

## CHAPTER XXI.

### PUBLIC FINANCE.

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

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

#### A. COMMONWEALTH FINANCE.

##### § 1. General.

**1. Financial Provisions of the Constitution.**—The main provisions of the Constitution relating to the initiation and development of the financial system of the Commonwealth are contained in Sections 81 to 105A of the Commonwealth Constitution (*see pp. 17–20 of this Year Book*). Two other sections which have a most important bearing on questions of Commonwealth finance are Sections 69 and 51.

Section 69 provides for the transfer from the States to the Commonwealth of certain specified departments, and Section 51, in outlining the powers of the Commonwealth Parliament, implies the transfer or creation of other departments. Section 87 deals with the financial relations between the Commonwealth and the States. These matters have been treated in previous issues of the Official Year Book and on pages 835–40 of this issue a summary is given of the present provisions for Commonwealth financial assistance to the States.

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

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

##### § 2. Commonwealth Consolidated Revenue Fund.

###### I. Nature of Fund.

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

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

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

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

During the years 1954–55 to 1958–59, the Fund was balanced after special payments of £70.1 million to the Debt Redemption Reserve Trust Account, and £61.6 million, £194.8 million, £104.4 million and £27.9 million to the Loan Consolidation and Investment Reserve Trust Account. The amounts so transferred were subsequently invested wholly or partly in special loans for State works requirements.

Receipts and expenditure increased from £95 million in 1938–39 to £377 million in 1944–45. By 1950–51, they had risen to £842 million and by 1954–55 to £1,067 million. Receipts and expenditure for 1958–59 were £1,296 million.

## II.—Revenue.

1. **General.**—The following table shows details of the revenue from each source and the amount per head of population under each of the main headings during the years 1938–39 and 1954–55 to 1958–59. Taxation constitutes the main source of Commonwealth revenue, accounting for 87.4 per cent. in 1958–59.

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

Source.	1938–39.	1954–55.	1955–56.	1956–57.	1957–58.	1958–59.
<i>Taxation</i> .. .. .	74,111	937,608	1,003,780	1,098,736	1,161,533	1,133,298
Per head of population ..	£10 13 9	£103 2 11	£107 15 0	£115 4 8	£119 3 8	£113 17 5
<i>Business Undertakings</i> ..	17,892	80,210	87,821	99,803	108,228	116,896
Per head of population ..	£2 11 9	£8 16 6	£9 8 7	£10 9 4	£11 2 1	£11 14 11
<i>Territories(a)</i> .. .. .	356	2,419	2,249	2,513	2,845	3,189
Per head of population ..	£0 1 0	£0 5 4	£0 4 10	£0 5 3	£0 5 10	£0 6 5
<i>Other Revenue—</i>						
Interest, etc. .. .. .	1,144	12,428	14,179	13,475	10,920	11,572
Coinage .. .. .	128	725	199	693	223	149
Defence .. .. .	151	4,106	3,820	3,763	5,776	6,185
Atomic Energy Commission ..	6	1,082	30	..	..	..
Civil Aviation .. .. .	6	4,644	1,159	1,262	1,472	1,497
Health .. .. .	18	86	94	90	105	92
Patents, Trade Marks, etc. ..	68	211	267	306	318	351
Bankruptcy .. .. .	31	54	60	72	98	98
Commerce and Agriculture ..	..	..	..	..	..	..
Shipping and Transport ..	158	321	329	914	1,128	621
Net Profit on Australian Note Issue ..	767	5,516	7,866	10,054	12,592	10,935
Surplus Balances of Trust Accounts .. .. .	..	8,237	1,981	69,782	3,991	5,722
Australian Shipping Board ..	..	..	3,000	..	..	..
Transfer of Surplus Funds ..	..	..	..	..	..	..
Joint Coal Board—Repayment of Advances ..	..	3,550	2,488	750	1,100	143
Tea Importation Board—Repayment of Advance ..	..	..	2,000	..	..	..
Other .. .. .	235	6,244	7,036	9,622	13,442	5,302
<i>Total</i> .. .. .	2,706	47,204	44,508	110,783	51,165	42,667
Per head of population ..	£0 7 9	£5 3 10	£4 15 7	£11 12 5	£5 5 0	£4 5 9
<i>Grand Total</i> .. .. .	95,065	1,067,441	1,138,358	1,311,835	1,323,771	1,296,050
Per head of population ..	£13 14 3	£117 8 7	£122 4 0	£137 11 8	£135 16 7	£130 4 6

(a) Excludes Railways. (b) Includes 1957–58, £1,314,000; 1958–59, £989,000 collections of Diesel Fuel Taxation subsequently refunded.

A graphical representation of the revenue and expenditure of the Commonwealth Consolidated Revenue Fund appears on page 823.

2. Taxation.—(i) *Total Collections.* (a) *Amount.* Collections under each heading for the years 1938–39 and 1954–55 to 1958–59 are shown below:—

## COMMONWEALTH TAXATION: TOTAL NET COLLECTIONS.

(£'000.)

Heading.	1938–39.	1954–55.	1955–56.	1956–57.	1957–58.	1958–59.
Customs .. .. .	31,161	101,254	87,508	68,597	71,717	71,671
Excise .. .. .	16,472	143,149	168,264	217,440	231,334	236,254
Sales Tax .. .. .	9,308	100,446	110,001	125,752	137,777	143,617
Land Tax .. .. .	1,489	13	1	1	11	..
Pay-roll Tax .. .. .	..	41,455	45,543	48,675	48,552	49,619
Income Taxes(a) .. .. .	11,883	532,916	573,988	620,298	650,419	608,660
Estate Duty .. .. .	1,915	9,614	10,120	12,712	13,774	13,309
Gift Duty .. .. .	..	1,618	1,820	1,940	2,205	2,000
Entertainments Tax .. .. .	..	—2	—1	..	..	..
Special Industry Taxes(b) .. .. .	1,883	7,145	6,537	3,321	5,744	8,168
<b>Total Taxation .. .. .</b>	<b>74,111</b>	<b>937,608</b>	<b>1,003,780</b>	<b>1,098,736</b>	<b>1,161,533</b>	<b>1,133,298</b>

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

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

(b) *Proportion of each Class to Total Collections.* The following table shows the proportion of the total collections represented by returns from each class of taxation for the years 1938–39 and 1954–55 to 1958–59:—

## COMMONWEALTH TAXATION: PROPORTION OF EACH CLASS TO TOTAL NET COLLECTIONS.

(Per Cent.)

Heading.	1938–39.	1954–55.	1955–56.	1956–57.	1957–58.	1958–59.
Customs .. .. .	42.1	10.8	8.7	6.2	6.2	6.3
Excise .. .. .	22.3	15.3	16.8	19.8	20.0	20.9
Sales Tax .. .. .	12.6	10.7	11.0	11.4	11.8	12.7
Land Tax .. .. .	2.0	..	..	..	..	..
Pay-roll Tax .. .. .	..	4.4	4.5	4.4	4.2	4.4
Income Taxes(a) .. .. .	16.0	56.8	57.2	56.5	56.0	53.7
Estate Duty .. .. .	2.6	1.0	1.0	1.2	1.2	1.2
Gift Duty .. .. .	..	0.2	0.2	0.2	0.2	0.2
Special Industry Taxes(b) .. .. .	2.4	0.8	0.6	0.3	0.4	0.6
<b>Total Taxation .. .. .</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

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

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

(ii) *Customs Revenue.* The classification of customs receipts by Tariff Divisions published in earlier issues of the Official Year Book was discontinued in 1955–56. In the following tables, customs duty receipts have been dissected according to the classification used for oversea trade statistics. For years prior to 1955–56, refunds and drawbacks were not classified by statistical classes and consequently details of gross receipts only are available for those years. The following table shows gross receipts for the years 1938–39 and 1954–55 to 1958–59 according to statistical classes.

## COMMONWEALTH CUSTOMS REVENUE: CLASSIFICATION OF GROSS RECEIPTS.

(£'000.)

Classes.	1938-39.	1954-55.	1955-56.	1956-57.	1957-58.	1958-59.
Foodstuffs of animal origin .. .. .	266	371	432	294	359	355
Foodstuffs of vegetable origin .. .. .	1,069	1,558	1,346	1,445	1,611	1,601
Spirituous and alcoholic liquors .. .. .	1,105	2,621	2,712	2,701	3,049	3,278
Tobacco, cigars and cigarettes .. .. .	4,097	15,839	12,546	12,538	12,383	12,194
Animal substances (not foodstuffs) .. .. .	17	7	18	9	7	6
Vegetable substances and fibres .. .. .	74	209	256	263	252	220
Yarns, textiles and apparel .. .. .	3,057	13,614	12,200	8,479	10,537	9,988
Oils, fats and waxes .. .. .	9,956	23,137	19,336	12,131	10,518	11,537
Pigments, paints and varnishes .. .. .	38	138	145	172	178	201
Rocks and minerals .. .. .	40	45	34	30	48	36
Metals, metal manufactures and machinery .. .. .	4,830	26,356	23,202	20,607	22,569	21,977
Rubber and leather and manufactures thereof .. .. .	431	1,495	1,410	1,058	1,462	711
Wood and wicker, raw and manufactured .. .. .	780	1,568	1,569	1,434	1,539	1,430
Earthenware, cement, china, glass and stone-ware .. .. .	493	2,207	2,309	1,656	1,873	1,962
Pulp, paper and board, paper manufactures and stationery .. .. .	491	1,452	1,246	874	980	1,044
Sporting material, toys, fancy goods, jewellery and timepieces .. .. .	390	2,912	2,822	1,804	2,186	2,317
Optical, surgical and scientific instruments, photographic goods .. .. .	239	1,155	1,242	1,104	1,153	1,216
Chemicals, pharmaceutical products, essential oils and fertilizers .. .. .	377	1,228	1,227	1,177	1,444	1,450
Miscellaneous goods .. .. .	652	2,140	2,532	2,045	2,359	2,439
Primage .. .. .	4,109	8,681	7,734	4,670	2,740	2,299
Other receipts .. .. .	132	586	608	563	562	754
<i>Total—Gross Customs Revenue</i> .. .. .	<i>32,643</i>	<i>107,319</i>	<i>94,926</i>	<i>75,054</i>	<i>77,809</i>	<i>77,015</i>
Refunds and drawbacks .. .. .	1,482	6,065	7,418	6,457	6,092	5,344
<i>Total—Net Customs Revenue</i> .. .. .	<i>31,161</i>	<i>101,254</i>	<i>87,508</i>	<i>68,597</i>	<i>71,717</i>	<i>71,671</i>

The following table gives details of net customs receipts for the years 1955-56 to 1958-59:—

## COMMONWEALTH CUSTOMS REVENUE: CLASSIFICATION OF NET RECEIPTS.

(£'000.)

Classes.	1955-56.	1956-57.	1957-58.	1958-59.
Foodstuffs of animal origin .. .. .	418	281	347	336
Foodstuffs of vegetable origin .. .. .	1,305	1,392	1,546	1,512
Spirituous and alcoholic liquors .. .. .	2,711	2,697	3,047	3,274
Tobacco, cigars and cigarettes .. .. .	12,516	12,526	12,375	12,190
Animal substances (not foodstuffs) .. .. .	3	7	5	5
Vegetable substances and fibres .. .. .	240	196	222	182
Yarns, textiles and apparel .. .. .	11,660	8,303	10,284	9,800
Oils, fats and waxes .. .. .	18,933	11,543	10,039	11,123
Pigments, paints and varnishes .. .. .	105	152	160	179
Rocks and minerals .. .. .	1	24	35	24
Metals, metal manufactures and machinery .. .. .	18,149	16,169	18,389	18,348
Rubber and leather and manufactures thereof .. .. .	1,294	990	1,291	620
Wood and wicker, raw and manufactured .. .. .	1,533	1,413	1,510	1,398
Earthenware, cement, china, glass and stoneware .. .. .	2,235	1,588	1,822	1,866
Pulp, paper and board, paper manufactures and stationery .. .. .	1,166	748	848	940
Sporting materials, toys, fancy goods, jewellery and timepieces .. .. .	2,792	1,779	2,165	2,297
Optical, surgical and scientific instruments, photographic goods .. .. .	1,204	1,065	1,118	1,169
Chemicals, pharmaceutical products, essential oils and fertilizers .. .. .	1,093	1,051	1,302	1,317
Miscellaneous goods .. .. .	2,288	1,802	2,174	2,269
Primage .. .. .	7,261	4,318	2,483	2,078
Other receipts .. .. .	601	553	555	744
<i>Total</i> .. .. .	<i>87,508</i>	<i>68,597</i>	<i>71,717</i>	<i>71,671</i>

(iii) *Excise Revenue.* Net excise receipts for the years 1938-39 and 1954-55 to 1958-59 were as follows:—

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

Particulars.	1938-39.	1954-55.	1955-56.	1956-57.	1957-58.	1958-59.
Beer .. .. .	7,289	76,362	85,315	103,516	105,997	105,286
Spirits .. .. .	1,604	6,496	7,325	8,138	8,047	8,692
Tobacco .. .. .	3,868	15,141	14,849	17,270	16,633	15,207
Cigars and cigarettes .. .. .	2,419	29,030	36,516	47,916	51,366	55,824
Cigarette papers .. .. .	531	1,007	896	910	862	811
Petrol .. .. .	582	12,898	21,190	37,183	41,711	44,253
Diesel Fuel .. .. .	..	..	..	..	(a) 2,770	(a) 1,475
Matches .. .. .	82	1,096	1,061	1,074	1,084	1,092
Playing cards .. .. .	11	51	47	48	47	48
Coal .. .. .	..	600	566	599	590	578
Miscellaneous .. .. .	86	468	499	786	2,227	2,988
<b>Total .. .. .</b>	<b>16,472</b>	<b>143,149</b>	<b>168,264</b>	<b>217,440</b>	<b>231,334</b>	<b>236,254</b>

(a) Refunds of Diesel Fuel Taxation 1957-58, £1,314,000 and 1958-59, £989,000.

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

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

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

A general rate of tax is levied on all goods other than those specified in the schedules to the Sales Tax (Exemptions and Classifications) Act 1935-1959. These schedules set out details of goods exempt from sales tax and those subject to special rates. The general and special rates which operated from 8th September, 1949, were:—

Period.	General Rate.	Special Rates.
8th September, 1949, to 12th October, 1950 .. .. .	8½ per cent. ..	25 per cent.
13th October, 1950, to 26th September, 1951 .. .. .	8½ per cent. ..	10, 25 and 33½ per cent.
27th September, 1951, to 6th August, 1952 .. .. .	12½ per cent. ..	20, 25, 33½, 50 and 66⅔ per cent.
7th August, 1952, to 9th September, 1953 .. .. .	12½ per cent. ..	20, 33½ and 50 per cent.
10th September, 1953, to 18th August, 1954 .. .. .	12½ per cent. ..	16⅔ per cent.
19th August, 1954, to 14th March, 1956 .. .. .	12½ per cent. ..	10 and 16⅔ per cent.
15th March, 1956, to 3rd September, 1957 .. .. .	12½ per cent. ..	10, 16⅔, 25 and 30 per cent.
From 4th September, 1957 .. .. .	12½ per cent. ..	8½, 16⅔, 25 and 30 per cent.

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

Particulars of the net amount of sales tax payable, and the sales of taxable and exempt goods in each State for 1958-59, are given in the following table. The figures relate to sales during the period 1st July to 30th June. The figures for sales tax payable differ from those for net collections shown on page 815 because the latter include some adjustments in respect of earlier tax years and include only tax payable on returns lodged during the year, which in general cover sales for the period June to May.

## SALES TAX AND AMOUNT OF SALES, 1958-59.

(£'000.)

Particulars.	N.S.W. (a)	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	N. Terr.	Aust- ralia.
Net Sales on which Sales Tax was payable at—								
8½ per cent. ..	67,731	55,445	18,490	16,389	9,165	3,298	28	170,546
12½ per cent. ..	165,468	108,212	48,130	33,207	20,810	8,993	281	385,101
16½ per cent. ..	38,739	36,814	18,046	10,938	8,623	1,350	53	114,563
25 per cent. ..	41,882	26,177	6,648	5,573	2,772	909	16	83,977
30 per cent. ..	48,691	47,609	17,443	13,214	7,762	1,378	8	136,105
Total ..	362,511	274,257	108,757	79,321	49,132	15,928	386	890,292
Sales of Exempt Goods by Registered Persons ..	861,735	633,255	284,646	176,530	130,745	62,148	2,968	2,152,027
Total Sales of Taxable and Exempt Goods ..	1,224,246	907,512	393,403	255,851	179,877	78,076	3,354	3,042,319
Sales Tax Payable ..	57,862	45,119	17,460	12,697	7,841	2,264	53	143,296

(a) Includes the Australian Capital Territory.

Sales of taxable and exempt goods and sales tax payable for Australia as a whole, are shown in the following table for the years 1938-39 and 1954-55 to 1958-59:—

## SALES TAX AND AMOUNT OF SALES.

(£'000.)

Year.	Net Sales on which Sales Tax was Payable.	Sales of Exempt Goods by Registered Persons.	Total Sales of Taxable and Exempt Goods.	Sales Tax Payable.
1938-39 .. .. .	196,491	280,656	477,147	9,363
1954-55 .. .. .	766,940	1,699,342	2,466,282	101,427
1955-56 .. .. .	798,774	1,856,865	2,655,639	111,469
1956-57 .. .. .	781,250	2,016,828	2,798,078	127,649
1957-58 .. .. .	849,347	2,105,688	2,955,035	138,259
1958-59 .. .. .	890,292	2,152,027	3,042,319	143,296

In the foregoing tables, sales include goods transferred to stock for sale by retail, goods imported by persons other than registered taxpayers, and goods used in the business of the taxpayer. Exempt sales relate to goods exempted from sales tax under the Sales Tax (Exemptions and Classifications) Act 1935-1957. The figures shown do not represent the total sales of all commodities, as vendors trading in exempt goods only are not required to be registered and consequently the volume of their sales is not included in the statistics above. In addition, non-taxable sales (i.e., goods sold by one registered taxpayer to another registered taxpayer) are excluded.

(c) *Land Tax.* Commonwealth Land Tax was levied annually from 1910-11 to 1951-52 on the unimproved value of land. It was abolished from 1st July, 1952. For rates of tax payable from 1942-43 to 1951-52, see Official Year Book No. 40, 1954, page 669.

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

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

Receipts from pay-roll tax for the years 1954-55 to 1958-59 were, 1954-55, £41,455,000; 1955-56, £45,543,000; 1956-57, £48,675,000; 1957-58, £48,552,000; 1958-59, £49,619,000.

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

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

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

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

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

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

Total collections for the years 1938-39 and 1954-55 to 1958-59 were as follows:—1938-39, £1,915,000; 1954-55, £9,614,000; 1955-56, £10,120,000; 1956-57, £12,712,000; 1957-58, £13,774,000; 1958-59, £13,309,000.

Particulars of the number and value of estates and duty assessed, for each of the assessment years 1938-39 and 1953-54 to 1957-58, are given in the following table:—

#### ESTATE DUTY ASSESSMENTS.

Particulars.	1938-39.	1953-54.	1954-55.	1955-56.	1956-57.	1957-58.
Number of Estates ..	9,681	19,621	12,878	11,069	12,784	13,599
Gross Value Assessed ..	£'000 65,699	187,905	176,853	178,361	213,253	227,310
Deductions ..	£'000 12,630	31,010	30,136	31,281	37,376	39,707
Statutory Exemption ..	£'000 22,976	22,976	23,290	23,802	28,661	30,492
Dutiable Value ..	£'000 53,069	133,919	123,427	123,278	147,216	157,111
Duty Payable ..	£'000 2,002	10,089	10,310	10,882	13,580	13,967
Average dutiable value ..	£ 5,482	6,825	9,584	11,137	11,516	11,553
Average duty per estate ..	£ 207	514	801	983	1,062	1,027

(h) *Gift Duty.* The Gift Duty Act 1941-1947 and the Gift Duty Assessment Act 1941-1957 impose a gift duty on all gifts made after the 29th October, 1941. A gift has been defined as any disposition of property which is made otherwise than by will without adequate consideration in money or money's worth. There is a liability on both the donor and the donee to furnish a return, and both are jointly and severally liable for payment of the duty.

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

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

Total receipts from gift duty for the years 1954–55 to 1958–59 were as follows:—1954–55, £1,618,000; 1955–56, £1,820,000; 1956–57, £1,940,000; 1957–58, £2,205,000; 1958–59, £2,000,000.

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

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

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

With the repeal of the Wool Contributory Charge, however, a levy on wool produced in Australia was re-introduced from 1st July, 1952. The Wool Tax Acts (Nos. 1 and 2) of 1952 provided for the payment of a levy of four shillings a bale until 30th June, 1953, after which date the rate of tax could be varied within prescribed limits. There was no variation until 1st July, 1957, when the rate was increased to six shillings a bale. The purpose of the tax is to provide funds for publicity and research previously provided by the Wool Contributory Charge. Collections during 1954–55, 1955–56, 1956–57, 1957–58 and 1958–59 were £784,000, £851,000, £979,000, £1,328,000 and £1,389,000 respectively.

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

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

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

The Wheat Export Charge Act 1954 repealed previous Acts and provided for an export charge on wheat and wheat products for the seasons 1953–54 to 1958–59 inclusive. The charge levied is based on the difference between the cost of production and the export price with a maximum levy of 1s. 6d. a bushel. Under the Wheat Industry Stabilization Act 1954, to which the Wheat Export Charge Act is complementary, the Commonwealth Government guarantees a return to wheat-growers of the ascertained cost of production in respect of up to 100 million bushels of wheat exported from Australia during each of the six seasons. Collections from the wheat export charge are paid into the Wheat Prices Stabilization Fund, out of which payments will be made to the Australian Wheat Board, when required, for the purpose of building up the average export price for any season to the guaranteed price. If the fund is exhausted, additional payments will be made from the Consolidated Revenue Fund.

Collections of the wheat export charge amounted to £5,063,000 in 1954–55, £4,294,000 in 1955–56, nil in 1956–57, £443,000 in 1957–58 and £1,211,000 in 1958–59.

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

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



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

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

Collections of Wheat Tax in 1958-59 amounted to £207,000, which was paid to the Wheat Research Trust Account.

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

Collections for the last five years were as follows:—1954-55, £300,000; 1955-56, £414,000; 1956-57, £375,000; 1957-58, £390,000 and 1958-59, £566,000.

(o) *Stevedoring Industry Charge.* The Stevedoring Industry Charge Act 1947 and the Stevedoring Industry Charge Assessment Act 1947 imposed a charge of 4½d. a man-hour on the employer of a waterside worker after 22nd December, 1947.

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

Since 1947, the charge has been amended as follows:—11th October, 1949, a reduction to 2½d. a man-hour; 11th December, 1951, an increase to 4d. a man-hour; 28th October, 1952, an increase to 11d. a man-hour; 4th May, 1954, a reduction to 6d. a man-hour; 30th October, 1956, an increase to 1s. 7d. a man-hour; and from 21st May, 1957, an increase to 2s. a man-hour.

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

Collections during the years 1954-55 to 1958-59 were as follows:—1954-55, £998,000; 1955-56, £973,000; 1956-57, £1,926,000; 1957-58, £3,337,000; and 1958-59, £4,572,000.

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

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

The Tobacco Charge Act (No. 1) 1955 imposed a maximum charge of ¼d. a pound on all Australian tobacco leaf sold to a manufacturer.

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

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

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

Collections in 1955-56, 1956-57, 1957-58 and 1958-59 amounted to £5,000, £41,000 £61,000 and £72,000 respectively.

(r) *Dairy Produce Levy.* The Dairy Produce Levy Act 1958 imposed a levy on the manufacture of butter and cheese for the purpose of financing a research and sales promotion scheme for the dairy industry. The maximum rates of the levy are fixed at three-sixteenths of a penny a pound on butter and three-thirty-seconds of a penny on cheese. In 1958-59, collections amounted to £151,000.

3. *Business Undertakings.*—(i) *Postmaster General's Department.* Particulars of net receipts for each of the financial years 1938-39 and 1954-55 to 1958-59 are given in the following table:—

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

Particulars.	1938-39.	1954-55.	1955-56.	1956-57.	1957-58.	1958-59.
Private boxes and bags ..	74	180	185	240	247	258
Commission on money orders and postal notes ..	289	862	935	926	932	956
Telegraphs ..	1,372	4,934	4,960	5,904	6,169	6,321
Telephones ..	8,040	40,402	44,351	51,002	55,344	59,717
Postage ..	6,636	24,139	26,597	29,464	31,339	33,165
Miscellaneous ..	955	2,308	2,313	2,538	2,745	3,050
<b>Total .. ..</b>	<b>17,366</b>	<b>72,825</b>	<b>79,341</b>	<b>90,074</b>	<b>96,776</b>	<b>103,467</b>

Further particulars of the Postmaster-General's Department's receipts to 1958-59 are given in Chapter XIV.—Transport and Communication, of this Year Book (see p. 558).

