1,496.0	1,215.7
Special bonds	196.1	145.5	110.3	93.8	75.9	30.4
Income equalization deposit	—	—	—	79.4	136.4	163.3
Drought bonds	3.9	1.3	0.8	0.5	0.4	0.3
Advance loan subscriptions	25.9	4.2	4.6	—	—	—
Overdue securities	3.7	4.6	5.3	3.5	3.0	4.4
Treasury notes	456.5	369.6	363.1	1,409.9	1,615.2	3,527.4
Treasury bills—						
Internal	1,167.2	1,491.0	1,856.2	1,668.5	1,810.3	1,156.2
Public	850.0	1,300.0	1,500.0	2,000.0	2,500.0	1,900.0
<b>Total</b>	<b>7,829.2</b>	<b>9,448.4</b>	<b>10,458.9</b>	<b>12,225.9</b>	<b>13,160.8</b>	<b>13,035.1</b>
Repayable in overseas currencies(a)	1,181.1	1,743.4	3,533.1	5,178.9	5,326.4	4,618.7
<b>Total Commonwealth Government</b>	<b>9,010.3</b>	<b>11,191.8</b>	<b>13,991.9</b>	<b>17,404.8</b>	<b>18,487.2</b>	<b>17,653.8</b>
<b>On account of States—</b>						
Repayable in Australian currency—						
Treasury bonds	9,997.9	10,788.7	11,185.3	11,660.6	11,856.8	12,530.7
Australian savings bonds	10.8	111.5	624.3	959.8	1,384.2	1,595.2
Special bonds	712.7	583.0	484.9	428.7	402.0	196.0
Tax-free stock	15.1	15.1	15.0	14.8	14.7	14.7
Stock issued to Government savings banks under special agreements	419.8	448.0	499.3	525.5	555.7	603.9
Debentures	27.0	23.4	19.8	15.9	11.9	7.7
Overdue securities	0.3	1.6	0.1	0.1	—	—
<b>Total</b>	<b>11,183.6</b>	<b>11,971.4</b>	<b>12,828.6</b>	<b>13,605.4</b>	<b>14,225.4</b>	<b>14,948.2</b>
Repayable in overseas currencies(a)	143.9	127.2	102.2	75.9	70.0	33.3
<b>Total States</b>	<b>11,327.6</b>	<b>12,098.5</b>	<b>12,930.8</b>	<b>13,681.3</b>	<b>14,295.3</b>	<b>14,981.5</b>
<b>of which—</b>						
New South Wales	3,721.0	3,959.1	4,222.6	4,466.3	4,666.8	4,885.4
Victoria	2,834.0	3,031.8	3,244.3	3,427.6	3,584.9	3,758.1
Queensland	1,538.7	1,644.0	1,753.9	1,856.0	1,931.8	2,022.4
South Australia	1,389.5	1,491.9	1,602.7	1,701.5	1,781.1	1,871.1
Western Australia	1,090.5	1,160.8	1,237.3	1,307.3	1,360.7	1,423.8
Tasmania	753.8	811.0	870.0	922.6	969.9	1,020.8
<b>Total Commonwealth Government and States</b>	<b>20,337.9</b>	<b>23,290.3</b>	<b>26,922.7</b>	<b>31,086.0</b>	<b>32,782.6</b>	<b>32,635.4</b>

(a) Australian currency equivalent.

### State and local authorities' borrowings

The borrowings of Commonwealth, State and local authorities come within the purview of the Loan Council under a 'gentlemen's agreement' originating in 1936. The Loan Council determines maximum interest rates and other terms and conditions of loans raised by authorities and approves the aggregate annual borrowing program for authorities borrowing more than \$1.2 million in the financial year. The total program approved is distributed by the Council between the States, and each State determines the distribution between individual authorities of its share of the overall borrowing program approved for such authorities. Authorities which individually borrow less than \$1.2 million in the financial year are also subject to the terms and conditions applying under the 'gentlemen's agreement', and it is the responsibility of the States to ensure that these authorities conform with these terms and conditions. No aggregate annual limit on their borrowings is imposed by the Loan Council.

The following table shows the aggregate borrowings by the State and local authorities in each of the years 1974–75 to 1979–80. It will be seen that the amounts borrowed by local authorities vary between the States, reflecting a number of factors including, importantly, variations between the States in the range of services provided by local government authorities. For example, the high figures for Queensland reflect, in part, borrowings by the Brisbane City Council which carries out a number of functions (e.g. metropolitan bus services and sewerage services) which in other States are undertaken by State authorities.

For further information relating to the figures given in the table, reference should be made to the Commonwealth Budget Paper No. 7, *Payments to or for the States, the Northern Territory and Local Government Authorities*.

**NEW MONEY BORROWINGS BY STATE AND LOCAL AUTHORITIES**  
(**\$'000**)

	<i>New South Wales</i>	<i>Victoria</i>	<i>Queens- land</i>	<i>South Australia</i>	<i>Western Australia</i>	<i>Tasmania</i>	<i>Total</i>
<b>STATE AUTHORITIES(a)</b>							
1974-75 . . . . .	164,885	207,532	75,545	29,968	41,969	13,646	533,545
1975-76 . . . . .	205,312	256,930	102,411	39,490	44,309	17,720	666,172
1976-77 . . . . .	253,883	326,717	127,517	50,100	54,019	21,432	833,668
1977-78 . . . . .	332,215	388,620	198,721	73,220	78,689	30,771	1,102,236
1978-79 . . . . .	371,800	412,756	194,726	83,953	111,081	34,139	1,208,455
1979-80 . . . . .	472,761	382,657	235,264	56,830	108,692	34,445	1,290,649
<b>LOCAL AUTHORITIES(b)</b>							
1974-75 . . . . .	132,803	50,188	102,804	13,617	21,839	10,710	331,962
1975-76 . . . . .	163,847	63,043	102,097	16,831	27,845	14,503	388,166
1976-77 . . . . .	191,932	65,893	116,118	21,674	32,380	17,053	445,050
1977-78 . . . . .	202,230	84,493	117,993	19,424	36,481	17,405	478,026
1978-79 . . . . .	215,641	81,795	126,709	24,621	39,286	17,841	505,893
1979-80 . . . . .	235,407	123,618	147,948	26,604	40,336	15,426	589,339

(a) New money borrowings by State-type authorities in the Northern Territory in 1979-80 were \$31,788,000. (b) New money borrowings by local authorities in the Northern Territory are not included in the table. These borrowings are as follows: 1974-75, \$516,000; 1975-76, \$597,000; 1976-77, \$1,194,000; 1977-78, \$1,697,000; 1978-79, \$631,000; 1979-80, \$1,240,000.

**Further references**

For further detailed information on the subjects covered by this chapter see the annual bulletins published by the ABS: *Australian National Accounts—National Income and Expenditure* (5204.0); *Commonwealth Government Finance* (5502.0); *State and Local Government Finance, Australia* (5504.0); *Taxation Revenue, Australia* (5506.0) and *Government Financial Estimates, Australia* (5501.0). Current information in summarised form is given in *Quarterly Estimates of National Income and Expenditure, Australia* (5206.0), and is also contained in the *Monthly Summary of Statistics, Australia* (1304.0), and the monthly *Digest of Current Economic Statistics, Australia* (1305.0).

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.