(ii) *Broadcasting Services.* Following the amendment of the Australian Broadcasting Act 1942-1946 by Act No. 64 of 1948, the Broadcasting Control Board was set up on 15th March, 1949. (See also Chapter XIV.—Transport and Communication, p. 571).

Details of net receipts for the years 1954-55 to 1958-59 are shown in the following table:—

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

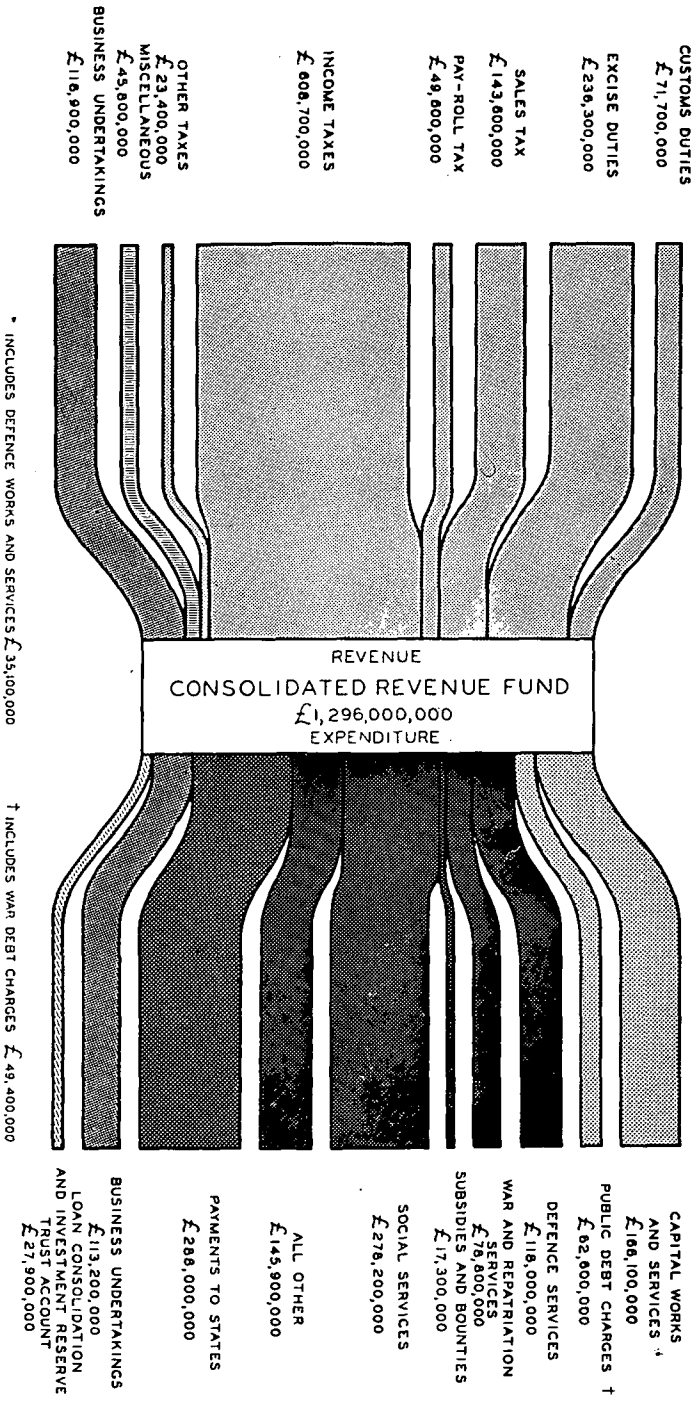
Particulars.	1954-55.	1955-56.	1956-57.	1957-58.	1958-59.
Listeners' Licence Fees ..	3,831	3,846	4,866	5,371	5,693
Broadcasting Station Licence Fees ..	27	35	66	80	85
Television Viewers' Licence Fees ..	..	..	344	1,389	2,777
Television Station Licence Fees ..	..	..	..	7	19
Miscellaneous .. ..	17	16	25	29	44
<b>Total .. ..</b>	<b>3,875</b>	<b>3,897</b>	<b>5,301</b>	<b>6,876</b>	<b>8,618</b>

(iii) *Commonwealth Railways.* The Commonwealth Government is responsible for four railways—the Trans-Australian, the Central Australia, the North Australia and the Australian Capital Territory. The following table shows the amounts paid to the credit of the Consolidated Revenue Fund on account of each of these railways for the years 1938-39 and 1954-55 to 1958-59:—

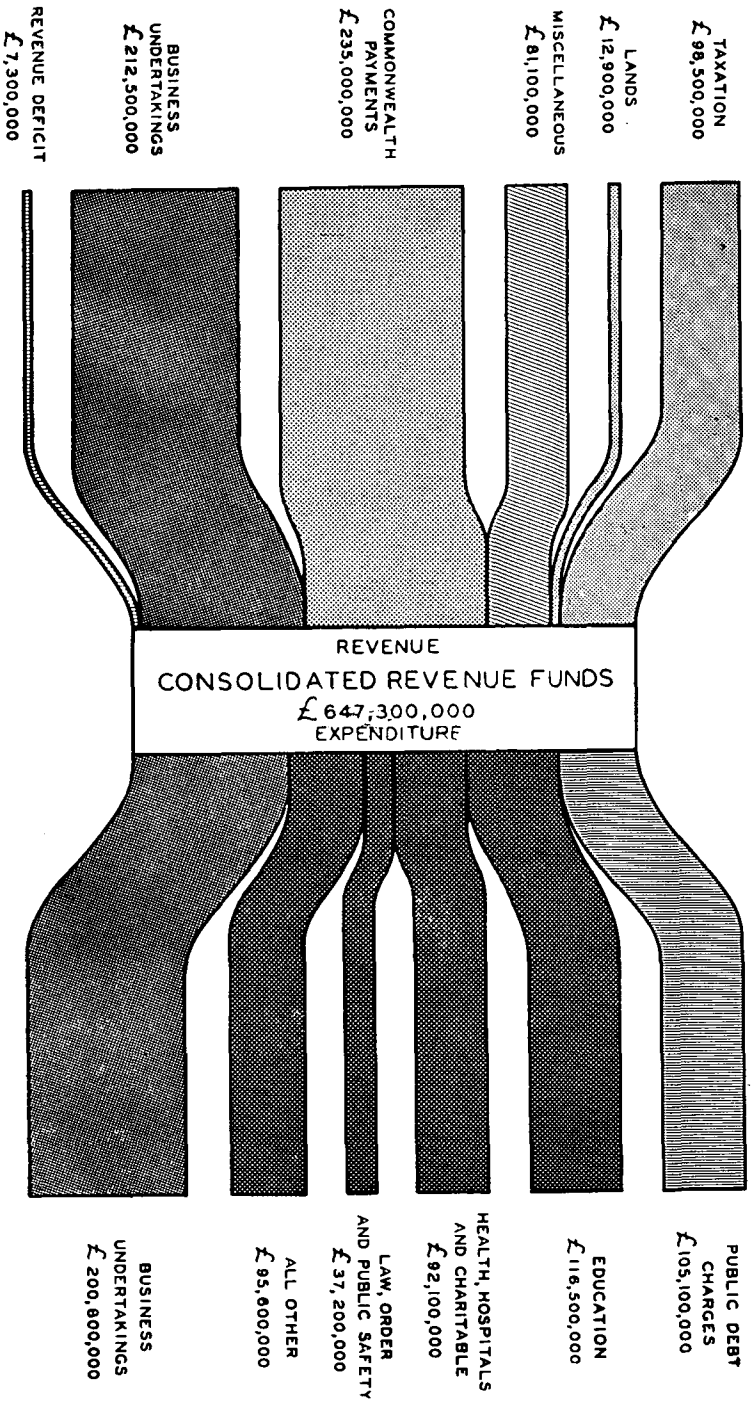
**COMMONWEALTH RAILWAYS REVENUE.**  
(£'000.)

Railway.	1938-39.	1954-55.	1955-56.	1956-57.	1957-58.	1958-59.
Trans-Australian ..	331	1,928	2,545	2,887	2,821	2,927
Central Australia ..	138	1,483	1,937	1,390	1,554	1,635
North Australia ..	50	70	86	130	182	203
Aust. Cap. Territory ..	7	29	15	21	19	46
<b>Total .. ..</b>	<b>526</b>	<b>3,510</b>	<b>4,583</b>	<b>4,428</b>	<b>4,576</b>	<b>4,811</b>

COMMONWEALTH CONSOLIDATED REVENUE FUND, YEAR ENDED 30TH JUNE, 1959



STATE CONSOLIDATED REVENUE FUNDS, YEAR ENDED 30<sup>TH</sup> JUNE, 1959



Further particulars to 1958-59 are given in Chapter XIV.—Transport and Communication (see pp. 532 and 538).

4. Other Sources of Revenue.—Revenue derived by the Consolidated Revenue Fund from the Territories of the Commonwealth during 1958-59 amounted to £3,189,000 (Australian Capital Territory £1,947,000; Northern Territory £1,227,000; Cocos (Keeling) Islands £15,000). Of other sources of revenue, amounting to £42,667,000, the following are noteworthy:—Interest, £11,572,000; Defence £6,185,000, Net Profit on Australian Note Issue £10,935,000; and Surplus Balances of Trust Accounts, £5,722,000.

### III.—Expenditure.

1. Details of Expenditure from Consolidated Revenue.—The following table shows details of expenditure from the Consolidated Revenue Fund during the years 1938-39 and 1954-55 to 1958-59.

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

Department, etc.	1938-39.	1954-55.	1955-56.	1956-57.	1957-58.	1958-59.
Defence Services(a) .. ..	7,506	153,187	152,929	151,263	151,258	118,083
War (1914-18 and 1939-45) and Repatriation Services(b) ..	19,242	120,120	124,487	112,296	127,924	128,162
Subsidies and Bounties .. ..	236	21,539	17,393	15,014	15,660	17,294
Cost of Departments(c) .. ..	9,237	78,799	87,913	96,775	106,613	129,311
National Welfare Fund .. ..	(d) 16,428	189,319	214,866	223,923	247,485	278,227
Debt Redemption Reserve Trust Account .. .. ..	..	70,151	..	..	..	..
Loan Consolidation and Investment Reserve Trust Account .. ..	..	..	61,613	194,793	104,378	27,947
Business Undertakings—						
Postmaster-General .. ..	14,878	76,246	85,627	91,197	96,952	100,480
Broadcasting Services .. ..	(e) 4,871	5,590	5,590	6,701	7,334	8,371
Railways .. .. ..	1,331	3,622	3,721	4,244	4,321	4,378
Territories .. .. ..	1,100	12,971	14,603	16,510	19,288	20,616
Capital Works and Services—						
Defence .. .. ..	1,349	33,003	38,479	38,427	35,037	34,983
Repatriation .. .. ..	141	30,131	30,242	30,167	35,206	35,308
Postmaster-General .. ..	3,851	25,839	28,970	30,721	34,811	36,353
Broadcasting Services .. ..	(e) ..	273	817	2,697	1,583	1,408
Railways .. .. ..	142	3,100	2,674	3,422	2,545	1,281
Territories .. .. ..	739	5,168	8,049	8,027	11,749	14,906
Other(f) .. .. ..	493	29,032	30,865	32,488	36,868	41,785
Payments to or for States(g) ..	15,749	200,937	220,907	244,610	271,351	287,989
Other Expenditure(h) .. ..	2,643	9,133	8,613	8,560	13,408	9,168
Grand Total .. .. ..	95,065	1,067,441	1,138,358	1,311,835	1,323,771	1,296,050
Per Head of Population .. ..	£ s. d. 13 14 3	£ s. d. 117 8 7	£ s. d. 122 4 0	£ s. d. 137 11 8	£ s. d. 135 16 7	£ s. d. 130 4 6

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

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

A graphical representation of the revenue and expenditure of the Commonwealth Consolidated Revenue Fund appears on page 823. In this diagram, Public Debt Charges (interest and debt redemption, etc.) are shown as a separate item, whereas in the table above these charges are included in the section to which they relate.

Details of Commonwealth expenditure on public debt charges for 1938–39 and 1954–55 to 1958–59 are shown in the following table:—

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

Item.	1938–39.	1954–55.	1955–56.	1956–57.	1957–58.	1958–59.
<i>War (1914–18 and 1939–45)</i>						
<i>Debt—(b)</i>						
Interest and Exchange ..	7,616	43,234	43,514	42,695	39,545	36,208
Debt Redemption ..	2,049	15,273	16,299	15,829	12,337	12,550
Other(c) ..	224	376	214	279	163	594
<i>Total</i> .. ..	<i>9,889</i>	<i>58,883</i>	<i>60,027</i>	<i>58,803</i>	<i>52,045</i>	<i>49,352</i>
<i>Business Undertakings—</i>						
<i>Postmaster-General's Department—</i>						
Interest and Exchange ..	1,758	1,303	885	862	833	799
Debt Redemption ..	1,129	1,655	1,438	1,172	979	798
Other(c) ..	..	253	..	..	..	..
<i>Total</i> .. ..	<i>2,887</i>	<i>3,211</i>	<i>2,323</i>	<i>2,034</i>	<i>1,812</i>	<i>1,597</i>
<i>Railways—</i>						
Interest and Exchange ..	455	410	388	385	390	381
Debt Redemption ..	75	163	172	180	189	199
Other(c) ..	11	19	..	..	..	..
<i>Total</i> .. ..	<i>541</i>	<i>592</i>	<i>560</i>	<i>565</i>	<i>579</i>	<i>580</i>
<i>Territories—</i>						
Interest and Exchange ..	318	234	233	228	227	222
Debt Redemption ..	58	127	133	140	147	154
Other(c) ..	4	..	..	..	..	..
<i>Total</i> .. ..	<i>380</i>	<i>361</i>	<i>366</i>	<i>368</i>	<i>374</i>	<i>376</i>
<i>Works and other Purposes—</i>						
Interest and Exchange ..	3,226	6,089	8,175	9,228	10,928	10,095
Debt Redemption ..	613	556	625	599	620	503
Other(c) ..	37	145	77	553	190	112
<i>Total</i> .. ..	<i>3,876</i>	<i>6,790</i>	<i>8,877</i>	<i>10,380</i>	<i>11,738</i>	<i>10,710</i>
<i>Total—</i>						
Interest and Exchange ..	13,373	51,270	53,195	53,398	51,923	47,705
Debt Redemption ..	3,924	17,774	18,667	17,920	14,272	14,204
Other(c) ..	276	793	291	832	353	706
<b>Grand Total</b> .. ..	<b>17,573</b>	<b>69,837</b>	<b>72,153</b>	<b>72,150</b>	<b>66,548</b>	<b>62,615</b>

(a) Excludes payments to or for the States under the Financial Agreement. See pages 835-38.  
(b) Includes repatriation debt. (c) Redemption, conversion and loan management, etc., expenses.

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

The figures represent the combined expenditures from revenue, trust and loan funds for the years 1938-39 and 1954-55 to 1958-59.

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

(£'000.)

Item.	1938-39.	1954-55.	1955-56.	1956-57.	1957-58.	1958-59.
<i>Department of Defence</i> .. ..	61	643	760	857	931	1,008
<i>Department of the Navy—</i>						
Naval Forces—Pay, maintenance, etc.	2,592	34,311	35,273	31,728	31,635	32,088
Naval construction and additions to the fleet	1,643	6,422	4,884	3,392	5,825	5,220
Aircraft and Aircraft Engines	..	4,086	5,438	973	2,902	1,270
Buildings, works, etc.	433	1,674	1,636	1,448	1,603	1,548
Advances to States under Commonwealth-State Housing Agreement	..	..	..	351	290	254
Administrative and miscellaneous expenditure	31	866	932	1,127	1,159	1,296
<i>Total</i> .. ..	4,699	47,359	48,163	39,019	43,414	41,676
<i>Department of the Army—</i>						
Military Forces—Pay, maintenance, etc.	2,941	38,653	39,808	40,683	37,243	40,277
Arms, armament, ammunition	1,129	18,435	16,374	14,092	13,891	18,939
Buildings, works, etc.	418	2,938	3,466	2,963	3,343	3,498
Advances to States under Commonwealth-State Housing Agreement	..	..	..	493	498	456
Administrative and miscellaneous expenditure	71	1,643	2,119	2,280	2,443	2,645
<i>Total</i> .. ..	4,559	61,669	61,767	60,511	57,418	65,815
<i>Department of Air—</i>						
Air Force—Pay, maintenance, etc.	1,304	22,744	24,081	25,200	27,736	27,038
Aircraft, equipment and stores	1,049	22,708	23,541	23,130	22,629	25,874
Buildings, works, etc.	489	2,587	3,013	2,662	2,869	4,147
Advances to States under Commonwealth-State Housing Agreement	..	..	..	345	387	485
Administrative and miscellaneous expenditure	12	1,357	1,734	1,906	2,096	2,296
<i>Total</i> .. ..	2,854	49,396	52,369	53,243	55,717	59,840
<i>Department of Supply(b)—</i>						
Defence research and development	..	9,328	10,689	10,362	10,509	10,242
Buildings, works, etc.	463	959	7,466	15,171	6,653	1,157
Administrative and miscellaneous expenditure	1,212	8,604	9,491	9,895	10,706	9,559
<i>Total</i> .. ..	1,675	18,891	27,646	35,428	27,868	20,958
<i>Economic assistance to support defence programme of S.E.A.T.O. member countries</i>	..	..	..	26	165	298
<i>Administration of National Service Act</i>	..	199	218	206	186	159
<i>Defence Equipment and Supplies(c)</i>	..	8,000	..	..	..	..
<i>Civil Defence</i>	..	33	89	130	95	102
<i>Recruiting Campaign</i>	..	..	372	224	327	311
<i>Other</i>	..	..	24	46	174	205
<i>Total Defence Services—</i>						
Consolidated Revenue Fund	8,863	186,190	191,408	189,690	186,295	153,066
Trust Funds	(d) 3,072	..	..	..	..	..
Loan Fund	1,913	..	..	..	..	37,306
<i>Grand Total</i> .. ..	13,848	186,190	191,408	189,690	186,295	190,372

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

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

1954-55 to 1958-59. Expenditure on the maintenance of forces in Korea and at other overseas posts and the cost of arms and equipment is included in Defence Services (*see* para. 2 above).

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

(£'000.)

Item.	1938-39.	1954-55.	1955-56.	1956-57.	1957-58.	1958-59.
<i>Public Debt Charges—</i>						
Interest and Exchange .. ..	7,616	43,234	43,514	42,695	39,545	36,208
Debt Redemption .. .. .	2,049	15,273	16,299	15,829	12,337	12,550
Other .. .. .	224	376	214	279	163	594
<i>Total Public Debt Charges(a)</i> ..	<u>9,889</u>	<u>58,883</u>	<u>60,027</u>	<u>58,803</u>	<u>52,045</u>	<u>49,352</u>
War Gratuities .. .. .					16	8
War and Service Pensions .. ..	8,228	44,548	47,307	(b)36,763	55,982	57,107
Commonwealth Reconstruction Training Scheme .. .. .		314	221	256	340	365
War Service Land Settlement .. ..		4,789	8,790	9,550	10,302	7,520
Re-establishment loans for agricultural purposes .. .. .		106	71	83	65	63
<i>Repatriation Department—</i>						
Repatriation Benefits .. .. .	631	11,720	12,278	13,069	14,182	15,988
Other benefits .. .. .	119	486	473	555	730	738
Administration and general expenses(c)	315	3,639	3,937	3,806	3,933	3,953
Expenditure recovered(d) .. ..	-71	-1,226	-1,082	-1,128	-1,022	-942
<i>Total Repatriation Department</i> ..	<u>994</u>	<u>14,619</u>	<u>15,606</u>	<u>16,302</u>	<u>17,823</u>	<u>19,737</u>
War Service Homes—Salaries and general expenses .. .. .	98	815	948	911	938	978
Other Departments—Miscellaneous expenditure .. .. .	43	472	369	383	409	368
International Payments(e) .. .. .		41	36	136	47	39
Other Administrations—Recoverable expenditure(f) .. .. .		-429	-1,266	-2,872	-1,340	-1,675
<i>Capital Works and Services—</i>						
Repatriation Department .. .. .	36	132	242	167	206	308
War Service Homes Act 1918-1949 ..	105	29,999	30,000	30,000	35,000	35,000
<i>Total Capital Works and Services</i> ..	<u>141</u>	<u>30,131</u>	<u>30,242</u>	<u>30,167</u>	<u>35,206</u>	<u>35,308</u>
<i>Total War and Repatriation Services and Post-war Charges—</i>						
Consolidated Revenue Fund .. ..	19,393	150,250	154,729	142,463	163,130	163,470
Loan Fund .. .. .		4,039	7,622	8,019	8,703	5,700
<b>Grand Total</b> .. .. .	<u>19,393</u>	<u>154,289</u>	<u>162,351</u>	<u>150,482</u>	<u>171,833</u>	<u>169,170</u>

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

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

4. **Subsidies and Bounties.**—The following table shows details of Commonwealth expenditure from revenue on subsidies, bounties and assistance to primary producers for the years 1938-39 and 1954-55 to 1958-59. Expenditure on special relief such as drought, frost, flood and bush fire, etc. (*see* table, p. 831, for more important items), is not included, nor is expenditure from the proceeds of certain taxes on primary products and profits from marketing schemes, which have been paid to trust funds for the purpose of price or other stabilization schemes or for distribution to producers (*see* paragraph 13, p. 840). Further information relating to these schemes and other assistance to primary producers is given in Chapter XXII.—Agricultural Production.

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



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

Item.	1938-39.	1954-55.	1955-56.	1956-57.	1957-58.	1958-59.
<i>Subsidies—</i>						
<i>Price Stabilization—</i>						
Tea .. .. .	..	5,077	1,734	..	..	..
Coal .. .. .	..	185	27	..	..	..
<i>Total</i> .. .. .	..	5,262	1,761	..	..	..
<i>Assistance to Primary Production—</i>						
Dairy Industry(a) .. .. .	..	15,750	14,500	13,500	13,500	13,500
Assistance to Gold-mining Industry .. .. .	..	97	401	495	660	898
<i>Total Subsidies</i> .. .. .	..	21,109	16,662	13,995	14,160	14,398
<i>Bounties—</i>						
Tractor .. .. .	..	82	55	158	467	415
Sulphuric Acid .. .. .	..	306	513	421	709	1,301
Cellulose Acetate Flake .. .. .	..	..	..	179	110	110
Copper .. .. .	..	..	..	..	..	768
Other .. .. .	(b) 236	42	163	261	214	302
<i>Total Bounties</i> .. .. .	236	430	731	1,019	1,500	2,896
<b>Grand Total</b> .. .. .	<b>236</b>	<b>21,539</b>	<b>17,393</b>	<b>15,014</b>	<b>15,660</b>	<b>17,294</b>

(a) Dairy products.

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

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

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

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

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

Department.	1938-39.	1954-55.	1955-56.	1956-57.	1957-58.	1958-59.
<i>Governor-General</i> .. .. .	28	82	94	103	116	116
<i>Parliament—</i>						
Cost of Parliament .. .. .	279	1,281	1,419	1,621	1,704	1,764
Electoral Office .. .. .	105	427	532	507	605	554
<i>Total</i> .. .. .	384	1,708	1,951	2,128	2,309	2,318
<i>Prime Minister—</i>						
Department .. .. .	62	229	270	284	316	333
Audit Office .. .. .	38	506	609	603	622	623
Public Service Board .. .. .	51	485	597	589	619	667
National Library .. .. .	4	136	160	168	180	201
High Commissioner's Office—United Kingdom .. .. .	81	587	658	725	762	832
Commonwealth Grants Commission .. .. .	5	17	19	18	22	20
Office of Education .. .. .	..	156	194	186	182	177
Security Services .. .. .	..	362	422	425	483	498
<i>Total</i> .. .. .	241	2,478	2,929	2,998	3,186	3,351
<i>External Affairs—</i>						
Department .. .. .	20	441	486	580	619	675
Oversea representation .. .. .	..	1,232	1,444	1,484	1,569	1,655
<i>Total</i> .. .. .	20	1,673	1,930	2,064	2,188	2,330
<i>Treasury—</i>						
Department .. .. .	59	496	579	626	685	766
Taxation Branch and Boards of Review .. .. .	616	6,741	7,489	7,810	8,117	8,362
Bureau of Census and Statistics .. .. .	61	646	776	860	1,217	1,492
Commonwealth Superannuation Board .. .. .	9	82	89	87	94	88
<i>Total</i> .. .. .	745	7,965	8,933	9,383	10,113	10,708

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

Department.	1938-39.	1954-55.	1955-56.	1956-57.	1957-58.	1958-59.
<i>Attorney-General—</i>						
Department .. .. .	20	219	256	269	268	281
Crown Solicitor .. .. .	28	264	315	326	336	343
High Court .. .. .	34	96	109	115	111	131
Bankruptcy Administration .. .. .	44	122	146	161	170	180
Court of Conciliation and Arbitration .. .. .	24	180	199	211	219	245
Patents, Trade Marks and Designs .. .. .	71	379	388	396	407	414
Other Branches .. .. .	37	329	401	387	375	406
<i>Total</i> .. .. .	258	1,589	1,814	1,865	1,886	2,000
<i>Interior—</i>						
Department .. .. .	296	1,239	1,086	(a) 810	(a) 833	(a) 908
Meteorological Branch .. .. .	80	540	601	1,012	1,081	1,362
Ionospheric Prediction Service .. .. .	7	76	88	74	(b) 41	(b) 44
Forestry Branch .. .. .	10	93	116	126	154	144
News and Information Bureau .. .. .	..	(c)	271	268	277	283
<i>Total</i> .. .. .	393	1,948	2,162	2,290	2,386	2,741
<i>Works</i> .. .. .	(d)	2,077	2,401	2,103	2,125	2,028
<i>Civil Aviation</i> .. .. .	90	2,482	2,907	3,181	3,243	3,033
<i>Customs and Excise</i> .. .. .	(e) 721	(e) 3,650	3,992	3,920	4,130	4,284
<i>Health—</i>						
Department .. .. .	} 135	458	516	556	597	624
Quarantine .. .. .		222	238	261	278	284
Health Services .. .. .		505	608	639	659	706
<i>Total</i> .. .. .	135	1,185	1,362	1,456	1,534	1,614
<i>Trade—</i>						
Department .. .. .	(f)	(f)	425	918	1,028	1,136
Tariff Board .. .. .	(g)	(g)	68	73	89	134
Commercial Intelligence Services .. .. .						
Abroad .. .. .	(f)	(f)	453	512	562	619
<i>Total</i> .. .. .	..	..	946	1,503	1,679	1,889
<i>Primary Industry—</i>						
Department .. .. .	} (f)	(f)	268	343	380	390
Inspection of goods for export .. .. .			1,007	996	1,043	1,144
Division of Agricultural Economics .. .. .			(h) 168	127	142	133
<i>Total</i> .. .. .	..	..	1,443	1,466	1,565	1,667
<i>Commerce and Agriculture—</i>						
Department .. .. .	58	428	} (i)	(i)	(i)	(i)
Inspection of goods for export .. .. .	175	841				
Commercial Intelligence Services .. .. .						
Abroad .. .. .	47	393				
Division of Agricultural Economics .. .. .						
and Division of Agricultural Production .. .. .	..	153				
<i>Total</i> .. .. .	280	1,814				
<i>Social Services—Department</i> .. .. .	139	2,436	2,632	2,767	3,085	3,215
<i>Shipping and Transport—</i>						
Department .. .. .	..	136	160	158	169	165
Marine Branch .. .. .	208	816	898	953	979	989
Ship Construction .. .. .	..	17	16	16	16	16
<i>Total</i> .. .. .	208	969	1,074	1,127	1,164	1,170
<i>Territories—Department</i> .. .. .	(j)	154	184	214	264	271
<i>Immigration—Department</i> .. .. .	(d)	1,378	1,727	1,795	1,879	1,956
<i>Labour and National Service—Department</i> .. .. .	..	1,757	1,967	2,010	2,071	2,136
<i>National Development—</i>						
Department .. .. .	..	350	335	215	227	232
Bureau of Mineral Resources .. .. .	..	379	522	586	785	782
Division of National Mapping .. .. .	..	(c)	(c)	230	307	312
<i>Total</i> .. .. .	..	729	857	1,031	1,319	1,326
<i>Commonwealth Scientific and Industrial Research Organization—Department</i> .. .. .	195	3,989	4,716	4,959	5,427	6,086
<i>Atomic Energy Commission</i> .. .. .	..	430	640	699	1,331	1,525
<i>Total All Departments</i> .. .. .	3,837	40,492	46,661	49,062	53,000	55,764

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

The following table gives details of miscellaneous expenditure included in the total cost of departments. It covers such items as interest and debt redemption in respect of departments (including defence departments) which is included under expenditure by the Department of the Treasury, repairs and maintenance of buildings, and special expenditure for which the Commonwealth is committed, such as contributions to international organizations, payment of Commonwealth scholarships, etc. The costs of social services, which are paid from the National Welfare Fund, are not included in this table (see pp. 832-33 for this information).

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

(£'000.)

Department.	1938-39.	1954-55.	1955-56.	1956-57.	1957-58.	1958-59.
<i>Governor-General</i> .. .. .	1	25	29	47	42	31
<i>Parliament—</i>						
Cost of elections .. .. .	3	15	301	19	7	357
Other .. .. .	12	26	36	52	64	146
<i>Total</i> .. .. .	15	41	337	71	71	503
<i>Prime Minister—</i>						
Commonwealth Scholarship Scheme and financial assistance to University students .. .. .		984	1,111	1,190	1,311	1,655
Australian National University .. .. .		748	877	965	1,196	1,404
Bush fire and flood relief, etc. .. .. .	19	598	394	555	254	96
Other .. .. .	249	456	894	992	486	588
<i>Total</i> .. .. .	268	2,786	3,276	3,702	3,247	3,743
<i>External Affairs—</i>						
United Nations and Allied Organizations .. .. .	(b) 46	647	659	769	828	927
Advance to United Nations—Cost of clearance Suez Canal .. .. .				449		
Australian National Antarctic Research Expeditions .. .. .		213	269	342	389	527
International development and relief .. .. .		3,429	5,285	5,668	5,666	4,097
Contributions to other international agencies, etc. .. .. .	4	170	139	177	210	279
<i>Total</i> .. .. .	50	4,459	6,352	7,405	7,093	5,830
<i>Treasury—</i>						
Interest (including exchange) .. .. .	3,229	6,089	8,174	9,228	10,928	10,095
Debt Redemption(c) .. .. .	614	556	625	599	620	503
Other(d) .. .. .	259	4,093	2,896	5,529	6,661	23,894
<i>Total</i> .. .. .	4,102	10,738	11,695	15,356	18,209	34,492
<i>Attorney-General</i> .. .. .	18	81	75	87	99	100
<i>Interior—</i>						
Other departments in Canberra—Transport services, fuel, light and power; overseas publicity, etc. .. .. .		358	412	478	517	406
Other .. .. .	102	373	434	549	613	695
<i>Total</i> .. .. .	102	731	846	1,027	1,130	1,101
<i>Works</i> .. .. .	(e)	116	129	146	171	216
<i>Civil Aviation—</i>						
Maintenance and development of civil aviation .. .. .	218	7,623	4,617	5,048	5,661	7,566
Meteorological maintenance services and other .. .. .	8	603	407	629	620	707
<i>Total</i> .. .. .	226	8,226	5,024	5,677	6,281	8,273
<i>Customs and Excise</i>						
Refunds of Diesel Fuel Taxation .. .. .					1,314	989
Other .. .. .	(f) 37	(f) 146	102	90	117	143
<i>Total</i> .. .. .	37	146	102	90	1,431	1,132
<i>Health—</i>						
Miscellaneous expenditure on health .. .. .	93	472	509	563	618	669
Other .. .. .	14	85	109	98	141	106
<i>Total</i> .. .. .	107	557	618	661	759	775
<i>Trade—</i>						
Export Payments Insurance Corporation .. .. .		(g)		465	35	500
Other .. .. .			199	412	504	638
<i>Total</i> .. .. .			199	877	539	1,138

For footnotes see next page.

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

(£'000.)

Department.	1938-39.	1954-55.	1955-56.	1956-57.	1957-58.	1958-59.
<i>Primary Industry</i> —						
Wool Use Promotion and Research ..			426	489	885	926
Fisheries development ..			125	270	215	114
Australian Wool Testing Authority—						
Advance .. .. .			106	161	8	26
Other .. .. .					190	281
Total .. .. .			657	920	1,298	1,347
<i>Commerce and Agriculture</i> —						
Wool use publicity, promotion and research	74	392				
Other .. .. .	162	170				
Total .. .. .	236	562				
<i>Social Services</i> —						
Compassionate allowances, assistance			546	535	971	1,909
Homes for Aged, etc. .. .. .			66	61	62	86
Other .. .. .	186	612		884		
Total .. .. .	186	612	596	939	1,033	1,995
<i>Shipping and Transport</i> —						
Shipping subsidies, etc. .. .. .		170	607	357	328	302
Merchant Ship Construction—Subsidy ..		(i)	(i)	1,433	1,858	1,800
Railway fare and freight concessions ..		631	593	2	2	3
Oversea Coal—Loss on Emergency Transport			828			
Overseas Telecommunications Commission						
—coastal radio service .. .. .				183	180	235
Other .. .. .	7	52	44	59	64	68
Total .. .. .	7	853	2,072	2,034	2,432	2,408
<i>Territories</i> .. .. .	(j)	2	1	1	2	3
<i>Immigration</i> —						
Assisted migration .. .. .	(e)	5,791	6,270	5,724	6,835	7,188
Other migration activities .. .. .	(e)	1,649	2,035	1,936	1,870	1,862
Other .. .. .	(e)	255	315	300	250	219
Total .. .. .	(e)	7,695	8,620	7,960	8,955	9,269
<i>Labour and National Service</i> .. .. .		89	109	114	129	141
<i>National Development</i> —						
Joint Coal Board .. .. .		282	246	386	195	170
Other .. .. .		172	140	58	327	679
Total .. .. .		454	386	444	522	849
<i>Commonwealth Scientific and Industrial Research Organization</i> —						
Miscellaneous grants to scientific bodies	28	110	100	109	124	137
Other .. .. .		24	29	46	46	64
Total .. .. .	28	134	129	155	170	201
<b>Total, All Departments</b> .. .. .	<b>5,383</b>	<b>38,307</b>	<b>41,252</b>	<b>47,713</b>	<b>53,613</b>	<b>73,547</b>

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

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

In the following table, details are given of the income and expenditure of the National Welfare Fund and the balance in the fund at the end of each year for the years 1954-55 to 1958-59. A dissection of expenditure into the various types of benefits is given in Chapter XVIII.—Welfare Services (*see* p. 686).

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

Year.	Income.			Expenditure.	Balance in Fund at end of Year.
	Contribution from Consolidated Revenue.	Interest on Investments.	Total.		
1954-55 .. ..	189,319	2,108	191,427	189,319	191,038
1955-56 .. ..	214,866	2,086	216,952	214,866	193,124
1956-57 .. ..	223,923	1,938	225,861	223,923	195,062
1957-58 .. ..	247,485	1,958	249,443	247,485	197,020
1958-59 .. ..	278,227	1,977	280,204	278,227	198,997

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

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

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

In 1955-56, the Account was credited with a transfer from the Debt Redemption Reserve Trust Account of £126,422,000. Payments from the Consolidated Revenue Fund were made as follows:—1955-56, £61,613,000; 1956-57, £194,793,000; 1957-58, £104,378,000, and 1958-59, £27,947,000. Expenditure from the Trust Account on repurchase of securities was £28,701,000 in 1955-56; £43,443,000 in 1956-57; £132,767,000 in 1957-58 and £100,046,000 in 1958-59. The major portion of the balance of the Trust Account at 30th June, 1959, was invested in Commonwealth securities in special loans to finance Commonwealth and State works programmes.

9. **Business Undertakings.**—(1) *Postmaster-General's Department.* From the beginning of 1949-50, Broadcasting Services have been separated from the Postmaster-General's Department. Prior to 1949-50, part of the expenditure on these services was included with that of the Postmaster-General's Department. Details of the expenditure of this Department for the years 1938-39 and 1954-55 to 1958-59 are given in the following table:—

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

Item.	1938-39.	1954-55.	1955-56.	1956-57.	1957-58.	1958-59.
Salaries, stores and materials, mail, engineering services, etc.	11,485	70,568	80,644	86,301	91,777	95,305
Superannuation, Pensions, etc.	392	1,490	1,606	1,745	2,024	2,203
Rents, repairs, etc. ..	114	977	1,054	1,117	1,339	1,375
Interest and Exchange ..	1,758	1,556	885	862	833	799
Debt Redemptions ..	1,129	1,655	1,438	1,172	979	798
<i>Total Working, etc., Expenses ..</i>	<i>14,878</i>	<i>76,246</i>	<i>85,627</i>	<i>91,197</i>	<i>96,952</i>	<i>100,480</i>
Capital Works and Services ..	3,851	25,839	28,970	30,721	34,811	36,353
<b>Grand Total .. ..</b>	<b>18,729</b>	<b>102,085</b>	<b>114,597</b>	<b>121,918</b>	<b>131,763</b>	<b>136,833</b>

Further details of expenditure for 1958–59 on account of the Postmaster-General's Department appear in Chapter XIV.—Transport and Communication, of this Year Book (see p. 561).

(ii) *Broadcasting Services.* Since 1949–50, all expenditure on broadcasting services has been brought together in one section. Previously these services had been financed partly by the Postmaster-General's Department and partly from the Wireless Broadcasting Trust Account. Details of expenditure for the years 1954–1955 to 1958–1959 are shown in the following table.

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

Item.	1954–55.	1955–56.	1956–57.	1957–58.	1958–59.
Australian Broadcasting Control Board ..	83	106	153	153	192
Australian Broadcasting Commission— Salaries, general and programme expenses .. .. .	2,702	3,250	4,633	5,100	5,936
Technical and other Services—Postmaster- General—Sound Broadcasting .. .. .	2,068	2,210	1,844	1,995	2,060
Television .. .. .	..	..	53	58	159
Repairs, maintenance, etc. .. .. .	18	24	18	28	24
<i>Total Working, etc., expenses</i> .. .. .	<i>4,871</i>	<i>5,590</i>	<i>6,701</i>	<i>7,334</i>	<i>8,371</i>
Capital Works and Services .. .. .	273	817	2,697	1,583	1,408
<b>Grand Total</b> .. .. .	<b>5,144</b>	<b>6,407</b>	<b>9,398</b>	<b>8,917</b>	<b>9,779</b>

(iii) *Railways.* The Commonwealth Railways, previously administered by the Department of the Interior, were transferred in March, 1950, to the newly formed Department of Fuel, Shipping and Transport, which became the Department of Shipping and Transport in May, 1951. The expenditure on railways for the years 1938–39 and 1954–55 to 1958–59 is shown below.

**COMMONWEALTH RAILWAYS : EXPENDITURE.**  
(£'000.)

Item.	1938–39.	1954–55.	1955–56.	1956–57.	1957–58.	1958–59.
<b>Working expenses—</b>						
Trans-Australian .. .. .	494	1,412	1,705	2,057	2,277	2,301
North Australia .. .. .	55	158	183	239	221	169
Central Australia .. .. .	214	1,322	1,152	1,238	1,090	1,168
Aust. Capital Territory .. .. .	7	40	45	50	50	50
Interest and Exchange .. .. .	455	410	388	385	390	381
Debt Redemption .. .. .	75	163	172	180	189	199
Superannuation .. .. .	14	58	59	59	68	74
Miscellaneous .. .. .	17	(a) 59	17	36	36	36
<i>Total Working, etc., ex-     penses</i> .. .. .	<i>1,331</i>	<i>3,622</i>	<i>3,721</i>	<i>4,244</i>	<i>4,321</i>	<i>4,378</i>
Capital Works and Services .. .. .	142	3,100	2,674	3,422	2,545	1,281
<b>Grand Total</b> .. .. .	<b>1,473</b>	<b>6,722</b>	<b>6,395</b>	<b>7,666</b>	<b>6,866</b>	<b>5,659</b>

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

Additional details of the financial operations of the Commonwealth Railways to 1958–59 are given in Chapter XIV.—Transport and Communication (see pp. 533–5).

10. *Territories.*—The following table shows the expenditure on account of Commonwealth Territories for the years 1938–39 and 1954–55 to 1958–59. The Australian Capital Territory is administered by the Department of the Interior, and the Department of Territories controls the Northern Territory and the external territories. The expenditure has been grouped in one table for convenience. Information in greater detail will be found in the annual bulletin, *Finance, Part I.—Public and Private Finance*

COMMONWEALTH TERRITORIES : EXPENDITURE.  
(£'000.)

Territory.	1938-39.	1954-55.	1955-56.	1956-57.	1957-58.	1958-59.
<i>Administration and Maintenance of Services—</i>						
Australian Capital Territory(a)	637	2,786	2,663	3,062	3,359	3,971
Northern Territory (a) ..	403	2,829	3,275	3,810	4,487	4,959
Papua .. .. .	49	7,322	8,623	9,581	11,383	11,619
New Guinea .. .. .	6					
Norfolk Island .. .. .	5	34	30	37	33	31
Cocos (Keeling) Islands .. .. .	..	..	12	20	26	36
<i>Total .. .. .</i>	<i>1,100</i>	<i>12,971</i>	<i>14,603</i>	<i>16,510</i>	<i>19,288</i>	<i>20,616</i>
<i>Capital Works and Services—</i>						
Australian Capital Territory(a)	244	3,342	5,181	4,957	8,394	11,098
Northern Territory(a) ..	495	1,818	2,861	2,798	3,300	3,678
Papua and New Guinea .. .. .	..	8	5	215	8	87
Cocos (Keeling) Islands .. .. .	..	..	2	57	47	43
<i>Total .. .. .</i>	<i>739</i>	<i>5,168</i>	<i>8,049</i>	<i>8,027</i>	<i>11,749</i>	<i>14,906</i>

(a) Excludes Railways, see para 9 (iii) page 834.

11. **Capital Works and Services.**—In the following table, details are given of Commonwealth expenditure on capital works and services during each of the years 1938-39 and 1954-55 to 1958-59. The table covers all expenditure on capital works and services made from the Consolidated Revenue Fund, the Loan Fund and Trust Funds.

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

Particulars.	1938-39.	1954-55.	1955-56.	1956-57.	1957-58.	1958-59
<i>Defence and War—</i>						
Navy .. .. .	2,076	11,746	11,288	5,602	9,814	7,504
Army .. .. .	1,547	14,033	12,467	10,138	10,732	15,831
Air Force .. .. .	1,538	2,587	3,013	3,007	3,256	4,632
Munitions and other .. .. .	1,173	4,637	11,711	19,669	10,958	7,014
<i>Repatriation Services—</i>						
War Service Homes .. .. .	105	29,999	30,000	30,000	35,000	35,000
Other .. .. .	..	132	242	167	206	308
Postmaster-General's Department ..	3,849	25,837	28,969	30,715	34,807	36,354
Broadcasting Services .. .. .	..	273	817	2,697	1,583	1,407
<i>Railways—</i>						
Commonwealth .. .. .	142	3,099	2,669	3,422	2,543	1,239
<i>Territories—</i>						
Australian Capital Territory .. .. .	488	3,338	5,177	4,954	8,390	11,095
Northern Territory .. .. .	244	1,818	2,861	2,798	3,300	3,678
Papua-New Guinea .. .. .	..	8	5	215	8	87
Cocos (Keeling) Islands .. .. .	..	..	2	57	47	43
<i>Other—</i>						
Ships, yards and docks .. .. .	-300	3,228	3,589	1,343	..	..
Civil Aviation .. .. .	419	3,657	3,881	3,657	4,098	5,688
Snowy Mountains Scheme .. .. .	..	13,200	15,146	18,000	18,350	24,000
Immigration .. .. .	..	208	319	253	297	270
Health .. .. .	35	383	639	384	549	678
Subscriptions to Capital(a) .. .. .	..	1,000	1,200	1,500	1,750	4,750
Advances(b) .. .. .	..	2,403	205	432	1,297	230
All other works, buildings, etc.(c)	243	4,953	5,887	6,919	10,527	6,149
<i>Total .. .. .</i>	<i>11,539</i>	<i>126,539</i>	<i>140,087</i>	<i>145,929</i>	<i>157,512</i>	<i>165,957</i>
<i>Source of Funds—</i>						
Consolidated Revenue Fund .. .. .	6,715	126,546	140,096	145,938	157,522	166,024
Loan Fund .. .. .	1,598	-7	-9	-9	-10	-67
Trust Funds(d) .. .. .	3,246	..	..	..	..	..
<i>Total .. .. .</i>	<i>11,559</i>	<i>126,539</i>	<i>140,087</i>	<i>145,929</i>	<i>157,512</i>	<i>165,957</i>

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

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

12. **Payments to or for the States.**—(i) *General.* An outline of the provisions of the Constitution requiring the Commonwealth to make payments to the States, and of the systems which followed, is given in earlier issues of the Official Year Book (see No. 37, pp. 633 to 638). In the following paragraphs, reference is made to the arrangements at present in operation.

(ii) *Amounts Paid.* (a) Year 1958-59. The table below shows particulars of the amounts paid to each of the States as grants for the several purposes referred to in subsequent paragraphs:—

**COMMONWEALTH PAYMENTS TO OR FOR THE STATES, 1958-59.(a)**  
(£'000.)

Particulars.	N.S.W.	Vic.	Q'land.	S.A.	W.A.	Tas.	Total.
Financial Agreement—							
Interest on States' Debts	2,918	2,127	1,096	704	473	267	7,585
Sinking Fund on States' Debts(b)	1,894	1,230	671	715	526	350	5,386
Special Grants				5,250	11,100	4,400	20,750
Tax Reimbursement Grants	64,785	46,475	27,158	16,166	13,773	6,190	174,547
Special Financial Assistance	11,298	8,104	4,735	2,818	2,403	1,079	30,437
Commonwealth Aid Roads (c)	9,130	5,843	6,390	3,731	6,492	1,663	33,249
Commonwealth Aid Roads—Special Assistance	800	700	500	325	475	150	2,950
Tuberculosis Act 1948—Reimbursement of Capital Expenditure	372	45	664	70	257	4	1,412
Mental Institutions—Contribution to Capital Expenditure	197	620	118	122	17	46	1,120
Western Australia Waterworks Grant					524		524
Coal Mining Industry—Long Service Leave (c)	413	1	75		27	9	525
Encouragement of Meat Production Grants to Universities	2,927	1,313	805	664	613	597	6,919
Cattle Tick Control	578						578
Tobacco Industry Assistance	2	3	6		4		15
Dairy Industry Extension Grant	72	80	70	15	13	11	261
Expansion of Agricultural Advisory Services	69	60	49	22	22	14	236
Development of North Western Australia					171		171
Grants for Railway Standardization (d)							1,308
<b>Total</b>	<b>95,455</b>	<b>66,601</b>	<b>42,353</b>	<b>30,602</b>	<b>36,890</b>	<b>14,780</b>	<b>287,989</b>

(a) Excludes relief to primary producers and other payments for medical research, etc. (b) Paid to National Debt Sinking Fund. (c) Paid to Trust Fund. (d) Grants only—excludes repayable advances. The allocation of the Commonwealth expenditure of £1,308,000 as between the States is not available.

(b) 1938-39 and 1954-55 to 1958-59. The following table shows particulars of payments by the Commonwealth to or on behalf of the States during each of these years:—

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

Particulars.	1938-39.	1954-55.	1955-56.	1956-57.	1957-58.	1958-59.
Financial Agreement—						
Interest on States' Debts	7,585	7,585	7,585	7,585	7,585	7,585
Sinking Fund on States' Debts (b)	1,478	3,947	4,310	4,640	5,065	5,386
Special Grants	2,020	12,300	18,500	18,500	19,500	20,750
Tax Reimbursement Grants		130,046	141,578	154,622	165,820	174,547
Special Financial Assistance		19,902	15,348	19,405	24,145	30,437
Additional Financial Assistance					5,000	
Grants for Road Construction, etc.	4,266	21,461	26,519	31,269	31,664	33,249
Commonwealth Aid Roads—Special Assistance					2,950	2,950
Tuberculosis Act 1948—Reimbursement of Capital Expenditure		1,709	1,758	2,381	2,142	1,412
Mental Institutions—Contribution to Capital Expenditure			773	1,248	1,256	1,120
Local Public Works—Interest and Sinking Fund	100					
Youth Employment	200					
Western Australian Waterworks		366	682	462	677	524
Coal Mining Industry—Long Service Leave (c)		600	565	597	590	525
Imported Houses—Grants		88		2		
Contribution to South Australia—Port Augusta to Port Pirie Railway	20	20	20	20		
Encouragement of Meat Production		261	303	134	98	16
Grants to Universities		1,544	1,651	2,262	3,074	6,919
Cattle Tick Control	70	250	552	675	536	578
Tobacco Industry Assistance	10	12	15	21	15	15
Dairy Industry Extension Grant		230	228	237	219	261
Expansion of Agricultural Advisory Services		193	237	270	265	236
Eradication of Argentine Ants					1	
Development of North Western Australia						171
Grants for Railway Standardization (d)		423	283	280	749	1,308
<b>Total</b>	<b>15,749</b>	<b>200,937</b>	<b>220,907</b>	<b>244,610</b>	<b>271,351</b>	<b>287,989</b>

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



Particulars of special Commonwealth grants for the relief of primary producers are not included in the foregoing tables. For details see Chapter XXII.—Agricultural Production. See also para. 4, Subsidies and Bounties, p. 828 and para. 13, Other Expenditure, p. 840.

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

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

In addition, under the Financial Agreement, the Commonwealth agreed to make certain contributions to the National Debt Sinking Fund for redemption of State Debts. Details of these payments are given in Division D of this Chapter, § 2, page 857.

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

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

Applications have been received from South Australia, Western Australia and Tasmania each year from 1933 onwards and the recommendations of the Commission in respect of the years 1938–39 and 1955–56 to 1959–60 are shown in the following table. Commencing with 1949–50, the Commission has divided the grants recommended into two parts. One part is the Commission's estimate of the indispensable need of the claimant State for the year in which the payment is to be made after allowing a sufficient margin for safety. The other part is an adjustment of this estimate for an earlier year after an examination of the audited accounts for that year. Thus the grants for 1959–60 include an estimate of the indispensable need of the claimant State for 1959–60 and an adjustment to the estimated grant for 1957–58.

COMMONWEALTH GRANTS COMMISSION: GRANTS RECOMMENDED.  
(£'000.)

Particulars.	1938–39.	1955–56.	1956–57.	1957–58.	1958–59.	1959–60.
<i>South Australia—</i>						
Estimated grant .. ..	1,040	5,940	5,760	4,858	5,201	.. .
Adjustment (a) .. ..	..	—540	40	842	49	399
<i>Net grant recommended</i> ..	<u>1,040</u>	<u>5,400</u>	<u>5,800</u>	<u>5,700</u>	<u>5,250</u>	<u>399</u>
<i>Western Australia—</i>						
Estimated grant .. ..	570	8,875	9,102	9,828	9,758	3,149
Adjustment (a) .. ..	..	25	98	322	1,342	351
<i>Net grant recommended</i> ..	<u>570</u>	<u>8,900</u>	<u>9,200</u>	<u>10,150</u>	<u>11,100</u>	<u>3,500</u>
<i>Tasmania—</i>						
Estimated grant .. ..	410	4,384	3,657	4,466	4,414	2,597
Adjustment (a) .. ..	..	—184	—157	—816	—14	803
<i>Net grant recommended</i> ..	<u>410</u>	<u>4,200</u>	<u>3,500</u>	<u>3,650</u>	<u>4,400</u>	<u>3,400</u>
<b>Grand Total .. ..</b>	<b>2,020</b>	<b>18,500</b>	<b>18,500</b>	<b>19,500</b>	<b>20,750</b>	<b>7,299</b>

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

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

This Act provided for reimbursement grants of certain specified amounts to be paid to the States during 1946–47 and 1947–48. For 1948–49 and subsequent years, the grants

were assessed on the aggregate paid in 1947–48 (£45,000,000) increased in accordance with a formula based on increases in population and average wages. Details of the formula and of the treatment of arrears of State income taxes were given in earlier issues of the Official Year Book (see No. 40, p. 696).

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

(vi) *Special Financial Assistance Grants.* During the years 1954–55 to 1958–59, there were heavy additions to the financial needs of the States and special assistance grants amounting to £21,915,000, £19,902,000, £15,348,000, £19,405,000, £24,145,000 and £30,437,000 respectively were made. For details of amounts paid to each State during 1958–59 see page 836 and for other years see earlier issues of the Official Year Book or the annual bulletin *Finance, Part I, Public and Private Finance.*

(vii) *Additional Financial Assistance.* The States Grants (Additional Assistance) Act 1958 provided for the payment of £5,000,000 from the Consolidated Revenue Fund for financial assistance to the States.

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

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

- (a) Sixty per cent. of the amount, less £900,000 per annum, for expenditure on roads, and
- (b) Forty per cent. of the amount for expenditure on roads in rural areas other than highways, trunk or main roads.

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

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

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

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

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

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

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

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

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

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

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

(f) *Grants to Universities.* Payments to the States for universities were first introduced in 1951–52 under the States Grants (Universities) Act 1951, and were continued under similar legislation passed in 1953, 1955, 1956 and 1957. Following on the Government's acceptance of the main recommendations of the Committee on Australian Universities, the provisions of the 1957 Act relating to financial assistance for 1958 were superseded by the States Grants (Universities) Act 1958, which operated from 1st January, 1958.

This new legislation authorized the Commonwealth to make payments to the States for universities of up to £21,400,000 over the three calendar years 1958 to 1960, inclusive, where certain conditions have been satisfied. These payments include increased contributions towards the running expenses of universities, new grants for capital works and equipment and new emergency grants.

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

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

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

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

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

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

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

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

Information relating to the taxes levied is given in sub-section II.—Revenue, of this section (*see p. 820*). Details of expenditure from the trust funds are given in § 3, Commonwealth Trust Funds. Details of the price stabilization and other assistance schemes for primary industries may be found in Chapter XXII.—Agricultural Production. Details of expenditure from the Consolidated Revenue Fund during the last five years are given in the following table.

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

(£'000.)

Receipts from—	Expenditure on—	1954-55.	1955-56.	1956-57.	1957-58.	1958-59.
<i>Taxes—</i>						
Export Charges ..	Export Control Boards (a) ..	301	414	375	390	566
Stevedoring Industry Charge ..	Stevedoring Industry Board ..	998	973	1,926	3,337	4,572
Tobacco Charge ..	Tobacco Industry (b) ..	..	5	41	61	72
Wheat Export Charge ..	Wheat Industry Price Stabilization (c) ..	5,063	4,294	..	443	1,211
Wheat Tax .. ..	Wheat Research (d) ..	..	..	..	185	207
Wool Tax .. ..	Wool Use Promotion and Research ..	784	851	979	1,328	1,389
Dairy Produce Levy ..	Dairy Produce Research and Sales Promotion ..	..	..	..	..	151
<i>Total</i> .. ..	.. ..	<i>7,146</i>	<i>6,537</i>	<i>3,321</i>	<i>5,744</i>	<i>8,168</i>
<i>Other—</i>						
Advance Payments—	Atomic Energy Commission ..	1,082	30	..	..	..
Sales of Uranium ..	Papua and New Guinea Copra Fund ..	..	836	..	..	..
Australian New Guinea Production Trust Account ..	Dried Fruits Board ..	..	107	147	..	..
Dried Vine Fruits Support Price Agreement—United Kingdom Government ..	Australian Meat Board—Meat Export Fund ..	..	..	..	447	..
Australian Meat Board—General Meat Account ..	Australian Meat Board ..	..	153	3,254	5,927	..
Meat Export Deficiency Payments — United Kingdom Government ..	Hide and Leather Industries Trust Fund ..	5	..	..	..	..
Hide and Leather Industries — Moneys paid by Hide and Leather Industries Board ..	Wheat Research (d) ..	..	..	..	285	..
Australian Wheat Board —Undistributed balances from Wheat Pools ..	Japanese Assets Distribution Trust Fund ..	..	..	696	..	..
Treaty of Peace with Japan—Article 16 receipts ..	Repayment of Wheat Export Charge ..	..	..	192	5	..
Wheat Prices Stabilization Fund ..	.. ..	<i>1,087</i>	<i>1,126</i>	<i>4,289</i>	<i>6,664</i>	..
<i>Total</i> .. ..	.. ..	<i>8,233</i>	<i>7,663</i>	<i>7,610</i>	<i>12,408</i>	<i>8,168</i>
<i>Grand Total</i> .. ..	.. ..	..	..	..	..	..

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

## § 3. Commonwealth Trust Funds.

1. Receipts, Expenditure and Balances, 1958-59.—The following table shows the opening and closing balances and receipts and expenditure of some of the more important Trust Funds of the Commonwealth for the year ended 30th June, 1959.

## COMMONWEALTH TRUST FUNDS : RECEIPTS, EXPENDITURE AND BALANCES, 1958-59.

(£'000.)

Fund.	Balance at 30th June, 1958.	Year ended 30th June, 1959.		Balance at 30th June, 1959.
		Receipts.	Expenditure.	
Canadian Loan .. .. .	6,675	416	133	6,958
Coal Mining Industry Long Service Leave	1,834	558	335	2,057
Coinage .. .. .	..	1,383	1,383	..
Commonwealth Aid Roads .. .. .	4,076	34,199	36,990	1,285
Commonwealth Aid Roads (Supplementary)	2,295	..	171	2,124
Defence Forces Retirement Benefits ..	10,112	3,037	1,903	11,246
Enemy Subjects .. .. .	70	14	12	72
Insurance Deposits .. .. .	5,286	842	537	5,591
International Development and Relief ..	221	365	419	167
Korean Operations Pool .. .. .	13,500	1,950	3,404	12,046
Lend Lease Settlement .. .. .	1,132	50	146	1,036
Loan Consolidation and Investment Reserve	299,178	38,800	100,605	237,373
National Debt Sinking Fund .. .. .	230,652	72,267	95,199	207,720
National Welfare .. .. .	197,020	280,204	278,227	198,997
Parliamentary Retiring Allowances ..	294	88	46	336
Public Trustee and Custodian .. .. .	10	28	28	10
Superannuation .. .. .	56,115	13,875	7,146	62,844
Swiss Loan .. .. .	13,554	561	..	14,115
Temple Society .. .. .	451	13	4	460
Tobacco Industry .. .. .	49	147	121	75
War Service Homes .. .. .	..	36,130	36,130	..
War Service Homes—Insurance .. .. .	544	322	169	697
Wheat Industry Stabilization .. .. .	297	..	..	297
Wheat Prices Stabilization .. .. .	9,362	1,573	398	10,537
Wheat Research .. .. .	447	353	249	551
Wine Research .. .. .	426	19	10	435
Wool Disposals Profit .. .. .	310	54	17	347
Wool Research .. .. .	6,490	1,720	1,549	6,661
Other .. .. .	27,633	391,203	392,774	26,062
<b>Total .. .. .</b>	<b>888,033</b>	<b>880,171</b>	<b>958,105</b>	<b>810,099</b>

2. Summary, 1938-39 and 1954-55 to 1958-59.—In the following table, the balances and total receipts and expenditure of the Trust Funds are shown for each of these years.

## COMMONWEALTH TRUST FUNDS.

(£'000.)

Particulars.	1938-39.	1954-55.	1955-56.	1956-57.	1957-58.	1958-59.
Balances brought forward ..	25,609	647,290	733,398	818,390	904,447	888,033
Receipts .. .. .	84,167	792,431	843,177	907,151	910,244	880,171
Expenditure .. .. .	85,550	706,323	758,185	821,094	926,658	958,105
Balance carried forward ..	24,226	733,398	818,390	904,447	888,033	810,099

## § 4. Commonwealth Loan Fund.

Brief historical notes relating to the Commonwealth Loan Fund are given in earlier issues of the Official Year Book (see No. 37, p. 640). In the following table, details are given of the net expenditure from the Commonwealth Loan Fund for the years 1938–39 and 1954–55 to 1958–59 and of the aggregate expenditure to 30th June, 1959. The figures shown represent “net” loan expenditure, i.e., after adjustments have been made for refunds of amounts expended in earlier years.

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

Particulars.	1938–39.	1954–55.	1955–56.	1956–57.	1957–58.	1958–59.	Total to 30th June, 1959.
War Loans—							
Defence and War (1914–18, 1939–45) Services .. ..	..	(a) 4,039	(a)7,622	(a)8,019	(a)8,703	(a)5,700	2,035,762
Defence Services—							
General Services, Works, Armaments, etc. .. ..	..	..	..	..	..	37,308	37,308
Other Loans—							
Capital Works and Services—							
Defence (b) .. ..	1,912	..	..	..	..	— 2	8,680
Repatriation Services (b)—							
War Service Homes (b) .. ..	..	..	..	..	..	..	7,329
Other .. ..	..	..	..	..	..	..	47
Postmaster-General's Department .. ..	— 1	— 2	..	— 6	— 3	2	40,415
Broadcasting Services .. ..	..	..	..	..	..	..	104
Railways .. ..	..	— 1	— 5	..	— 3	— 42	13,699
Territories (c) .. ..	— 7	— 4	— 4	— 3	— 4	— 3	8,706
Other—							
Ships, Yards and Docks .. ..	— 305	..	..	..	..	..	7,694
Civil Aviation .. ..	..	..	..	..	..	..	213
Immigration .. ..	..	..	..	..	..	..	1,681
Emergency Wheat Storage .. ..	..	..	3,182	— 60	— 30	— 21	3,071
All other works, buildings, etc. .. ..	— 1	..	..	..	..	— 1	4,223
Other Purposes—							
Assistance to States—							
Farmers' Debt Adjustment .. ..	2,000	..	..	..	..	..	7,967
Housing .. ..	..	29,150	33,200	32,150	33,160	35,810	341,679
Other .. ..	— 4	..	..	..	..	..	5,976
Wheat Bounty .. ..	..	..	..	..	..	..	3,430
Loan (Qantas Empire Airways) .. ..	..	..	..	3,899	3,311	6,033	13,243
Loan (Australian National Airlines Commission) .. ..	..	..	..	..	..	1,337	1,337
Total Capital Works and Services and Other Purposes .. ..	3,594	29,143	36,373	35,980	36,431	43,113	469,494
International Bank Dollar Loan (d) .. ..	..	23,575	19,369	5,367	14,565	7,492	137,645
Swiss Loan (e) .. ..	..	5,930	..	..	..	..	11,722
Canadian Loan (f) .. ..	..	..	6,459	..	..	..	6,459
<b>Grand Total .. ..</b>	<b>3,594</b>	<b>62,687</b>	<b>69,823</b>	<b>49,366</b>	<b>59,699</b>	<b>93,613</b>	<b>2,698,390</b>

(a) Financial assistance to the States in connexion with War Service Land Settlement. (b) Excludes amounts charged to War Loan Fund. (c) Includes administration and other public buildings, Australian Capital Territory. (d) Payment to National Debt Sinking Fund. See p. 874. (e) Payment to Swiss Loan Trust Account. See p. 872. (f) Payment to Canadian Loan Trust Account. See p. 872.

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

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

## B. STATE FINANCE.

### § 1. General.

1. **Functions of State Governments.**—In comparing the financial returns of the States, allowances must be made for the various functions discharged by the respective Governments, and for local conditions in each case. Direct comparisons of the revenue, expenditure, and debt of the individual States are difficult, owing to the fact that functions which in

one State are assumed by the Central Government are in another relegated to municipal or semi-governmental bodies which are vested with certain defined borrowing powers and whose financial transactions are not included with those of the Central Government. Care, therefore, is needed in making comparisons, and the particulars contained in this Chapter should be read with those contained in Chapter XIX.—Local Government. In many respects, moreover, the budgets of the Australian Governments differ materially from those of most European countries, owing to the inclusion therein of the revenue and expenditure of departments concerned with rendering public services, such as railways, tramways, water supply, etc., which in other countries are often left to private enterprise.

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

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

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

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

**3. Inter-relation of Commonwealth and State Finances.**—A statement in some detail, covering the inter-relation of Commonwealth and State Finances during the period from the inception of Federation to the passing of the Financial Agreement Act 1928, was published in Official Year Book No. 22, pages 379–380. Changes in the financial relations between the Commonwealth and States since the passing of the Financial Agreement Act have been described in issues of the Official Year Book from year to year (*see also pp. 857–58*).

## § 2. State Consolidated Revenue Funds.

### I.—Revenue.

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

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

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

2. Revenue Received.—The following table shows particulars of the total amounts, and the amounts per head of population, of consolidated revenue received by the several States during the years 1938-39 and 1954-55 to 1958-59.

## STATE CONSOLIDATED REVENUE.

Year.	N.S.W.(a)	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total
TOTAL REVENUE. (£'000.)							
1938-39 ..	51,099	26,985	19,330	12,304	10,950	3,615	124,283
1954-55 ..	195,438	116,789	73,820	48,684	46,070	14,495	495,296
1955-56 ..	204,399	123,152	75,669	55,352	49,612	17,827	526,011
1956-57 ..	223,829	133,254	85,158	61,561	54,331	18,801	576,934
1957-58 ..	231,510	142,336	87,955	66,342	57,054	19,986	605,183
1958-59 ..	239,769	151,248	99,007	68,030	60,068	21,837	639,959
PER HEAD OF POPULATION. £ s. d.							
1938-39 ..	18 13 7	14 8 3	19 3 6	20 13 6	23 9 0	15 4 2	17 19 5
1954-55 ..	56 9 10	46 18 9	55 14 0	60 5 10	70 19 10	46 6 3	54 15 6
1955-56 ..	57 19 11	48 0 4	55 18 10	66 6 8	74 3 1	55 17 0	56 15 6
1956-57 ..	62 7 8	50 9 6	61 13 9	71 9 4	79 7 5	57 12 11	60 17 1
1957-58 ..	63 5 8	52 11 6	62 13 7	74 17 7	81 13 6	59 16 5	62 9 5
1958-59 ..	64 7 0	54 9 9	69 8 7	74 18 0	84 6 8	63 19 9	64 14 3

(a) See § 1, para. 2, p. 843.

3. Sources of Revenue.—(i) *General.* Classifying the revenue of the several States in the manner indicated in para. 1 above, particulars for the year 1958-59 were as follows:—

## STATE CONSOLIDATED REVENUE : SOURCES, 1958-59.

Source of Revenue.	N.S.W. (a)	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total
TOTAL REVENUE. (£'000.)							
Taxation(b) .. .. .	37,472	30,332	11,229	10,217	5,377	3,870	98,497
Business Undertakings ..	92,186	46,258	35,129	20,303	18,620	..	212,496
Lands .. .. .	4,332	2,800	3,276	559	1,392	531	12,890
Interest, n.e.i. .. .. .	1,770	5,585	3,725	5,523	2,532	3,940	23,075
Commonwealth Grants—							
Tax Reimbursements ..	64,785	46,475	27,158	16,166	13,773	6,190	174,547
Other(c) .. .. .	14,793	10,231	6,197	9,493	13,978	5,746	60,438
Commonwealth National Welfare Fund Payments(d)	5,918	1,093	2,335	802	576	301	11,025
Miscellaneous .. .. .	18,513	8,474	9,958	4,967	3,820	1,259	46,991
<b>Total .. .. .</b>	<b>239,769</b>	<b>151,248</b>	<b>99,007</b>	<b>68,030</b>	<b>60,068</b>	<b>21,837</b>	<b>639,959</b>
PER HEAD OF POPULATION. (£ s. d.)							
Taxation(b) .. .. .	10 1 2	10 18 7	7 17 6	11 5 0	7 11 0	11 6 9	9 19 2
Business Undertakings ..	24 14 10	16 13 3	24 12 8	22 7 1	26 2 10	..	21 9 9
Lands .. .. .	1 3 3	1 0 2	2 5 11	0 12 4	1 19 1	1 11 1	1 6 1
Interest, n.e.i. .. .. .	0 9 6	2 0 3	2 12 3	6 1 7	3 11 1	11 10 11	2 6 8
Commonwealth Grants—							
Tax Reimbursements ..	17 7 9	19 13 3	19 0 11	17 16 0	19 6 9	18 2 10	18 9 5
Other(c) .. .. .	3 19 5	0 15 4	4 6 11	10 9 0	19 12 6	16 16 9	5 5 10
Commonwealth National Welfare Fund Payments(d)	1 11 9	0 7 10	1 12 9	0 17 8	0 16 2	0 17 8	1 2 4
Miscellaneous .. .. .	4 19 4	3 1 1	6 19 8	5 9 4	5 7 3	3 13 9	4 15 0
<b>Total .. .. .</b>	<b>64 7 0</b>	<b>54 9 9</b>	<b>69 8 7</b>	<b>74 18 0</b>	<b>84 6 8</b>	<b>63 19 9</b>	<b>64 14 3</b>

(a) See § 1, para. 2, p. 843. (b) In all States certain taxation collections are not paid into Consolidated Revenue Fund. For total collections see next page. (c) Includes payments under Financial Agreement, Special Grants, Special Financial Assistance, Grants to Universities, etc. (d) Consolidated Revenue Fund receipts only. Excludes payments to Trust Funds.



(ii) *Revenue from Taxation. (a) General.* The following tables show, for the year 1958-59, particulars of all State taxation collections irrespective of whether such moneys have been paid into the Consolidated Revenue Funds or not. For this reason, the particulars hereunder differ from those shown in the tables relating to the Consolidated Revenue Funds and represent a comprehensive statement of all taxation collections by the Government in each State. In this and the succeeding statements of taxation, the collections have been grouped according to the nature of the tax rather than the method of collection. For example, stamp duties on betting tickets and bookmakers' licences have been included under "Racing Tax" instead of under "Stamp Duties" and "Licences" respectively. Commonwealth payments under the State Grants (Tax Reimbursement) Act are not included.

## STATE REVENUE FROM TAXATION: TOTAL NET COLLECTIONS(a) 1958-59.

(£'000.)

Tax.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
<i>Motor—</i>							
Registration Fees and Taxes .. .. .	10,604	8,784	5,037	3,612	2,103	1,061	31,201
Drivers', etc., Licences .. .. .	1,273	570	(b) 223	327	157	93	2,643
Other .. .. .	3,751	2,703	1,328	74	65	140	8,061
<i>Total Motor</i> .. .. .	15,628	12,057	6,588	4,013	2,325	1,294	41,905
Probate and Succession Duties .. .. .	12,043	7,838	3,377	2,145	1,091	683	27,177
Stamp Duties, n.e.i. .. .. .	12,559	8,485	3,411	1,619	1,481	762	28,317
Land .. .. .	6,205	4,661	1,412	1,397	1,238	511	15,424
Income (Arrears) .. .. .	11	3	1	..	..	..	15
Liquor .. .. .	3,692	2,908	983	201	446	253	8,483
Lotteries .. .. .	..	2,849	338	..	..	247	3,434
Racing .. .. .	2,800	2,321	397	1,032	627	363	7,540
Entertainments .. .. .	..	1,370	..	..	291	185	1,846
Poker Machines Licence Fees .. .. .	906	..	..	..	65	..	906
Licences, n.e.i. .. .. .	162	285	184	73	..	9	778
Other .. .. .	..	..	1,818	96	91	..	2,005
<b>Grand Total</b> .. .. .	<b>54,006</b>	<b>42,777</b>	<b>18,509</b>	<b>10,576</b>	<b>7,655</b>	<b>4,307</b>	<b>137,830</b>

(a) From all sources of taxation irrespective of whether paid to Consolidated Revenue Fund or to other funds. (b) As from October, 1952, no charge has been made for drivers' licences. Instead an annual driving fee is charged upon registration of a vehicle.

Of the total taxation collections detailed above, the following were paid into special funds:—

## STATE REVENUE FROM TAXATION: PAYMENTS INTO SPECIAL FUNDS, 1958-59.

(£'000.)

Tax.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
Motor .. .. .	15,628	12,057	5,630	..	2,187	244	35,746
Stamp Duties, n.e.i. .. .. .	..	220	..	..	..	..	220
Liquor .. .. .	..	168	..	..	..	..	168
Lotteries .. .. .	..	..	..	..	..	31	31
Racing .. .. .	..	..	..	359	..	162	521
Poker Machines Licence Fees .. .. .	906	..	..	..	..	..	906
Other .. .. .	..	..	1,650	..	91	..	1,741
<b>Total</b> .. .. .	<b>16,534</b>	<b>12,445</b>	<b>7,280</b>	<b>359</b>	<b>2,278</b>	<b>437</b>	<b>39,333</b>

The table hereunder shows, for the year 1958–59, the proportions of collections under individual classes of tax to the total taxation revenue:—

**STATE REVENUE FROM TAXATION: PROPORTIONS OF INDIVIDUAL TAXES TO TOTAL, 1958-59.**  
(Per cent.)

Tax.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
Motor .. .. .	28.94	28.18	35.59	37.94	30.36	30.03	30.40
Probate and Succession Duties .. .. .	22.30	18.32	18.24	20.28	14.26	15.86	19.72
Stamp Duties, n.e.i. .. .. .	23.25	19.84	18.43	15.31	19.35	17.69	20.54
Land .. .. .	11.49	10.90	7.63	13.21	16.17	11.86	11.19
Income (Arrears) .. .. .	0.02	0.01	..	..	..	..	0.01
Liquor .. .. .	6.84	6.80	5.31	1.90	5.83	5.88	6.16
Lotteries .. .. .	..	6.66	1.83	..	..	5.73	2.49
Racing .. .. .	5.18	5.42	2.15	9.76	8.19	8.44	5.47
Entertainments .. .. .	..	3.20	..	..	3.80	4.30	1.34
Poker Machines Licence Fees .. .. .	1.68	..	..	..	..	..	0.66
Licences, n.e.i. .. .. .	0.30	0.67	0.99	0.69	0.85	0.21	0.56
Other .. .. .	..	..	9.83	0.91	1.19	..	1.46
<b>Grand Total ..</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

(b) 1938–39 and 1954–55 to 1958–59. Prior to federation, customs and excise duties were the principal source of revenue from taxation. Thereafter, until the introduction of the uniform income tax scheme in 1942–43, the most productive State taxes were the various income taxes which, in 1941–42, included unemployment relief, State development and hospital taxes. Since 1941–42, the States have been reimbursed by the Commonwealth for the revenue lost by the discontinuance of these taxes. Details of the reimbursement grants are given on pages 836 and 844. Information relating to the State income taxes which were levied prior to 1942–43 may be found in earlier issues of the Official Year Book.

The total amounts and the amounts per head raised from all sources of taxation by the several State Governments, including amounts not paid into the Consolidated Revenue Fund, during the years 1938–39 and 1954–55 to 1958–59 are shown in the following table:—

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

Year.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
<b>TOTAL NET COLLECTIONS.</b> (£'000.)							
1938–39(b) ..	20,263	12,023	8,657	4,199	3,597	1,779	50,518
1954–55 ..	32,079	27,497	13,644	7,920	5,210	3,136	89,486
1955–56 ..	34,931	30,004	14,724	8,497	5,670	4,175	98,001
1956–57 ..	43,195	34,960	15,666	9,734	6,493	4,487	114,535
1957–58 ..	48,552	40,111	17,371	10,173	7,761	4,086	128,054
1958–59 ..	54,006	42,777	18,509	10,576	7,655	4,307	137,830

**PER HEAD OF POPULATION.**  
(£ s. d.)

1938–39(b) ..	7 8 2	6 8 5	8 11 6	7 1 1	7 14 1	7 9 8	7 6 1
1954–55 ..	9 5 5	11 1 1	10 5 11	9 16 2	8 0 7	10 0 4	9 17 11
1955–56 ..	9 18 3	11 14 0	10 17 8	10 3 7	8 9 6	13 1 7	10 11 7
1956–57 ..	12 0 9	13 4 10	11 7 0	11 6 0	9 9 9	13 15 2	12 1 8
1957–58 ..	13 5 5	14 16 4	12 7 7	11 9 8	11 2 3	12 4 7	13 4 4
1958–59 ..	14 9 11	15 8 3	12 19 7	11 12 10	10 15 0	12 12 5	13 18 9

(a) Excluding Commonwealth Tax Reimbursements.

(b) Includes Income Taxes.

The following table shows for the years 1938-39 and 1954-55 to 1958-59 the aggregate amounts collected by the several State Governments, under the various forms of State taxation and includes amounts paid to funds other than Consolidated Revenue.

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

Tax.	1938-39.	1954-55.	1955-56.	1956-57.	1957-58.	1958-59.
Motor .. .. .	6,961	27,783	28,919	33,539	37,520	41,905
Probate and Succession Duties	5,000	21,602	23,388	24,377	25,680	27,177
Stamp Duties, n.e.i. . . . .	3,466	16,027	18,181	21,336	24,527	28,317
Land .. .. .	1,408	4,998	5,969	11,826	15,396	15,424
Income Taxes .. .. .	29,796	(b) 52	(b) 74	(b) 23	(b) 33	(b) 15
Liquor .. .. .	1,045	5,563	6,617	7,220	8,095	8,483
Lotteries .. .. .	532	3,478	4,256	4,333	3,602	3,434
Racing .. .. .	1,251	6,992	7,430	7,495	7,870	7,540
Entertainments .. .. .	633	1,341	1,446	1,838	1,982	1,846
Poker Machines Licence Fees	..	..	..	764	835	906
Licences and all other .. .. .	426	1,650	1,721	1,784	2,514	2,783
<b>Total .. .. .</b>	<b>50,518</b>	<b>89,486</b>	<b>98,001</b>	<b>114,535</b>	<b>128,054</b>	<b>137,830</b>

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

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

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

Tax.	1938-39.	1954-55.	1955-56.	1956-57.	1957-58.	1958-59.
Unemployment Relief .. .. .	1,119	..	..	..	..	..
Hospital .. .. .	264	..	..	..	..	..
Motor .. .. .	5,858	22,879	23,718	27,803	31,593	35,746
Stamp Duties, n.e.i. . . . .	..	181	180	190	188	220
Land .. .. .	..	..	..	100	100	..
Liquor .. .. .	92	208	135	193	219	168
Lotteries .. .. .	..	..	101	82	60	31
Racing .. .. .	83	549	596	596	573	521
Poker Machines Licence Fees	..	..	..	764	835	906
Other .. .. .	173	847	864	846	1,510	1,741
<b>Total .. .. .</b>	<b>7,589</b>	<b>24,664</b>	<b>25,594</b>	<b>30,574</b>	<b>35,078</b>	<b>39,333</b>

(iii) *Business Undertakings.* (a) 1958-59. A very large proportion of State gross revenue is made up of receipts from business undertakings under the control of the Governments. The most important of these are railways and tramways, harbour works, water supply and sewerage, and electricity supply and, in addition, State batteries for the treatment of auriferous ores in Western Australia and various minor revenue-producing services rendered by the Governments of all States are included. For the year 1958-59, the revenue from these sources was £212,496,000 or 33.2 per cent. of the revenue from all sources. Details of revenue are as follows:—

**STATE REVENUE FROM BUSINESS UNDERTAKINGS, 1958-59.**  
(£'000.)

Source.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.(a)	Total.
Railways(b) .. .. .	75,931	(c) 38,142	35,129	12,876	13,515	..	175,593
Tramways and Omnibuses	13,260	..	..	..	920	..	14,180
Harbours, Rivers, Lights ..	2,995	(d) 575	..	2,142	446	..	6,158
Water Supply, Sewerage, Irrigation and Drainage..	..	4,001	..	5,012	3,302	..	12,315
Electricity Supply .. .. .	..	2,654	..	..	..	..	2,654
Other .. .. .	..	886	..	273	437	..	1,596
<b>Total .. .. .</b>	<b>92,186</b>	<b>46,258</b>	<b>35,129</b>	<b>20,303</b>	<b>18,620</b>	<b>..</b>	<b>212,496</b>

(a) Tasmanian transport services are under the separate control of the Transport Commission. (b) The following contributions to Railways revenue from Consolidated Revenue Fund are excluded—New South Wales, £1,000,000; South Australia, £4,650,000. (c) Includes electric tramways operated by the Railways Department. (d) Includes Harbour Trust Fund contribution, £403,000.

(b) 1938-39 and 1954-55 to 1958-59. The total revenue from business undertakings and the revenue per head in each State are shown in the following table:—

STATE REVENUE FROM BUSINESS UNDERTAKINGS.							
Year.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
TOTAL REVENUE. (£'000.)							
1938-39 ..	24,676	11,649	7,642	4,937	5,633	(a) 511	55,048
1954-55 ..	87,929	44,021	30,805	17,807	16,695	..	197,257
1955-56 ..	89,496	44,160	30,404	18,435	17,405	..	199,900
1956-57 ..	95,836	44,393	35,583	19,484	19,057	..	214,353
1957-58 ..	91,153	43,775	34,135	20,778	17,751	..	207,592
1958-59 ..	92,186	46,258	35,129	20,303	18,620	..	212,496
PER HEAD OF POPULATION. (£. s. d.)							
1938-39 ..	9 0 5	6 2 6	7 11 7	8 5 10	12 1 4	(a) 2 3 0	7 19 2
1954-55 ..	25 8 4	17 13 10	23 4 10	22 1 1	25 14 7	..	21 16 4
1955-56 ..	25 7 10	17 4 4	22 9 7	22 1 10	26 0 4	..	21 11 6
1956-57 ..	26 14 2	16 16 4	25 15 6	22 12 5	27 16 9	..	22 12 2
1957-58 ..	24 18 4	16 3 5	24 6 6	23 9 1	25 8 3	..	21 8 7
1958-59 ..	24 14 10	16 13 3	24 12 8	22 7 1	26 2 10	..	21 9 9

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

In the table below, particulars of total State revenue from business undertakings for the various types of undertakings are shown for the years 1938-39 and 1954-55 to 1958-59:—

STATE REVENUE FROM BUSINESS UNDERTAKINGS. (£'000.)						
Source.	1938-39.	1954-55.	1955-56.	1956-57.	1957-58.	1958-59.
Railways, Tramways and Omnibuses .. ..	48,134	179,878	181,185	194,753	185,817	189,773
Harbour Services .. ..	2,357	5,887	5,833	5,832	5,961	6,158
Water Supply, Sewerage, Irrigation and Drainage	2,543	7,872	8,997	9,903	11,835	12,315
Other .. ..	2,014	3,620	3,885	3,865	3,979	4,250
<b>Total .. ..</b>	<b>55,048</b>	<b>197,257</b>	<b>199,900</b>	<b>214,353</b>	<b>207,592</b>	<b>212,496</b>

(iv) *Lands.* The revenue from the sale and rental of Crown lands has, with few exceptions, been treated from the earliest times as forming part of the Consolidated Revenue Funds, and has been applied to meet ordinary expenses. The following table shows the revenue from sales and rentals of Crown lands for the year 1958-59.

STATE LAND REVENUE, 1958-59. (£'000.)							
Source.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
Sales ..	412	167	..	103	59	20	761
Conditional Purchases ..	212	..	..	3	136	..	351
Rentals (a) ..	2,325	446	3,110	205	289	31	6,406
Forestry ..	1,299	2,033	..	..	908	470	4,710
Other ..	84	154	166	248	..	10	662
<b>Total ..</b>	<b>4,332</b>	<b>2,800</b>	<b>3,276</b>	<b>559</b>	<b>1,392</b>	<b>531</b>	<b>12,890</b>

(a) Includes mining royalties, rents, etc.

The total land revenue for all States for the years 1938-39 and 1954-55 to 1958-59 respectively was:—£4,144,000, £12,787,000, £13,937,000, £15,489,000, £15,050,000 and £12,890,000.

(v) *Commonwealth Grants.* Commonwealth grants to the States represent a considerable proportion of the States' Revenue. In 1958-59, the total amount (excluding sundry minor items) paid to the Consolidated Revenue Funds of the States was £234,985,000 (36.7 per cent.). Details for 1958-59 were as follows:—Contribution towards interest on States' debts under the Financial Agreement, £7,585,000, special grants to the States of South Australia, Western Australia and Tasmania, £20,750,000, tax reimbursements, £174,547,000, special financial assistance, £30,437,000, grants to universities, £1,029,000 and other grants, £637,000.

In addition to these, the States receive a number of other grants which are paid to trust funds. The main items in this class are the contribution to the sinking fund on States' debts (£5,386,000 in 1958-59) paid to the National Debt Sinking Fund, grants for Commonwealth Aid Roads (£36,199,000 in 1958-59) and grants for Universities (£5,890,000 in 1958-59) paid to State trust funds.

More detailed information concerning Commonwealth grants to the States is given on pages 835-40.

(vi) *Commonwealth National Welfare Fund Payments.* The States also receive payments from the Commonwealth in respect of Hospital and Pharmaceutical Benefits, Nutrition of Children and reimbursement of maintenance expenditure on Tuberculosis Sanatoria. These receipts are paid into Consolidated Revenue Funds or Trust Funds according to the varying accounting procedures in the States. In 1958-59, the total amount paid to State Consolidated Revenue Funds was £11,025,000 (1.7 per cent.). This amount was made up of Hospital Benefits, £3,896,000; Pharmaceutical Benefits, £1,103,000; Nutrition of Children, £1,192,000; and Tuberculosis—Reimbursement of maintenance expenditure, £4,834,000.

(vii) *Interest and Miscellaneous.* In addition to the foregoing, there are in each State several miscellaneous sources of revenue, including such items as interest, fines, fees, etc. Interest, mainly from loans to local governing bodies, on public account balances, and for soldier land settlement amounted to £23,075,000 in 1958-59, while "Miscellaneous" revenue, which includes fines of the courts and fees for services, amounted to £46,991,000 in 1958-59.

## II.—Expenditure.

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

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

The working expenses of railways and tramways are the most important item of State Government expenditure. In 1958-59, the working expenses of the railways, tramways and omnibuses were 28.3 per cent. of the total expenditure from the State Consolidated Revenue Funds; next in importance were education, 18.0 per cent.; public debt charges, 16.2 per cent.; charitable, public health and hospitals, 14.2 per cent.; and law, order and public safety, 5.7 per cent. respectively.

2. *Total Expenditure.*—The total expenditure from the Consolidated Revenue Funds of the several States and the expenditure per head of population during each of the years 1938-39 and 1954-55 to 1958-59 are shown in the following table.

## STATE EXPENDITURE : CONSOLIDATED REVENUE FUNDS.

Year.	N.S.W.(a)	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
TOTAL EXPENDITURE. (£'000.)							
1938-39 ..	53,558	27,773	19,316	12,701	11,170	3,641	128,159
1954-55 ..	197,586	115,453	73,602	50,918	46,554	14,707	498,820
1955-56 ..	211,232	126,398	77,392	56,782	51,443	17,712	540,959
1956-57 ..	223,700	137,565	85,142	61,610	56,243	19,615	583,875
1957-58 ..	231,464	145,549	89,470	66,742	58,177	20,798	612,200
1958-59 ..	239,727	153,796	100,198	69,057	61,753	22,745	647,276

## PER HEAD OF POPULATION.

(£ s. d.)

1938-39 ..	19 11 7	14 16 8	19 3 3	21 6 10	23 18 5	15 6 5	18 10 8
1954-55 ..	57 2 3	46 8 0	55 10 8	63 1 2	71 14 9	46 19 9	55 3 4
1955-56 ..	59 18 8	49 5 7	57 4 4	68 0 11	76 17 10	55 9 10	58 7 10
1956-57 ..	62 6 11	52 2 1	61 13 6	71 10 6	82 3 4	60 2 10	61 11 9
1957-58 ..	63 5 5	53 15 3	63 15 2	75 6 7	83 5 8	62 5 0	63 3 11
1958-59 ..	64 6 10	55 8 2	70 5 3	76 0 7	86 14 0	66 12 11	65 9 0

(a) See § 1, para. 2, page 843.

3. Details of Expenditure.—(i) 1958-59. The following tables show the total expenditure and expenditure per head of population for each of the principal items:—

## STATE EXPENDITURE: DETAILS, 1958-59.

Particulars.	N.S.W.(a)	Vic.	Q'land.	S.Aust.	W.Aust.	Tas.(b)	Total.
TOTAL EXPENDITURE. (£'000.)							
Public Debt (interest, exchange, debt redemption, etc.) ..	30,760	26,216	14,208	16,026	10,913	6,928	105,051
Railways ..	66,146	35,908	36,354	13,924	15,925	..	168,257
Tramways and Omnibuses ..	13,480	..	..	..	1,221	..	14,701
Harbours and Rivers, etc. ..	1,995	464	..	1,332	563	..	4,354
Water Supply, Sewerage, Irrigation and Drainage ..	..	3,433	..	3,453	2,614	..	9,500
Other Business and Industrial Undertakings ..	..	862	94	246	1,392	1,383	3,977
Education ..	46,032	31,345	13,945	11,038	9,408	4,778	116,546
Health and Charitable ..	31,593	27,093	14,298	7,895	7,865	3,313	92,057
Justice ..	3,401	1,901	1,062	436	505	297	7,602
Police ..	8,712	6,742	3,918	1,851	1,794	871	23,888
Penal establishments ..	2,080	917	366	472	330	175	4,340
Public Safety ..	729	7	313	144	130	48	1,371
Adjustment of surplus of previous years(c) ..	..	..	5,212	49	1,342	- 14	6,589
All other expenditure ..	34,799	18,908	10,428	12,191	7,751	4,966	89,043
<b>Total ..</b>	<b>239,727</b>	<b>153,796</b>	<b>100,198</b>	<b>69,057</b>	<b>61,753</b>	<b>22,745</b>	<b>647,276</b>

(a) See § 1, para. 2, page 843.

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

(c) Balance of Special Grant, 1956-57. The Special Grant for 1958-59 taken into Tasmanian Consolidated Revenue Fund was £4,414,000 although the Commonwealth payment was £4,400,000. The difference was offset in the Tasmanian accounts against the adjusted surplus for 1956-57.

## STATE EXPENDITURE: DETAILS, 1858-59—continued.

Particulars.	N.S.W.	Vic.	Q'land.	S. Aust.	W Aust.	Tas.	Total.
PER HEAD OF POPULATION. (£ s. d.)							
Public Debt (interest, exchange, debt redemption, etc.)	8 5 1	9 8 11	9 19 3	17 12 11	15 6 5	20 6 0	10 12 5
Railways ..	17 15 1	12 18 9	25 9 10	15 6 7	22 7 2	..	17 0 3
Tramways and Omnibuses ..	3 12 4	..	..	..	1 14 4	..	1 9 4
Harbours and Rivers, etc. ..	0 10 9	0 3 4	..	1 9 4	0 15 10	..	0 8 10
Water Supply, Sewerage, Irrigation and Drainage ..	..	1 4 9	..	3 16 0	3 13 5	..	0 19 3
Other Business and Industrial Undertakings ..	..	0 6 0	0 1 4	0 5 5	1 19 1	4 1 0	0 8 5
Education ..	12 7 1	11 5 10	9 15 7	12 3 1	13 4 2	14 0 0	11 15 8
Health and Charitable ..	8 9 7	9 15 3	10 0 6	8 13 10	11 0 10	9 14 2	9 6 2
Justice ..	0 18 3	0 13 9	0 14 11	0 9 7	0 14 2	0 17 5	0 15 5
Police ..	2 6 9	2 8 9	2 14 11	2 0 9	2 10 4	2 11 0	2 8 4
Penal establishments ..	0 11 2	0 6 7	0 5 2	0 10 5	0 9 3	0 10 3	0 8 9
Public safety ..	0 3 11	..	0 4 5	0 3 2	0 3 8	0 2 10	0 2 9
Adjustment of surplus of previous years ..	..	..	3 13 1	0 1 1	1 17 8	-0 0 10	0 13 4
All other expenditure	9 6 10	6 16 3	7 6 3	13 8 5	10 17 8	14 11 1	9 0 1
<b>Total</b>	<b>64 6 10</b>	<b>55 8 2</b>	<b>70 5 3</b>	<b>76 0 7</b>	<b>86 14 0</b>	<b>66 12 11</b>	<b>65 9 0</b>

(ii) 1938-39 and 1954-55 to 1958-59. Combined expenditure by the several States for these years on each of the principal items is shown in the following table.

## STATE EXPENDITURE.

(£'000.)

Particulars.	1938-39.	1954-55.	1955-56.	1956-57.	1957-58.	1958-59.
Public Debt (interest, exchange, debt redemption, etc.)	40,158	70,394	79,540	86,693	97,123	105,051
Railways, Tramways and Omnibuses (working expenses) ..	38,138	173,915	185,236	191,921	185,083	182,958
Harbours and Rivers, etc. ..	680	4,444	4,421	4,359	4,537	4,354
Water Supply, Sewerage, Irrigation and Drainage ..	1,076	7,051	7,650	8,393	9,498	9,500
Other Business and Industrial Undertakings ..	1,035	3,554	3,494	4,150	4,701	3,977
Education ..	12,639	76,249	87,110	95,687	104,702	116,546
Health and Charitable ..	15,307	67,338	70,888	78,633	84,449	92,057
Justice ..	1,323	5,349	6,031	6,599	7,099	7,602
Police ..	3,733	16,679	18,788	20,721	22,276	23,888
Penal Establishments ..	646	2,928	3,207	3,779	4,084	4,340
Public Safety ..	297	852	930	1,694	1,118	1,371
Reduction of previous deficits or adjustment of surpluses ..	..	-250	-159	-19	348	6,589
All other expenditure	13,127	70,317	73,823	81,265	87,182	89,043
<b>Total</b>	<b>128,159</b>	<b>498,820</b>	<b>540,959</b>	<b>583,875</b>	<b>612,200</b>	<b>647,276</b>

## III.—Surplus Revenue.

The following table shows for each of the years 1938–39 and 1954–55 to 1958–59 the total amount and amount per head of population of the surplus or deficit of each State:—

## STATE SURPLUS REVENUE.

Year.	N.S.W.(a)	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
TOTAL AMOUNT. (£'000.)							
1938–39 ..	-2,459	- 787	14	- 397	- 221	- 26	- 3,876
1954–55 ..	-2,148	1,336	218	- 2,234	- 484	-212	- 3,524
1955–56 ..	-6,833	-3,246	-1,723	- 1,430	- 1,831	115	-14,948
1956–57 ..	129	-4,311	16	- 49	- 1,912	-814	- 6,941
1957–58 ..	46	-3,213	-1,515	- 400	- 1,123	-812	- 7,017
1958–59 ..	42	-2,548	-1,191	- 1,027	- 1,685	-908	- 7,317

## PER HEAD OF POPULATION.

(£ s. d.)

1938–39 ..	-0 18 0	-0 8 5	0 0 3	-0 13 4	-0 9 5	-0 2 3	-0 11 3
1954–55 ..	-0 12 5	0 10 9	0 3 4	-2 15 4	-0 14 11	-0 13 6	-0 7 10
1955–56 ..	-1 18 9	-1 5 3	-1 5 6	-1 14 3	-2 14 9	0 7 2	-1 12 4
1956–57 ..	0 0 9	-1 12 7	0 0 3	-0 1 2	-2 15 11	-2 9 11	-0 14 8
1957–58 ..	0 0 3	-1 3 8	-1 1 7	-0 9 0	-1 12 2	-2 8 7	-0 14 5
1958–59 ..	0 0 2	-0 18 5	-0 16 8	-1 2 7	-2 7 4	-2 13 3	-0 14 9

(a) See § 1, para. 2, page 843.

NOTE.—Minus sign (-) indicates deficit.

## § 3. State Trust Funds.

In addition to the moneys received as revenue and paid to the credit of the Consolidated Revenue Funds, considerable sums are held in trust for various purposes by the State Governments. The balances of trust funds held at 30th June for each of the years 1939 and 1955 to 1959 were as follows:—

## STATE TRUST FUND BALANCES.

(£'000.)

At 30th June—	N.S.W.(a)	Vic.	Q'land.	S. Aust.	W.Aust.	Tas.	Total.
1939 .. ..	15,684	8,189	3,062	1,448	3,744	530	32,657
1955 .. ..	39,335	30,649	50,549	4,127	11,686	739	137,085
1956 .. ..	40,442	29,850	47,165	4,517	13,535	838	136,347
1957 .. ..	45,392	32,138	48,034	4,718	14,537	1,151	145,970
1958 .. ..	51,776	34,415	53,921	5,650	14,565	1,560	161,887
1959 .. ..	55,093	38,635	53,828	5,057	16,569	2,148	171,330

(a) Special Deposits Account and Special Accounts.



## § 4. State Loan Funds.

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

Statements relating to "gross" loan expenditure are shown below. The gross expenditure represents the amounts disbursed during each year. Details of "net" loan expenditure, i.e., gross expenditure less any credits to the Loan Fund during the year on account of repayments of advances to local governing bodies, settlers, etc., the sale of assets, and transfers from other funds may be found in *Finance, Part I, Public and Private Finance*, Bulletin No. 50, 1958-59. Such moneys are credited to the Loan Fund in the year of repayment irrespective of when the advance was made.

2. **Gross Loan Expenditure.**—(i) 1958-59. Particulars of gross loan expenditure on works, services, etc., are shown in the following table:—

**STATE GROSS LOAN EXPENDITURE ON WORKS, SERVICES, ETC., 1958-59.**  
(£'000.)

Particulars.	N.S.W.	Vic.(a)	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
<i>Public Works and Services—</i>							
Railways .. .. .	11,442	7,432	5,415	1,800	3,251	435	29,775
Tramways and Omnibuses .. .. .	1,344	..	..	..	452	132	1,928
Roads .. .. .	181	116	624	..	..	..	..
Bridges .. .. .	..	1,266	..	..	..	..	..
Harbours and Rivers .. .. .	3,508	295	59	1,296	992	798	7,887
Lights and Lighthouses .. .. .	..	..	..	..	..	..	..
Water Supply .. .. .	..	7,903	625	6,177	3,154	121	25,357
Sewerage .. .. .	4,781	482	..	1,721	393	..	..
Electricity Supply .. .. .	10,447	3,500	..	2,250	1,100	6,534	23,831
Gas Supply .. .. .	..	110	..	..	..	..	110
Public Buildings .. .. .	18,530	16,772	5,964	6,737	3,750	3,419	55,172
Loans and Grants to Local Bodies .. .. .	236	369	7,724	..	205	20	8,554
Housing(b) .. .. .	70	518	1,750	3,953	1,354	182	7,827
Other Public Works, etc. .. .. .	91	360	..	176	824	527	1,978
<i>Primary Production—</i>							
Soldier Settlement .. .. .	2,299	3,646	310	2	..	67	6,324
Land for Settlement .. .. .	..	..	123	116	..	1	240
Advances to Settlers .. .. .	..	113	..	523	..	206	842
Water Conservation .. .. .	6,170	..	2,475	182	335	..	10,105
Irrigation and Drainage .. .. .	..	..	..	602	341	..	..
Vermin-proof Fencing .. .. .	..	(c)	10	(d)	..	..	10
Agriculture .. .. .	200	..	..	..	225	..	425
Agricultural Bank .. .. .	..	..	820	..	561	..	1,381
Forestry .. .. .	156	637	1,708	826	100	352	3,779
Mines and Mineral Resources .. .. .	185	75	54	293	510	..	1,117
Other .. .. .	412	134	..	48	19	..	613
<i>Other Purposes</i> .. .. .	..	(e)	118	560	123	65	1,559
<b>Total Public Works, Services, etc., .. .. .</b>	<b>60,052</b>	<b>44,421</b>	<b>26,531</b>	<b>27,262</b>	<b>17,689</b>	<b>12,859</b>	<b>188,814</b>
<b>Per Head of Population..</b>	<b>£16 2 4</b>	<b>£16 0 1</b>	<b>£18 12 1</b>	<b>£30 4</b>	<b>£24 16 9</b>	<b>£37 13 7</b>	<b>£19 1 10</b>

(a) Expenditure from Loan Funds and on account of Loans; includes expenditure from Loan Funds, from Treasurer's Advance Account and from State Loans Repayment Fund. (b) Excludes expenditure from Commonwealth Loans under Commonwealth-State Housing Agreement. (c) Transferred to Barrier Fences Trust Fund. (d) Included with Advances to Settlers. (e) Includes Rural Finance Corporation, for advances to rural industries, £550,000.

(ii) 1938-39 and 1954-55 to 1958-59. Particulars of gross loan expenditure on works, etc., for these years are shown in the following table:—

**STATE GROSS LOAN EXPENDITURE ON WORKS, SERVICES, ETC.**

Year.	N.S.W.	Vic.(a)	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
<b>GROSS LOAN EXPENDITURE.</b> (£'000.)							
1938-39 ..	8,789	3,218	3,393	2,529	1,783	1,687	21,399
1954-55 ..	53,336	40,952	20,498	26,897	16,433	17,211	175,327
1955-56 ..	55,369	39,131	21,655	29,019	14,983	17,354	177,511
1956-57 ..	54,296	40,950	22,976	26,385	17,936	11,233	173,776
1957-58 ..	57,597	41,338	23,190	24,772	15,914	10,882	173,693
1958-59 ..	60,052	44,421	26,531	27,262	17,689	12,859	188,814

**PER HEAD OF POPULATION.**  
(£ s. d.)

1938-39 ..	3 4 3	1 14 5	3 7 4	4 5 0	3 16 4	7 2 0	3 1 11
1954-55 ..	15 8 4	16 9 2	15 9 4	33 6 2	25 6 6	54 19 10	19 7 9
1955-56 ..	15 14 2	15 5 2	16 0 2	34 15 6	22 7 11	54 7 4	19 3 2
1956-57 ..	15 2 8	15 10 3	16 12 10	30 12 8	26 4 1	34 8 10	18 6 7
1957-58 ..	15 14 11	15 5 5	16 10 6	27 19 2	22 15 7	32 11 5	17 18 7
1958-59 ..	16 2 4	16 0 1	18 12 1	30 0 4	24 16 9	37 13 7	19 1 10

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

The above tables do not include particulars of expenditure on loan discounts and flotations, the funding of deficits, the retirement of treasury bills, and similar items of a nature other than works, services, etc. Summaries of the gross and net expenditure and repayments in respect of all loans purpose for the years 1956-57 to 1958-59 are shown in the next paragraph.

3. Total Loan Expenditure.—The following table shows particulars, in summary form, of the total loan expenditure in each State during each of the years, 1956-57 to 1958-59.

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

Particulars.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
1956-57.							
<i>Works and Services—</i>							
Gross Expenditure ..	54,296	40,950	22,976	26,385	17,936	11,233	173,776
Net Expenditure ..	48,975	38,449	20,114	23,953	16,278	10,535	158,304
Repayments ..	5,321	2,501	2,862	2,432	1,658	698	15,472
<i>Other than Works, etc.(a)—</i>							
Gross Expenditure ..	2,671	4,747	— 1	1,062	2,072	539	11,090
Net Expenditure ..	2,671	4,747	79	1,031	2,049	484	11,061
Repayments ..	..	..	—80	31	(b) 23	55	29
<b>Total Loan Expenditure—</b>							
Gross ..	56,967	45,697	22,975	27,447	20,008	11,772	184,866
Net ..	51,646	43,196	20,193	24,984	18,327	11,019	169,365
Repayments ..	5,321	2,501	2,782	2,463	1,681	753	15,501

For footnotes see next page.

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

Particulars.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
1957-58.							
<i>Works and Services—</i>							
Gross Expenditure ..	57,597	41,338	23,190	24,772	15,914	10,882	173,693
Net Expenditure ..	52,610	38,421	20,022	21,752	14,136	10,044	156,985
Repayments ..	4,987	2,917	3,168	3,020	1,778	838	16,708
<i>Other than Works, etc.(a)—</i>							
Gross Expenditure ..	-986	3,965	..	57	1,364	813	5,213
Net Expenditure ..	-986	3,965	-590	..	1,308	789	4,486
Repayments ..	..	..	590	57	(b) 56	24	727
<b>Total Loan Expenditure—</b>							
Gross ..	56,611	45,303	23,190	24,829	17,278	11,695	178,906
Net ..	51,624	42,386	19,432	21,752	15,444	10,833	161,471
Repayments ..	4,987	2,917	3,758	3,077	1,834	862	17,435
1958-59.							
<i>Works and Services—</i>							
Gross Expenditure ..	60,052	44,421	26,531	27,262	17,689	12,859	188,814
Net Expenditure ..	54,496	41,491	21,025	24,159	16,171	11,673	169,015
Repayments ..	5,556	2,930	5,506	3,103	1,518	1,186	19,799
<i>Other than Works, etc.(a)—</i>							
Gross Expenditure ..	-1,691	3,000	..	705	-22	946	2,938
Net Expenditure ..	-1,691	3,000	400	628	-111	883	3,109
Repayments ..	..	..	-400	77	(b) 89	63	-171
<b>Total Loan Expenditure—</b>							
Gross ..	58,361	47,421	26,531	27,967	17,667	13,805	191,752
Net ..	52,805	44,491	21,425	24,787	16,060	12,556	172,124
Repayments ..	5,556	2,930	5,106	3,180	1,607	1,249	19,628

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

(b) From Consolidated Revenue Fund.

NOTE.—Minus sign (—) indicates excess of repayments to loan fund.

Information relating to the State Public Debt is given in division D. Commonwealth and State Public Debt (pp. 859-67).

## C. COMMONWEALTH AND STATE FINANCE.

1. Revenue and Expenditure.—(i) *Consolidated Revenue Funds*. The following tables show the aggregate revenue and expenditure of the Consolidated Revenue Funds of the Commonwealth and States for each of the years 1938-39 and 1954-55 to 1958-59. In these tables, the combined Commonwealth and State totals have been adjusted to exclude major duplications, but the separate Commonwealth and State figures are as shown in other divisions of this chapter. The items excluded from the total figures are:—payments made by the Commonwealth to the States and included in the State Consolidated Revenue Funds on account of tax reimbursements, interest under the Financial Agreement, special grants, special financial assistance, coal strike emergency grants, price control reimbursements, grants to universities, cattle tick control, tuberculosis capital expenditure, National Welfare Fund payments, and estimated payments of pay-roll tax by the States to the Commonwealth. There are other relatively minor payments for which adjustments have not been made and the adjusted figures are therefore still slightly overstated.

## COMMONWEALTH AND STATES : REVENUE AND EXPENDITURE.

Year ended 30th June—	Revenue.			Expenditure.		
	Commonwealth.	States.	Total.	Commonwealth.	States.	Total.
	£'000.	£'000.	£m.	£'000.	£'000.	£m.
1939.. ..	95,065	124,283	209.6	95,065	128,159	213.5
1955.. ..	1,067,441	495,296	1,378.2	1,067,441	498,820	1,381.7
1956.. ..	1,138,358	526,011	1,466.1	1,138,358	540,959	1,481.0
1957.. ..	1,311,835	576,934	1,672.4	1,311,835	583,875	1,679.4
1958.. ..	1,323,771	605,183	1,690.7	1,323,771	612,200	1,697.7
1959.. ..	1,296,050	639,959	1,682.9	1,296,050	647,276	1,690.3

(ii) *Loan Expenditure.* The aggregate gross loan expenditures of the Commonwealth and States on works and services for the years 1938-39 and 1954-55 to 1958-59 are shown in the following table:—

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

Gross Loan Expenditure.	1938-39.	1954-55.	1955-56.	1956-57.	1957-58.	1958-59.
Commonwealth(b) .. ..	3,913	33,189	44,003	44,068	45,174	86,121
State .. .. .	21,399	175,327	177,511	173,776	173,693	188,814
<b>Total .. .. .</b>	<b>25,312</b>	<b>208,516</b>	<b>221,514</b>	<b>217,844</b>	<b>218,867</b>	<b>274,935</b>

(a) Excludes expenditure on loan flotations, funding deficits, etc. (b) Includes expenditure on Defence, War (1939-45) and Repatriation Services. Excludes payments to the National Debt Sinking Fund from proceeds of the loan from the International Bank for Reconstruction and Development, payments to the Swiss Loan Trust account from proceeds of the Swiss Loan, and payments to the Canadian Loan Trust account from proceeds of the Canadian Loan (see pp. 88£1-72).

2. *Taxation.*—The following table shows the combined Commonwealth and State taxation, and the amount per head of population, for the years 1938-39 and 1954-55 to 1958-59. Taxation collections by the State Governments which are not paid into the Consolidated Revenue Funds have been included.

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

Particulars.	1938-39.	1954-55.	1955-56.	1956-57.	1957-58.	1958-59.
<b>NET COLLECTIONS.</b> (£'000.)						
Customs and Excise Duties ..	47,632	244,403	255,772	286,037	303,051	307,925
Sales Tax .. .. .	9,308	100,446	110,001	125,752	137,777	143,617
Land Tax .. .. .	2,897	5,011	5,969	11,827	15,407	15,424
Pay-roll Tax .. .. .		41,455	45,543	48,675	48,552	49,619
Income Taxes .. .. .	41,679	532,968	574,062	620,321	650,452	608,675
Probate and Succession Duties	6,916	31,216	33,508	37,089	39,477	40,486
Stamp Duties, n.e.i. ..	3,466	16,027	18,181	21,336	24,527	28,317
Motor Taxes .. .. .	6,961	27,783	28,919	33,539	37,520	41,905
Liquor Taxes .. .. .	1,045	5,563	6,617	7,220	8,095	8,483
Racing .. .. .	1,251	6,992	7,430	7,495	7,870	7,540
Entertainments Tax ..	633	1,339	1,445	1,838	1,982	1,846
Licences, n.e.i., and other Taxes	2,841	13,891	14,334	12,142	14,877	17,291
Commonwealth .. .. .	74,122	937,608	1,003,780	1,098,736	1,161,533	1,133,298
States .. .. .	50,507	89,486	98,001	114,535	128,054	137,830
<b>Total .. .. .</b>	<b>124,629</b>	<b>1,027,094</b>	<b>1,101,781</b>	<b>1,213,271</b>	<b>1,289,587</b>	<b>1,271,128</b>

**PER HEAD OF POPULATION.**  
(£ s. d.)

Customs and Excise Duties ..	6 17 5	26 17 9	27 9 1	30 0 0	31 2 1	30 18 9
Sales Tax .. .. .	1 6 10	11 1 0	11 16 2	13 3 9	14 2 8	14 8 7
Land Tax .. .. .	0 8 4	0 11 0	0 12 10	1 4 10	1 11 7	1 11 0
Pay-roll Tax .. .. .		4 13 2	4 17 9	5 2 1	4 19 8	4 19 9
Income Taxes .. .. .	6 0 3	58 12 7	61 12 6	65 1 2	66 14 10	61 3 1
Probate and Succession Duties	0 19 11	3 8 8	3 11 11	3 17 9	4 1 0	4 1 4
Stamp Duties, n.e.i. ..	0 10 0	1 15 3	1 19 0	2 4 9	2 10 4	2 16 11
Motor Taxes .. .. .	1 0 1	3 1 2	3 2 1	3 10 4	3 17 0	4 4 2
Liquor Taxes .. .. .	0 3 0	0 12 3	0 14 2	0 15 2	0 16 7	0 17 0
Racing .. .. .	0 3 8	0 15 5	0 15 11	0 15 9	0 16 2	0 15 2
Entertainments Tax ..	0 1 10	0 3 0	0 3 1	0 3 10	0 4 1	0 3 9
Licences, n.e.i., and other Taxes	0 8 1	1 10 7	1 11 0	1 5 6	1 10 6	1 14 10
Commonwealth .. .. .	10 13 9	103 2 11	107 15 0	115 4 8	119 3 8	113 17 5
States .. .. .	7 8 2	9 17 11	10 11 7	12 1 8	13 4 4	13 18 9
<b>Total .. .. .</b>	<b>17 19 5</b>	<b>112 19 10</b>	<b>118 5 6</b>	<b>127 4 11</b>	<b>132 6 6</b>	<b>127 14 4</b>

(a) For separate details of Commonwealth and State taxation collections, see pages 815 and 845.

## D. COMMONWEALTH AND STATE PUBLIC DEBT.

## § 1. General.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## § 3. Commonwealth and State Public Debt Outstanding.

1. Public Debt, Annual Interest Payable and Average Rate of Interest at 30th June, 1959.—In the following table, details are given of the Commonwealth and State Public Debt, annual interest payable and average rate of interest at 30th June, 1959.

## COMMONWEALTH AND STATE PUBLIC DEBT AND ANNUAL INTEREST PAYABLE AT 30th JUNE, 1959.

Particulars.	Maturing in—					Total.
	Australia.	London.	New York.	Canada.	Switzer-land.	
<b>DEBT.</b>						
	£A.'000.	£Stg.'000.	£'000.(a)	£'000.(a)	£'000.(a)	£'000.(a)
<i>Commonwealth Debt—</i>						
<i>War (1914–18) Debt(b)—</i>						
Stock and Bonds .. ..	89,724	7,534	..	..	..	97,258
Other Debt(c) .. ..	75	..	..	..	..	75
<i>Total War (1914–18) Debt .. ..</i>	<i>89,799</i>	<i>7,534</i>	<i>..</i>	<i>..</i>	<i>..</i>	<i>97,333</i>
<i>War (1939–45) Debt—</i>						
Stock and Bonds .. ..	638,675	5,655	..	..	..	644,330
Treasury Bills, Internal ..	258,790	..	..	..	..	258,790
Treasury Bills, Public ..	133,690	..	..	..	..	133,690
Other Debt(d) .. ..	12,442	..	..	..	..	12,442
<i>Total War (1939–45) Debt .. ..</i>	<i>1,043,597</i>	<i>5,655</i>	<i>..</i>	<i>..</i>	<i>..</i>	<i>1,049,252</i>
<i>Works and Other Purposes—</i>						
Stock and Bonds .. ..	314,837	50,851	10,360	2,842	12,251	391,141
Treasury Bills, Internal ..	10,810	..	..	..	..	10,810
Treasury Bills, Public ..	37,310	..	..	..	..	37,310
International Bank Dollar Loans .. ..	..	..	58,632	..	..	58,632
Serial Notes .. ..	..	..	4,802	..	..	4,802
<i>Total Works and Other Purposes ..</i>	<i>362,957</i>	<i>50,851</i>	<i>73,794</i>	<i>2,842</i>	<i>12,251</i>	<i>502,695</i>
<i>Total Commonwealth Debt .. ..</i>	<i>1,496,353</i>	<i>64,040</i>	<i>73,794</i>	<i>2,842</i>	<i>12,251</i>	<i>1,649,280</i>
<i>State Debt—</i>						
Stock and Bonds .. ..	2,059,675	263,625	30,003	..	..	2,353,303
Debentures .. ..	34,077	..	..	..	..	34,077
Balance of Debt of States taken over by Commonwealth and still represented by State Securities ..	..	4,241	..	..	..	4,241
<i>Total State Debt .. ..</i>	<i>2,093,752</i>	<i>267,866</i>	<i>30,003</i>	<i>..</i>	<i>..</i>	<i>2,391,621</i>
<i>Grand Total Commonwealth and State Debt .. ..</i>	<i>3,590,105</i>	<i>331,906</i>	<i>103,797</i>	<i>2,842</i>	<i>12,251</i>	<i>4,040,901</i>

(a) See § 1, p. 857. (b) Excludes War (1914–18) Debt due to United Kingdom Government (£79,724,000). Repayment of this debt and interest thereon (£3,919,774) was suspended in 1931. (c) War and Peace Savings Certificates and Stamps and War Gratuity Bonds. (d) Advance Loan Subscriptions, National Savings Bonds, War Savings and Savings Certificates, War Savings and National Savings Stamps.

## COMMONWEALTH AND STATE PUBLIC DEBT AND ANNUAL INTEREST PAYABLE AT 30th JUNE, 1959—continued.

Particulars.	Maturing in—					Total.
	Australia.	London.	New York.	Canada.	Switzerland.	

## DEBT PER HEAD OF POPULATION.

	£ s. d. (Aust.)	£ s. d. (Stg.)	£ s. d. (a)	£ s. d. (a)	£ s. d. (a)	£ s. d. (a)
<i>Commonwealth Debt—</i>						
War (1914-18) Debt(b) ..	8 18 6	0 15 0	..	..	..	9 13 6
War (1939-45) Debt ..	103 14 6	0 11 3	..	..	..	104 5 9
Works and Other Purposes ..	36 1 6	5 1 1	7 6 8	0 5 8	1 4 4	49 19 3
<i>Total Commonwealth Debt ..</i>	<i>148 14 6</i>	<i>6 7 4</i>	<i>7 6 8</i>	<i>0 5 8</i>	<i>1 4 4</i>	<i>163 18 6</i>
<i>Total State Debt ..</i>	<i>209 9 11</i>	<i>26 16 1</i>	<i>3 0 0</i>	<i>..</i>	<i>..</i>	<i>239 6 0</i>
<i>Grand Total Commonwealth and State Debt ..</i>	<i>356 16 6</i>	<i>32 19 9</i>	<i>10 6 4</i>	<i>0 5 8</i>	<i>1 4 4</i>	<i>401 12 7</i>

## ANNUAL INTEREST PAYABLE.

	£A.'000.	£Stg.'000.	£'000.(a)	£'000.(a)	£'000.(a)	£'000.(a)
<i>Commonwealth Debt—</i>						
War (1914-18) Debt(b) ..	3,329	227	..	..	..	3,556
War (1939-45) Debt ..	28,560	226	..	..	..	28,786
Works and Other Purposes ..	13,811	1,874	3,321	114	475	19,595
<i>Total Commonwealth Debt ..</i>	<i>45,700</i>	<i>2,327</i>	<i>3,321</i>	<i>114</i>	<i>475</i>	<i>51,937</i>
<i>Total State Debt ..</i>	<i>84,746</i>	<i>9,859</i>	<i>1,259</i>	<i>..</i>	<i>..</i>	<i>95,864</i>
<i>Grand Total Commonwealth and State Debt ..</i>	<i>130,446</i>	<i>12,186</i>	<i>4,580</i>	<i>114</i>	<i>475</i>	<i>147,801</i>

## ANNUAL INTEREST PAYABLE PER HEAD OF POPULATION.

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

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

	£ s. d. (Aust.)	£ s. d. (Stg.)	£ s. d. (a)	£ s. d. (a)	£ s. d. (a)	£ s. d. (a)
<i>Commonwealth Debt—</i>						
War (1914-18) Debt(b) ..	3 14 2	3 0 5	..	..	..	3 13 1
War (1939-45) Debt ..	2 14 10	4 0 0	..	..	..	2 14 11
Works and Other Purposes ..	3 16 3	3 13 8	4 10 0	4 0 0	3 17 6	3 18 1
<i>Total Commonwealth Debt ..</i>	<i>3 1 2</i>	<i>3 12 8</i>	<i>4 10 0</i>	<i>4 0 0</i>	<i>3 17 6</i>	<i>3 3 1</i>
<i>Total State Debt ..</i>	<i>4 0 11</i>	<i>3 13 7</i>	<i>4 3 11</i>	<i>..</i>	<i>..</i>	<i>4 0 2</i>
<i>Grand Total Commonwealth and State Debt ..</i>	<i>3 12 9</i>	<i>3 13 5</i>	<i>4 8 3</i>	<i>4 0 0</i>	<i>3 17 6</i>	<i>3 13 2</i>

(a) See § 1, p. 857. (b) Excludes War (1914-18) Debt due to United Kingdom Government (£79,724,000). Repayment of this debt and interest thereon (£3,919,774) was suspended in 1931.



2. **Public Debt and Annual Interest Payable, 1939 and 1955 to 1959.**—In the following table, details are given of the Public Debt and annual interest payable, including the average rate of interest, at 30th June, 1939 and 1955 to 1959. A dissection of debt for these years into debt payable in Australia, London, New York, Canada and Switzerland may be found in the annual bulletin *Finance, Part I, Public and Private Finance*.

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

Particulars.	1939.	1955.	1956.	1957.	1958.	1959.
<b>DEBT.</b> (£'000.) (a)						
<i>Commonwealth Debt</i> —						
War (1914–18) Debt ..	186,214	134,079	129,880	120,140	104,674	97,333
War (1939–45) Debt ..	1,444,832	1,444,832	1,405,072	1,339,818	1,196,213	1,049,252
Works and Other Purposes ..	131,313	344,806	391,615	425,473	433,989	502,695
<i>Total Commonwealth Debt</i>	<i>317,527</i>	<i>1,923,717</i>	<i>1,926,567</i>	<i>1,885,431</i>	<i>1,734,876</i>	<i>1,649,280</i>
<i>State Debt</i> .. .. .	<i>897,772</i>	<i>1,825,727</i>	<i>1,962,027</i>	<i>2,106,477</i>	<i>2,247,932</i>	<i>2,391,621</i>
<b>Grand Total Commonwealth and State Debt</b>	<b>1,215,299</b>	<b>3,749,444</b>	<b>3,888,594</b>	<b>3,991,908</b>	<b>3,982,808</b>	<b>4,040,901</b>

<b>ANNUAL INTEREST PAYABLE.</b> (£'000.) (a)						
<i>Commonwealth Debt</i> —						
War (1914–18) Debt ..	7,376	4,501	4,408	4,158	3,792	3,556
War (1939–45) Debt ..	38,580	38,580	37,731	36,132	31,529	28,786
Works and Other Purposes ..	5,150	12,488	14,489	16,598	17,674	19,595
<i>Total Commonwealth Debt</i>	<i>12,526</i>	<i>55,569</i>	<i>56,628</i>	<i>56,888</i>	<i>52,995</i>	<i>51,937</i>
<i>State Debt</i> .. .. .	<i>33,644</i>	<i>64,046</i>	<i>70,610</i>	<i>79,739</i>	<i>88,074</i>	<i>95,864</i>
<b>Grand Total Commonwealth and State Debt</b>	<b>46,170</b>	<b>119,615</b>	<b>127,238</b>	<b>136,627</b>	<b>141,069</b>	<b>147,801</b>

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

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

(a) See § 1, p. 857.

3. **State Public Debt and Annual Interest Payable at 30th June, 1959.**—In paragraphs 1 and 2, totals only of the States' Public Debt are given. In the following tables, the total debt of each State and the amounts outstanding per head of population at 30th June, 1959, the annual interest payable and the average rate of interest payable are shown according to the place of flotation.

## STATE PUBLIC DEBT AND ANNUAL INTEREST PAYABLE AT 30th JUNE, 1959.

State.	Maturing in Australia.	Maturing Overseas.			Grand Total.
		London.	New York.	Total Overseas.	
<b>DEBT.</b>					
	£A.'000.	£Stg.'000.	£'000.(a)	£'000.(a)	£'000.(a)
New South Wales .. ..	707,504	111,653	13,210	124,863	832,367
Victoria .. ..	508,187	41,252	5,573	46,825	555,012
Queensland .. ..	253,659	44,618	5,193	49,811	303,470
South Australia .. ..	279,327	32,346	3,155	35,501	314,828
Western Australia .. ..	199,575	30,631	1,913	32,544	232,119
Tasmania .. ..	145,500	7,366	959	8,325	153,825
<b>Total .. ..</b>	<b>2,093,752</b>	<b>267,866</b>	<b>30,003</b>	<b>297,869</b>	<b>2,391,621</b>

## DEBT PER HEAD OF POPULATION.

	£ s. d. (Aust.)	£ s. d. (Stg.)	£ s. d. (a)	£ s. d. (a)	£ s. d. (a)
New South Wales .. ..	188 6 11	29 14 6	3 10 4	33 4 10	221 11 9
Victoria .. ..	180 11 2	14 13 2	1 19 7	16 12 9	197 3 11
Queensland .. ..	176 0 7	30 19 3	3 12 1	34 11 4	210 11 11
South Australia .. ..	303 6 10	35 2 7	3 8 6	38 11 1	341 17 11
Western Australia .. ..	277 10 3	42 11 10	2 13 2	45 5 0	322 15 3
Tasmania .. ..	425 1 0	21 10 4	2 16 0	24 6 4	449 7 4
<b>Total .. ..</b>	<b>209 9 11</b>	<b>26 16 1</b>	<b>3 0 0</b>	<b>29 16 1</b>	<b>239 6 0</b>

## ANNUAL INTEREST PAYABLE.

	£A.'000.	£Stg.'000.	£'000.(a)	£'000.(a)	£'000.(a)
New South Wales .. ..	28,475	4,274	537	4,811	33,286
Victoria .. ..	20,938	1,690	244	1,934	22,872
Queensland .. ..	9,949	1,584	208	1,792	11,741
South Australia .. ..	11,443	1,078	140	1,218	12,661
Western Australia .. ..	7,984	965	85	1,050	9,034
Tasmania .. ..	5,957	268	45	313	6,270
<b>Total .. ..</b>	<b>84,746</b>	<b>9,859</b>	<b>1,259</b>	<b>11,118</b>	<b>95,864</b>

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

	£ s. d. (Aust.)	£ s. d. (Stg.)	£ s. d. (a)	£ s. d. (a)	£ s. d. (a)
New South Wales .. ..	4 0 6	3 16 7	4 1 4	3 17 1	4 0 0
Victoria .. ..	4 2 5	4 1 11	4 7 4	4 2 7	4 2 5
Queensland .. ..	3 18 5	3 11 0	4 0 2	3 11 11	3 17 5
South Australia .. ..	4 1 11	3 6 8	4 8 9	3 8 8	4 0 5
Western Australia .. ..	4 0 0	3 3 0	4 8 6	3 4 6	3 17 10
Tasmania .. ..	4 1 11	3 12 8	4 14 2	3 15 2	4 1 6
<b>Total .. ..</b>	<b>4 0 11</b>	<b>3 13 7</b>	<b>4 3 11</b>	<b>3 14 8</b>	<b>4 0 2</b>

(a) See § 1, p. 857.

4. State Public Debt, 1939 and 1955 to 1959.—In the following table, the debt of each State and the amounts outstanding per head of population at 30th June, 1939 and 1955 to 1959 are shown.

## STATE PUBLIC DEBT.

30th June—	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
DEBT. (£'000.) (a)							
1939 .. ..	359,844	179,698	127,503	108,887	95,473	26,367	897,772
1955 .. ..	655,599	411,199	236,474	234,769	177,881	109,805	1,825,727
1956 .. ..	698,136	445,713	252,799	254,423	188,733	122,223	1,962,027
1957 .. ..	742,696	481,819	269,320	274,913	205,145	132,584	2,106,477
1958 .. ..	787,462	518,213	285,947	294,821	218,428	143,061	2,247,932
1959 .. ..	832,367	555,012	303,470	314,828	232,112	153,825	2,391,621

## DEBT PER HEAD OF POPULATION.

		(£ s. d.) (a)											
1939 .. ..	130 18 7	95 13 3	125 4 11	182 10 6	203 2 4	111 1 2	129 3 11						
1955 .. ..	187 16 8	162 19 7	175 17 5	286 9 3	270 2 3	358 18 10	199 10 4						
1956 .. ..	196 9 4	171 1 11	184 8 8	299 16 10	278 12 4	382 7 5	209 5 10						
1957 .. ..	205 0 0	180 4 5	192 16 5	314 17 3	296 10 1	404 7 0	219 14 11						
1958 .. ..	213 9 0	189 0 8	201 14 10	328 15 4	309 14 4	426 10 4	229 14 6						
1959 .. ..	221 11 9	197 3 11	210 11 11	341 17 11	322 15 3	449 7 4	239 6 0						

(a) See § 1, p. 857.

In some States, certain public utilities such as tramways, water supply and sewerage, harbour services, etc., are controlled by boards or trusts, which, in addition to receiving advances from the central Government, raise loans by public borrowing on their own behalf, while in other States these services are controlled by the central Government. Comparison of the debts of the States is therefore difficult, but on page 867 figures showing the aggregate debts of the States, including these local and semi-governmental authorities, are shown for the years 1938-39 and 1953-54 to 1957-58.

5. Public Debt and Interest Payable in Australian Currency.—In the foregoing tables relating to Commonwealth and State public debt, the debt outstanding in London is expressed in sterling, debt outstanding in New York and Canada is expressed in pounds converted from dollars at the rate of \$4.8665 to £1 and debt outstanding in Switzerland is expressed in pounds converted from Swiss francs at the rate of 1,000 Swiss francs = £A.102 1s. 10d. This method of showing the debt does not indicate the amount that the Australian Government would have to find to repay the debt at current rates of exchange. In the following tables, the public debt and the interest payable are shown in terms of Australian currency throughout. Debt in London, New York, Canada and Switzerland has been converted to Australian currency at the selling rate of exchange on 30th June, 1959.

COMMONWEALTH AND STATE PUBLIC DEBT AND INTEREST PAYABLE  
AT 30th JUNE, 1959 : AUSTRALIAN CURRENCY.  
(£A.'000.)

Particulars.	Maturing in—					Total.
	Australia.	London. (a)	New York. (b)	Canada. (c)	Switzer- land. (d)	
DEBT.						
<i>Commonwealth Debt—</i>						
War (1914-18) Debt ..	89,799	9,455	..	..	..	99,254
War (1939-45) Debt ..	1,043,597	7,097	..	..	..	1,050,694
Works and Other Purposes ..	362,957	63,818	160,378	6,474	12,468	606,095
<i>Total Commonwealth Debt</i>	<i>1,496,353</i>	<i>80,370</i>	<i>160,378</i>	<i>6,474</i>	<i>12,468</i>	<i>1,756,043</i>
<i>State Debt—</i>						
New South Wales ..	707,504	140,124	28,710	..	..	876,338
Victoria ..	508,187	51,772	12,112	..	..	572,071
Queensland ..	253,659	55,996	11,286	..	..	320,941
South Australia ..	279,327	40,594	6,857	..	..	326,778
Western Australia ..	199,575	38,441	4,157	..	..	242,173
Tasmania ..	145,500	9,244	2,084	..	..	156,828
<i>Total State Debt</i>	<i>2,093,752</i>	<i>336,171</i>	<i>65,206</i>	<i>..</i>	<i>..</i>	<i>2,495,129</i>
<i>Commonwealth and State Debt—</i>						
Short-term Debt ..	440,600	..	..	..	..	440,600
Other Debt ..	3,149,505	416,541	225,584	6,474	12,468	3,810,572
<i>Grand Total Common- wealth and State Debt</i>	<i>3,590,105</i>	<i>416,541</i>	<i>225,584</i>	<i>6,474</i>	<i>12,468</i>	<i>4,251,172</i>

For footnotes see next page.

COMMONWEALTH AND STATE PUBLIC DEBT AND INTEREST PAYABLE  
AT 30TH JUNE, 1959: AUSTRALIAN CURRENCY—*continued*.  
(£A.'000.)

Particulars.	Maturing in—					Total.
	Australia.	London. (a)	New York. (b)	Canada. (c)	Switzer- land. (d)	
<b>ANNUAL INTEREST PAYABLE.</b>						
<i>Commonwealth Debt—</i>						
War (1914–18) Debt(e) ..	3,329	286	..	..	..	3,615
War (1939–45) Debt ..	28,560	284	..	..	..	28,844
Works and Other Purposes ..	13,811	2,351	7,219	259	483	24,123
<i>Total Commonwealth Debt</i>	<i>45,700</i>	<i>2,921</i>	<i>7,219</i>	<i>259</i>	<i>483</i>	<i>56,582</i>
<i>State Debt—</i>						
New South Wales ..	28,475	5,364	1,167	..	..	35,006
Victoria ..	20,938	2,121	529	..	..	23,588
Queensland ..	9,949	1,988	453	..	..	12,390
South Australia ..	11,443	1,353	304	..	..	13,100
Western Australia ..	7,984	1,211	184	..	..	9,379
Tasmania ..	5,957	336	98	..	..	6,391
<i>Total State Debt</i> ..	<i>84,746</i>	<i>12,373</i>	<i>2,735</i>	<i>..</i>	<i>..</i>	<i>99,854</i>
<i>Grand Total Common- wealth and State Debt</i>	<i>130,446</i>	<i>15,294</i>	<i>9,954</i>	<i>259</i>	<i>483</i>	<i>156,436</i>

(a) Converted at rate of £Stg.100 = £A.125 10s. (b) Converted at rate of \$2.2392 = £A.1.  
(c) Converted at rate of \$2.1364 = £A.1. (d) Converted at rate of 9.625 francs = £A.1. (e) See footnote (b) page 859.

6. Public Debt at each Rate of Interest.—The following table shows particulars of the amounts of debt for Commonwealth and State purposes at 30th June, 1959, at each rate of interest:—

COMMONWEALTH AND STATE PUBLIC DEBT AT 30th JUNE, 1959: AMOUNTS  
AT EACH RATE OF INTEREST.

Rate of Interest.	Maturing in—							Total.	
	Australia.		London.		New York.		Other Overseas.		
	Com- mon- wealth.	State.	Com- mon- wealth. (a)	State.	Com- mon- wealth.	State.	Com- mon- wealth.	Com- mon- wealth.	State.
Per cent.	£A.'000.	£A.'000.	£Stg.'000	£Stg.'000	£'000.(b)	£'000.(b)	£'000.(b)	£'000.(b)	£'000.(b)
6.0 ..	..	..	..	16,000	..	..	..	..	16,000
5.5 ..	..	..	9,501	32,420	..	..	..	9,501	32,420
5.0 ..	227,355	396,637	..	1	2,066	7,181	..	229,421	403,819
4.75 ..	38,320	62,866	..	..	36,001	4,285	..	74,321	67,151
4.625 ..	..	..	..	..	10,488	..	..	10,488	..
4.5 ..	159,380	615,250	..	11,790	250	4,664	..	159,630	631,704
4.2625 ..	52	..	..	..	..	..	..	52	..
4.25 ..	..	..	..	..	17,797	..	..	17,797	..
4.0 ..	76,384	295,399	5,655	22,192	..	562 (c)	8,968	91,007	318,153
3.875 ..	49	704	..	..	..	..	..	49	704
3.75 ..	10,150	69,925	..	..	3,035	1,529 (d)	6,125	19,310	71,454
3.625 ..	..	107	..	..	..	..	..	..	107
3.5 ..	..	5,127	5,667	25,159	1,058	6,821	..	6,725	37,107
3.4875 ..	..	2	..	..	..	..	..	..	2
3.375 ..	..	..	..	..	3,099	4,961	..	3,099	4,961
3.25 ..	340,334	74,079	33,427	56,082	..	..	..	373,761	130,161
3.2391 ..	7,151	..	..	..	..	..	..	7,151	..
3.125 ..	174,870	472,941	..	..	..	..	..	174,870	472,941
3.1 ..	..	3,601	..	..	..	..	..	..	3,601
3.0 ..	..	31,647	9,790	69,844	..	..	..	9,790	101,491
2.8347 ..	3,481	..	..	..	..	..	..	3,481	..
2.75 ..	..	..	..	15,935	..	..	..	..	15,935
2.7125 ..	..	375	..	..	..	..	..	..	375
2.5 ..	..	2	..	18,441	..	..	..	..	18,443
2.325 ..	..	1,522	..	..	..	..	..	..	1,522
1.5 ..	..	3,264	..	..	..	..	..	..	3,264
1.0 ..	440,600	34,077	..	..	..	..	..	440,600	34,077
Special Bonds									
Series "A" (e)	13,544	19,825	..	..	..	..	..	13,544	19,825
Special Bonds									
Series "B" (e)	2,483	6,402	..	..	..	..	..	2,483	6,402
Miscellaneous (f)	2,200	..	..	2	..	..	..	2,200	2
<b>Total Debt</b> ..	<b>1,496,353</b>	<b>2,093,752</b>	<b>64,040</b>	<b>267,866</b>	<b>73,794</b>	<b>30,003</b>	<b>15,093</b>	<b>1,649,280</b>	<b>2,391,621</b>

(a) Excludes War (1914–18) Debt due to United Kingdom £79,724,000 (rate of interest 4.91667 per cent.). (b) See § 1, p. 857. (c) Swiss debt, £6,126,000; Canadian debt £2,842,000. (d) Swiss debt. (e) See para. 2 (ii) p. 869. (f) Consists of overdue debt, War (1914–18) and (1939–45) Savings Stamps and National Savings Stamps, etc.

7. Dates of Maturity.—(i) *Commonwealth.* In the following table the Commonwealth Public Debt at 30th June, 1959 is classified according to the earliest and the latest years of maturity.

COMMONWEALTH PUBLIC DEBT AT 30th JUNE, 1959(a) : CLASSIFIED ACCORDING TO EARLIEST AND LATEST YEARS OF MATURITY.

Year of Maturity.	Earliest Year.					Latest Year.				
	Maturing in—				Total.	Maturing in—				Total.
	Aus- tralia.	Lon- don.	New York.	Other Overseas.		Aus- tralia.	Lon- don.	New York.	Other Overseas.	
£A.'000.	£Stg. '000.	£'000 <sup>b</sup>	£'000.(b)	£'000.(b)	£A.'000.	£Stg. '000.	£'000 <sup>b</sup>	£'000.(b)	£'000.(b)	
Before 30th June, 1959 ..	375,232	16,106	4,157	..	395,495	..	..	..	..	
1959-60(c) ..	496,417	..	..	..	496,417	619,497	..	..	619,497	
1960-61 ..	74,133	5,655	..	..	79,788	143,027	16,106	..	159,133	
1961-62 ..	64,085	5,667	..	..	69,752	136,067	..	3,099	139,166	
1962-63 ..	86,673	..	..	..	86,673	76,504	..	..	76,504	
1963-64 ..	..	292	..	(d) 6,125	26,325	62,641	5,655	..	68,296	
1964-65 ..	19,908	17,029	..	(d) 6,126	33,414	68,543	..	..	68,543	
1965-66 ..	10,259	..	..	..	20,428	20,428	..	..	20,428	
1966-67 ..	57,025	..	..	..	57,025	57,025	5,667	1,058	63,750	
1967-68 ..	31,868	..	..	..	31,868	31,868	..	..	31,868	
1968-69 ..	70,394	..	..	..	70,394	70,394	..	(d) 6,125	76,519	
1969-70 ..	..	..	3,035	..	3,035	..	17,029	3,035	26,190	
1970-71 ..	10,213	6,951	250	(e) 2,842	20,256	10,213	..	250	13,305	
1971-72 and later ..	171,155	12,340	2,918	..	186,413	171,155	19,583	2,918	193,656	
Special Bonds Series "A"(f)	13,544	..	..	..	13,544	13,544	..	..	13,544	
Special Bonds Series "B"(f)	2,483	..	..	..	2,483	2,483	..	..	2,483	
Miscellaneous(g)	12,964	..	h 63,434	..	76,398	12,964	..	h 63,434	76,398	
<b>Total ..</b>	<b>1,496,353</b>	<b>64,040</b>	<b>73,794</b>	<b>15,093</b>	<b>1,649,280</b>	<b>1,496,353</b>	<b>64,040</b>	<b>73,794</b>	<b>15,093</b>	<b>1,649,280</b>

(a) See note (a) to previous table. (b) See § 1, p. 857. (c) Includes short-term debt.  
 (d) Swiss debt. (e) Canadian debt. (f) See para. 2 (ii) p. 869. (g) Consists of advance loan subscriptions, overdue debt, debt repayable in half-yearly instalments, War Savings and Savings Certificates, War Savings Stamps, National Savings Stamps and Peace Savings Certificates. (h) International Bank Dollar Loans £58,632,000 being repaid in half-yearly instalments from 1st September, 1955 to 1st September, 1975, 1st June, 1957 to 1st December, 1972, 1st March, 1957 to 1st March, 1969, 15th March, 1958 to 15th March 1970, 15th July, 1959 to 15th January, 1972, and from 1st June, 1964 to 1st December, 1966; and Serial Notes £4,802,000 to be repaid in half-yearly instalments from 31st December, 1960 to 31st December, 1964.

(ii) *States.* Particulars of State Public Debt at 30th June, 1959, have been classified in the following table according to the earliest and the latest years of maturity.

## STATE PUBLIC DEBT AT 30th JUNE, 1959 : CLASSIFIED ACCORDING TO EARLIEST AND LATEST YEARS OF MATURITY.

Year of Maturity.	Earliest Year.				Latest Year.			
	Maturing in—			Total.	Maturing in—			Total.
	Aus- tralia.	Lon- don.	New York.		Aus- tralia.	Lon- don.	New York.	
£A.'000.	£Stg. '000.	£'000.(a)	£'000.(a)	£A.'000.	£Stg. '000.	£'000.(a)	£'000.(a)	
Before 30th June, 1959 ..	158,828	31,244	11,781	201,853	..	..	..	..
1959-60 ..	50,812	..	..	50,812	122,518	..	..	122,518
1960-61 ..	279,545	11,790	..	291,335	236,225	18,398	..	254,623
1961-62 ..	251,138	23,319	..	274,457	103,923	..	4,961	108,884
1962-63 ..	314,503	12,656	..	327,159	210,203	11,790	..	221,993
1963-64 ..	2,510	9,590	..	12,100	105,057	..	..	105,057
1964-65 ..	84,102	12,896	..	96,998	259,212	12,656	..	271,868
1965-66 ..	62,972	64,157	..	127,129	167,272	9,590	..	176,862
1966-67 ..	129,660	..	..	129,660	129,660	23,319	6,820	159,799
1967-68 ..	152,737	15,935	..	168,672	152,737	25,444	..	178,181
1968-69 ..	205,786	..	..	205,786	205,786	..	..	205,786
1969-70 ..	3,242	18,441	1,529	23,212	3,242	40,554	1,529	45,325
1970-71 ..	44,683	..	4,664	49,347	44,683	11,006	4,664	60,353
1971-72 ..	2,177	12,175	2,920	17,272	2,177	15,934	2,920	21,031
1972-73 ..	75,761	10,000	4,285	90,046	75,761	10,000	4,285	90,046
1973-74 ..	3,336	..	..	3,336	3,336	12,175	..	15,511
1974-75 ..	55,255	16,000	..	71,255	55,255	31,337	..	86,592
1975-76 ..	89,675	26,771	..	116,446	89,675	..	..	89,675
1976-77 ..	6,001	..	..	6,001	6,001	16,000	..	22,001
1977-78 ..	7,088	..	..	7,088	7,088	4,351	..	11,439
1978-79 ..	8,359	..	4,261	12,620	8,359	22,420	4,261	35,040
1979-80 ..	42,263	..	..	42,263	42,263	..	..	42,263
1980-81 and later ..	14,284	..	..	14,284	14,284	..	..	14,284
Special Bonds Series "A" <sup>b</sup> ..	19,825	..	..	19,825	19,825	..	..	19,825
Special Bonds Series "B" <sup>b</sup> ..	6,402	..	..	6,402	6,402	..	..	6,402
Miscellaneous(c) ..	22,808	2,892	563	26,263	22,808	2,892	563	26,263
<b>Total ..</b>	<b>2,093,752</b>	<b>267,866</b>	<b>30,003</b>	<b>2,391,621</b>	<b>2,093,752</b>	<b>267,866</b>	<b>30,003</b>	<b>2,391,621</b>

(a) See § 1, p. 857. (b) See para. 2 (ii) p. 869. (c) Consists of overdue indefinite and interminable debt, debt due at Treasurer's option and half-yearly drawings.

8. **Short-term Debt.**—(i) *Amount.* Particulars of the short-term debt (Treasury Bills and Debentures) of the Commonwealth and States in London and in Australia at 30th June, 1939 and at intervals from 30th June, 1955, to 30th June, 1959, are shown in the following table. This debt is included in the public debt as shown elsewhere.

## COMMONWEALTH AND STATE SHORT-TERM DEBT.(a)

Date.	Maturing in Australia. (£A.'000.)			Maturing in London. (£Stg.'000.)		
	Common- wealth.	States.	Total.	Common- wealth.	States.	Total.
30th June, 1939 ..	..	50,228	50,228	4,220	23,155	27,375
" " 1954 ..	190,000	..	190,000	470	22,868	23,338
" " 1955 ..	160,000	..	160,000	220	26,068	26,288
" " 1956 ..	165,000	..	165,000	..	26,068	26,068
30th September, 1957 ..	185,000	3,000	188,000	..	..	..
31st December, 1957 ..	251,000	8,500	259,500	..	..	..
31st March, 1958 ..	241,000	6,000	247,000	..	..	..
30th June, 1958 ..	140,000	..	140,000	..	..	..
30th September, 1958 ..	195,000	3,000	198,000	..	..	..
31st December, 1958 ..	282,000	5,000	287,000	..	..	..
31st March, 1959 ..	239,000	4,250	243,250	..	..	..
30th June, 1959 ..	171,000	..	171,000	..	..	..

(a) Excludes Overdrafts and Internal Treasury Bills.

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

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

9. *State and Municipal and Semi-governmental Authority Public Debt.*—For the reasons indicated on page 863, direct comparisons of the debts of the several States should be made with caution. The table following shows, for 1938-39 and 1953-54 to 1957-58, particulars of the debts of the States and the debts due to the public by municipal and semi-governmental authorities in each State.

STATE AND MUNICIPAL AND SEMI-GOVERNMENTAL AUTHORITY PUBLIC DEBT.

State.	State.	Municipal. (a)	Semi-Gov- ernmental. (a)	Total.	
DEBT. (£'000.) (b) 1957-58.					
New South Wales .. .. .	787,462	66,632	227,781	1,081,875	
Victoria .. .. .	518,213	33,616	357,482	909,311	
Queensland .. .. .	285,947	73,294	62,033	421,274	
South Australia .. .. .	294,821	3,981	25,256	324,058	
Western Australia .. .. .	218,428	8,327	15,525	242,280	
Tasmania .. .. .	143,061	9,788	13,397	166,246	
Total	1957-58 .. .. .	2,247,932	195,638	701,474	3,145,044
	1956-57 .. .. .	2,106,477	183,471	630,146	2,920,094
	1955-56 .. .. .	1,962,027	170,839	570,068	2,702,934
	1954-55 .. .. .	1,825,727	158,712	505,710	2,490,149
	1953-54 .. .. .	1,688,948	141,642	440,602	2,271,192
	1938-39 .. .. .	897,772	78,126	120,512	1,096,410

DEBT PER HEAD OF POPULATION.

(£.) (b)

1957-58.

New South Wales .. .. .	213.5	18.1	61.7	293.3	
Victoria .. .. .	189.0	12.3	130.4	331.7	
Queensland .. .. .	201.7	51.7	43.8	297.2	
South Australia .. .. .	328.8	4.4	28.2	361.4	
Western Australia .. .. .	309.7	11.8	22.0	343.5	
Tasmania .. .. .	426.5	29.2	39.9	495.6	
Total	1957-58 .. .. .	229.7	20.0	71.8	321.5
	1956-57 .. .. .	219.7	19.1	65.7	304.5
	1955-56 .. .. .	209.3	18.3	60.7	288.3
	1954-55 .. .. .	199.5	17.4	55.2	272.1
	1953-54 .. .. .	188.9	16.0	49.2	254.1
	1938-39 .. .. .	129.2	11.2	17.4	157.8

(a) Due to the public and excludes amounts due to the Central Government. Includes bank overdrafts.  
(b) See § 1, p. 857.

## § 4. Commonwealth Loan Raisings.

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

2. New Loans Raised, 1956-57 to 1958-59.—(i) *Australia.* The following table shows details of new loans raised in Australia by the Commonwealth during the three years 1956-57 to 1958-59.

## COMMONWEALTH NEW LOANS(a) RAISED IN AUSTRALIA.

Month of Raising.	Amount Invited.	Amount Subscribed.	Rate of Interest per annum.	Year of Maturity.	Price of Issue per £100.	Allocation of Proceeds.			
						Commonwealth.		States.	
						War (1939-45) etc.	Other Purposes.		
	£'000.	£'000.	%		£	£'000.	£'000.	£'000.	
1956-57—									
August (Loan No. 99) ..	30,000	{ 14,085 9,734 7,636	{ 3½ 5 5	1957	99 15s.	}	23	31,432	
		{ 12,593 7,998	{ 4 5	1958	100				
October (Loan No. 101) ..	29,184	{ 9,506 12,202	{ 5 4	1965	100				
March (Loan No. 102) ..	35,000	{ 14,008 10,092	{ 5 5	1958	100	}	32	36,270	
		{ 40,000 30,000	{ 4 5	1965	100				
June (Loan No. 104) (b) ..	99,000	{ 29,000	{ 5	1976	100				
1957-58—									
August (Loan No. 105) ..	30,000	{ 9,539 15,637 6,252	{ 4 5 5	1959	99 5s.	}	28	31,400	
		{ 14,468 9,909	{ 4 5	1960	99				
November (Loan No. 107) ..	30,000	{ 8,183 10,807	{ 5 4	1967	100				
April (Loan No. 109) ..	35,000	{ 5,370 23,073 31,000	{ 4½ 5 4	1967	6d. 99 100	}	9	39,241	
		{ 27,000 34,000	{ 4½ 5	1973	100				
June (Loan No. 111) (b) ..	92,000			1967	6d. 99 100				
1958-59—									
October (Loan No. 112) ..	30,000	{ 13,078 4,748 18,971	{ 4 4½ 5	1960	99½	}	1	36,796	
		{ 35,945 3,996	{ 4 4½	1967	99½				
February (Loan No. 114) ..	25,000	{ 20,252 14,139	{ 5 4	1967	99½				
May (Loan No. 115) ..	35,000	{ 3,309 33,103	{ 4½ 5	1968	99½	}	21,499	29,052	
		{ 10,000	{ 5	1979	100				
June (Loan No. 117)(b) ..	10,000			1979	100				

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

The loans of £99,000,000, £92,000,000 and £10,000,000 raised in June, 1957, 1958 and 1959 respectively were for the purpose of fulfilling an undertaking given by the Commonwealth that the States would have access to loan funds for their works programmes up to the approved Loan Council borrowing programmes. These programmes totalled £192,000,000 in 1956-57, £200,000,000 in 1957-58 and £210,000,000 in 1958-59. Subscriptions to these special loans came from the following sources:—



## SPECIAL LOANS: SOURCE OF FINANCE.

	1956-57.	1957-58.	1958-59.
	£	£	£
National Debt Commission—			
Investment of Australian currency proceeds of International Bank Loan .. .. .	3,000,000	9,600,000	..
Loan Consolidation and Investment Reserve Trust Account .. .. .	96,000,000	82,400,000	10,000,000
<b>Total .. .. .</b>	<b>99,000,000</b>	<b>92,000,000</b>	<b>10,000,000</b>

Finance for the approved Loan Council programmes from 1956-57 to 1958-59 was provided from the following sources—

## LOAN COUNCIL PROGRAMME(a): SOURCE OF FINANCE.

	1956-57.	1957-58.	1958-59.
	£	£	£
Public Loans, domestic raisings, etc. .. .. .	98,822,000	105,900,000	177,300,000
Oversea Loans and Special Commonwealth Assistance .. .. .	93,178,000	94,100,000	32,700,000
<b>Total .. .. .</b>	<b>192,000,000</b>	<b>200,000,000</b>	<b>210,000,000</b>

(a) Excludes amounts provided for War Service Land Settlement; 1956-57, £7,115,000; 1957-58, £8,262,000 and for Emergency Wheat Storage, 1958-59, £6,547,000.

In addition to the new loans raised as shown in the foregoing tables and the redemption and conversion loans shown in the following section, there were other miscellaneous debt operations during 1958-59 namely:—Savings Certificates and War Savings Certificates (Five and Seven Years' Series) a decrease of £5,371,000; War Savings and Savings Stamps, a decrease of £1,000; National Savings Bonds and Stamps, a decrease of £1,000; and "Over the Counter Sales" (small amounts borrowed by the States by virtue of certain statutory rights) £3,008,000. Advance loan subscriptions in hand increased from £1,443,000 at the end of 1957-58 to £1,663,000 at the end of 1958-59.

(ii) *Special Bonds.* In October, 1958, in addition to loan No. 112, subscriptions were invited to special bonds open for continuous subscription and the cash proceeds to the 24th April, 1959, totalled £22,037,000. These bonds are redeemable at any time after 1st July, 1959, at prices commencing at par and increasing to a premium of £3 per cent. if the bonds are held to maturity at 1st January, 1966. Interest is 4 per cent. for approximately the first two years, 4½ per cent. for the next two years and 5 per cent. for the next three years. As from 25th April, 1959, continuous subscriptions were invited to Special Bonds Series "B" and subscriptions up to the end of September, 1959, totalled £12,966,000. The terms of issue of the two series of special bonds are similar except that interest for Series "B" bonds for the third year is 4 per cent. instead of 4½ per cent. Series "B" bonds are redeemable at any time after 1st April, 1960, and mature on 1st October, 1966. The maximum combined holding for each person in Series "A" and "B" bonds is £5,000.

(iii) *London.* The following table gives details of the cash loan raised in London in October, 1958:—

## COMMONWEALTH NEW LOAN RAISED IN LONDON.

Month of Raising.	Amount of Loan.	Rate of Interest per annum.	Price of Issue per £100 stg.	Year of Maturity.	Allocation of Proceeds.	
					Commonwealth.	States.
	£Stg.'000.	%	£Stg.		£Stg.'000.	£Stg.'000.
1958-59— October ..	15,000	5½	98	1978	2,560	12,440

(iv) *New York.* A cash loan was raised in New York in June, 1956, which was the first since May, 1928, except for loans raised from the International Bank for Reconstruction and Development (see para. 4. below). The following table gives details of the loans raised during the period 1956-57 to 1958-59.

## COMMONWEALTH NEW LOANS RAISED IN NEW YORK.

Month of Raising.	Amount of Loan.	Rate of Interest per annum.	Price of Issue per \$100.	Year of Maturity.	Allocation of Proceeds.	
					Commonwealth.	States.
	\$'000.	%	\$		\$'000.	\$'000.
1956-57—						
November ..	17,770	4½	100	(a) 1960-64	(b) 17,770	..
March ..	2,886	5	100	1972	488	2,398
1957-58—						
April ..	25,000	4½	99	1973	4,145	20,855
1958-59—						
November ..	25,000	5	97.50	1978	4,263	20,737
June ..	11,960	4½	100	1960-65	(b) 11,960	..
June ..	1,560	4½	100	1960-65	(b) 1,560	..
June ..	3,000	4½	100	1960-64	(c) 3,000	..

(a) Repayable in half-yearly instalments. (b) Proceeds used for Qantas Empire Airways Loan.  
(c) Proceeds used for Australian National Airlines Loan.

3. Conversion and Redemption Loans, 1956-57 to 1958-59.—(i) *Australia*. Particulars of conversion loans raised in Australia during the three years 1956-57 to 1958-59 are given in the following table:—

## COMMONWEALTH CONVERSION AND REDEMPTION LOANS RAISED IN AUSTRALIA.

Month of Raising.	Old Loan.		New Loan.				Increase in Annual Liability for Interest.
	Amount.	Rate of Interest per annum.	Amount.	Rate of Interest per annum.	Price of Issue per £100.	Year of Maturity.	
	£A.'000.	%	£A.'000.	%	£		£A.'000.
1956-57—							
August ..	{ 16,050 54,124 250	{ 3 3½ 3½	{ 20,888 22,157 13,044	{ 3½ 5 5	{ 99 15s. 99 15s. 100	{ 1957 1963 1976	{ 292
October ..	40,816	3	{ 18,204 12,661 5,614	{ 4 5 5	{ 99 10s. 100 100	{ 1958 1965 1976	{ 427
December ..	5,575	3	{ 2,800 2,775 102,570	{ 4 5 4	{ 99 12s. 6d. 100 100	{ 1958 1976 1976	{ 84
March ..	141,931	3	{ 10,066 17,481	{ 5 5	{ 100 100	{ 1965 1976	{ 1,217
1957-58—							
August ..	150,527	3½	{ 98,650 9,592 34,701	{ 4 5 5	{ 99 5s. 100 100	{ 1959 1965 1976	{ 516
November ..	75,293	3½	{ 21,457 26,233 7,913	{ 4 5 5	{ 99 100 100	{ 1960 1967 1973	{ 119
April ..	173,371	4	{ 108,578 10,651 26,577	{ 4 4½ 5	{ 98 17s. 6d. 99 100	{ 1961 1967 1973	{ -757
1958-59—							
October ..	218,192	3½	{ 54,894 24,543 75,647 11,332	{ 4 4½ 5 4-5	{ 99 17s. 6d. 99 2s. 6d. 100 100	{ 1960 1967 1974 1966	{ 506
May ..	108,189	4	{ 50,951 21,563 16,395 3,781	{ 4 4½ 5 4-5	{ 99 10s. 99 10s. 100 100	{ 1962 1968 1979 1966	{ -294

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

(ii) *London*. The following table shows particulars of loans raised in London during the years 1956-57, 1957-58 and 1958-59 for the purpose of redeeming and converting London loans.

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

Month of Raising.	Old Loan.		New Loan.				Increase in Annual Liability for Interest and Exchange. (a)	
	Amount.	Rate of Interest per annum.	Amount raised in—		Rate of Interest per annum.	Price of Issue per £100.		Year of Maturity.
			Australia.	London.				
	£Stg. '000.	%	£A. '000.	£Stg. '000.	%	£	£A. '000.	
1956-57—								
July ..	(b) 3,200	5½ <sup>10</sup>	4,000	..	5	100	1963	-5
August ..	{ b 1,491	2½	28,708	..	3½	99 15s.	1957	293
October ..	{ c 21,377	2½		..	6,951	5½	97 10s.	1972
	6,951	3½						
1957-58—								
February ..	16,000	3	..	16,000	6	99 10s.	1976	602
1958-59—								
March ..	20,000	3½	..	20,000	5½	99	{ 1973 1979 }	400

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

(iii) *New York.* During 1946-47, four loans totalling \$128,000,000 were raised in New York to redeem loans which became due for redemption or which the Commonwealth had the option of redeeming. No further loans were raised in New York for this purpose until December, 1954. The following table shows particulars of the redemption loan raised in 1956-57. There were no loans raised for this purpose in 1957-58 and 1958-59.

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

Month of Raising.	Old Loan.		New Loan.				Increase in Annual Liability for Interest.	
	Amount.	Rate of Interest per annum.	Amount.	Rate of Interest per annum.	Price of Issue per \$100.	Year of Maturity.	United States of America	Australian
							Currency.	Currency.
	\$'000.	%	\$'000.	%	\$.		\$'000.	£A. '000.
1956-57—								
March ..	17,114	3½	17,114	5	100	1972	299	(a) 135

(a) Converted at selling rate of exchange on 30th June, 1957, \$2.2208 = £A1.

4. *International Bank for Reconstruction and Development Loans.*—To provide dollar funds for the purchase of certain types of capital equipment and plant which were indispensable to the furtherance of development in Australia and which could be obtained only in the United States of America or Canada, the Commonwealth Government has arranged loans from the International Bank for Reconstruction and Development since August, 1950, as shown in the following table—

## LOANS FROM THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT.

Month of Raising.	Amount.	Date Loan Fully Drawn.	Term.	Rate of Interest. (a)	Repayment—Half-Yearly Instalments.	
					From.	To.
	\$'000.		years.	%		
1950—August ..	100,000	31.12.53	25	4½	Sept., 1955	Sept., 1975
1952—July ..	50,000	30.9.54	20	4½	June, 1956	Dec., 1972
1954—March ..	54,000	30.9.55	15	4½	March, 1957	March, 1969
1955—March ..	54,500	31.12.56	15	4½	March, 1958	March, 1970
1956—November ..	(b) 9,230	31.12.58	10	4½	June, 1964	Dec., 1966
1956—December ..	50,000	31.3.59	15	4½	July, 1959	Jan., 1972

(a) There is also a commitment charge of ½ per cent. per annum on the amount of the loan not withdrawn from time to time. (b) The proceeds of this loan were advanced to Qantas Empire Airways.

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

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

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

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

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

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

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

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

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

**7. Summary of Loan Transactions, 1954–55 to 1958–59.**—The following table contains a summary of loan transactions on behalf of the Commonwealth and State Governments during the five years 1954–55 to 1958–59.

## COMMONWEALTH LOAN TRANSACTIONS: SUMMARY.

Details.	Year ended 30th June—				
	1955.	1956.	1957.	1958.	1959.
<b>New Loans—</b>					
New Loans (a) raised in—					
Australia .. .. £A.'000.	175,753	193,919	196,854	195,236	184,656
London .. .. £Stg.'000.	..	..	..	..	15,000
New York (b) .. .. \$'000.	52,821	50,355	23,536	65,091	58,351
Switzerland .. .. Francs '000.	60,000	..	..	..	..
Canada .. .. \$'000.	..	15,000	..	..	..
Miscellaneous Debt in Australia (c) .. .. £A.'000.	3,429	8,269	-3,214	1,229	3,130
<b>Net Increase in Short Term Debt—</b>					
Australia—Public .. .. £A.'000.	-30,000	5,000	-15,000	-10,000	31,000
Internal .. .. £A.'000.	34,600	-8,200	20,200	12,500	5,300
London .. .. £Stg.'000.	2,950	-220	-26,068	..	..
<b>Loans raised for Conversion or Redemption of existing Debt maturing in—</b>					
Australia .. .. £A.'000.	253,793	120,496	228,260	344,411	259,121
London—					
Raised in Australia .. .. £A.'000.	..	..	32,708	..	..
London .. .. £Stg.'000.	..	..	6,951	16,000	20,000
New York .. .. \$'000.	25,000	18,028	17,114	..	..

(a) Includes loans raised for redemption of Treasury Bills. (b) Includes amounts drawn of \$100,000,000, \$50,000,000, \$54,000,000, \$54,500,000, \$9,230,000 and \$50,000,000, loans from International Bank for Reconstruction and Development. (c) "Over the Counter Sales", Instalment Stock, National Savings Bonds, War Savings and Savings Certificates and net increase in debt on account of advance loan subscriptions and, until the discontinuance of sales, War Savings and Savings Stamps and National Savings Stamps.

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

8. Commonwealth and State Public Debt Maturing in Australia Classified by Holder.—The following table shows details of Commonwealth and State Public Debt maturing in Australia classified according to holder as at the 30th June, 1958 and 1959:—

## COMMONWEALTH AND STATE PUBLIC DEBT MATURING IN AUSTRALIA CLASSIFIED BY HOLDER.(a)

Holder.	At 30th June—			
	1958.		1959.	
	Amount £ million.	Proportion of Total.	Amount £ million.	Proportion of Total.
		%		%
Commonwealth Bank .. .. .	440.5	12.4	432.5	12.1
Trading Banks .. .. .	234.2	6.6	311.8	8.7
Savings Banks .. .. .	721.1	20.3	744.3	20.7
Life Assurance Offices(b) .. .. .	218.3	6.2	218.0	6.1
Fire, Marine and Accident Insurance Offices (b) .. .. .	72.9	2.1	76.5	2.1
Government Pension and Provident Funds	37.0	1.0	40.5	1.1
Other Pensions and Provident Funds ..	37.1	1.0	33.9	0.9
Commonwealth and State Governments or Local and Semi-Governmental Authorities .. .. .	885.3	24.9	792.3	22.1
Marketing Boards and Stabilization Funds	18.8	0.5	19.3	0.5
Trustee Offices .. .. .	105.2	3.0	103.7	2.9
Money Market Dealer .. .. .	..	..	49.0	1.4
Companies not elsewhere included ..	82.5	2.3	96.5	2.7
All Other Holders .. .. .	701.2	19.7	671.8	18.7
<b>Total .. .. .</b>	<b>3,554.1</b>	<b>100.0</b>	<b>3,590.1</b>	<b>100.0</b>

(a) Total Stock inscribed, bonds in circulation, amounts paid up on outstanding applications, in transit claims and advance applications, Commonwealth Treasury Bills debentures, and Savings Certificates. (b) Holdings by State Government insurance offices are excluded from "Life Assurance" and included in "Fire, Marine, etc."

## § 5. National Debt Sinking Fund.

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

The old sinking funds were merged in the National Debt Sinking Fund on 11th August, 1923. Particulars of receipts and expenditure of the Commonwealth Account for the years 1938–39 and 1954–55 to 1958–59 were as follows:—

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

Item.	1938–39.	1954–55.	1955–56.	1956–57.	1957–58.	1958–59.
<b>Receipts—</b>						
From Consolidated Revenue	3,918	14,115	15,412	15,292	14,301	14,376
Loans and Advances Repaid	17	2,007	2,212	2,986	2,881	3,213
War Service Homes Money Repaid	629	5,734	5,865	5,660	6,566	7,560
Half Net Profit Commonwealth Bank	321	2,835	3,112	3,918	4,961	5,749
Reparation Moneys	..	2,662	..	200	63	20
Interest on Investments	.. 32	(a) 4,621	(a) 7,997	(a) 9,169	(a) 9,413	(a) 9,015
Loan (International Bank for Reconstruction and Development) Act	..	23,575	19,369	5,367	14,564	7,492
Other Contributions	.. 14	3	2	2	1	..
<b>Total Receipts</b>	<b>4,931</b>	<b>55,552</b>	<b>53,969</b>	<b>42,594</b>	<b>52,750</b>	<b>47,425</b>
<b>Expenditure—</b>						
Securities Repurchased and Redeemed in—						
Australia	4,230	36,218	17,955	32,891	60,001	64,799
London	608	609	298	88	318	189
New York	214	4,488	(b) 1,525	(b) 3,031	(b) 5,172	(b) 6,029
<b>Total Expenditure</b>	<b>5,052</b>	<b>41,315</b>	<b>19,778</b>	<b>36,010</b>	<b>65,491</b>	<b>71,017</b>
<b>Balance at 30th June</b>	<b>1,131</b>	<b>202,310</b>	<b>236,501</b>	<b>243,085</b>	<b>230,344</b>	<b>206,752</b>
<b>Face Value of Securities Repurchased and Redeemed in—</b>						
Australia	4,199	37,312	19,149	34,718	61,017	65,421
London	498	492	240	85	305	185
New York	167	2,065	(b) 699	(b) 1,397	(b) 2,387	(b) 2,783
<b>Total Face Value</b>	<b>4,864</b>	<b>39,869</b>	<b>20,088</b>	<b>36,200</b>	<b>63,709</b>	<b>68,389</b>

(a) Includes interest received under National Debt Sinking Fund (Special Payment) Act 1951 £2,149,000 in 1954–55, £3,683,000 in 1955–56, £4,205,000 in 1956–57, £3,936,000 in 1957–58, and £3,383,000 in 1958–59. (b) Includes instalment repayments of loans from International Bank for Reconstruction and Development. 1955–56, net cost £1,407,000; face value, £645,000; 1956–57, net cost, £2,668,000; face value, £1,221,000; 1957–58, net cost £4,733,000; face value £2,173,000; and 1958–59, net cost £5,688,000; face value £2,618,000.

2. **States' Public Debt.**—(i) *States, 1958–59.* A sinking fund for the redemption of the debt of the States was established under the Financial Agreement. Details of contributions to be made to this fund are given on page 858. Particulars of the transactions of the National Debt Sinking Fund (States' Account) for each State during the year 1958–59 are shown below.

**NATIONAL DEBT SINKING FUND: STATES' ACCOUNT, 1958–59.**  
(£'000.)

Item.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
<b>Receipts—</b>							
Contributions under Financial Agreement—							
Commonwealth	1,894	1,230	671	715	526	350	5,386
States	6,385	4,647	2,378	2,892	1,876	983	19,161
Interest from States on cancelled Securities	3	1	1	1	1	1	8
Special Contributions by States	132	42	.. 7	63	1	1	239
Interest on Investments, etc.	13	13	7	4	6	4	47
<b>Total Receipts</b>	<b>8,427</b>	<b>5,933</b>	<b>3,057</b>	<b>3,675</b>	<b>2,410</b>	<b>1,339</b>	<b>24,841</b>
<b>Expenditure—</b>							
Securities Repurchased and Redeemed in—							
Australia	7,466	5,020	2,613	2,746	2,248	1,266	21,359
London	301	752	246	377	103	20	1,799
New York	368	93	95	415	46	7	1,024
<b>Total Expenditure</b>	<b>8,135</b>	<b>5,865</b>	<b>2,954</b>	<b>3,538</b>	<b>2,397</b>	<b>1,293</b>	<b>24,182</b>
<b>Balance at 30th June, 1959</b>	<b>352</b>	<b>128</b>	<b>142</b>	<b>184</b>	<b>86</b>	<b>75</b>	<b>967</b>
<b>Face Values of Securities Repurchased and Redeemed in—</b>							
Australia	7,495	5,042	2,620	2,758	2,248	1,272	21,435
London	223	480	172	335	100	20	1,330
New York	173	45	46	192	22	3	481
<b>Total Face Value</b>	<b>7,891</b>	<b>5,567</b>	<b>2,838</b>	<b>3,285</b>	<b>2,370</b>	<b>1,295</b>	<b>23,246</b>

(ii) *All States, 1938-39 and 1954-55 to 1958-59.* The following table is a summary of the transactions of the National Debt Sinking Fund (States' Account) for the years 1938-39 and 1954-55 to 1958-59:—

## NATIONAL DEBT SINKING FUND: STATE ACCOUNT.

(£'000.)

Item.	1938-39.	1954-55.	1955-56.	1956-57.	1957-58.	1958-59.
<i>Receipts—</i>						
<i>Contributions under Financial Agreement—</i>						
Commonwealth .. .. .	1,478	3,947	4,310	4,640	5,065	5,386
States .. .. .	4,327	13,680	15,416	16,317	17,758	19,161
Interest from States on cancelled Securities ..	15	18	26	9	11	8
<i>Commonwealth Contributions under Federal Aid Roads and Works Act .. .. .</i>	69	..	..	..	..	..
<i>Special Contributions by States .. .. .</i>	61	90	90	90	193	239
<i>Interest on Investments, etc. . .</i>	56	16	32	23	36	47
<i>Total Receipts .. .. .</i>	<i>6,006</i>	<i>17,751</i>	<i>19,874</i>	<i>21,079</i>	<i>23,063</i>	<i>24,841</i>
<i>Expenditure—</i>						
<i>Securities Repurchased and Redeemed in—</i>						
Australia .. .. .	4,008	14,540	18,656	20,312	16,567	21,359
London .. .. .	1,722	898	329	857	6,043	1,799
New York .. .. .	347	2,688	773	879	1,011	1,024
<i>Total Expenditure .. .. .</i>	<i>6,077</i>	<i>18,126</i>	<i>19,758</i>	<i>22,048</i>	<i>23,621</i>	<i>24,182</i>
<i>Balance at 30th June .. .. .</i>	<i>1,885</i>	<i>1,719</i>	<i>1,835</i>	<i>866</i>	<i>308</i>	<i>967</i>
<i>Face Value of Securities Repurchased and Redeemed in—</i>						
Australia .. .. .	3,996	14,780	19,235	20,431	16,102	21,435
London .. .. .	1,561	732	275	809	4,866	1,330
New York .. .. .	285	1,236	356	415	476	481
<i>Total Face Value .. .. .</i>	<i>5,842</i>	<i>16,748</i>	<i>19,866</i>	<i>21,655</i>	<i>21,444</i>	<i>23,246</i>

## E. TAXES ON INCOME.

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

1. *General.*—A description of the development of income taxes in Australia appeared in Official Year Book No. 35, page 926. Since July, 1942, the Commonwealth, under the uniform tax arrangement, has been the only authority imposing taxes on income. Taxes on income are assessed and imposed under the Income Tax and Social Services Contribution Assessment Act 1936-1959 and the Income Tax and Social Services Contribution Act 1959. The latter Act is an annual measure and its primary purpose is to declare the rates of tax and contribution payable for the financial year. The rates for the financial year are levied, in the case of individuals, on the income of that year and, in the case of companies, on the income of the preceding year. Thus tax for the financial year 1959-60 is levied on the income of individuals in 1959-60 and on the income of companies in 1958-59.

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

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

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

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

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

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

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

4. **Concessional Deductions.**—Concessional allowances for dependants, medical expenses, life assurance and superannuation contributions, etc., are made by way of a deduction from income. The maximum deduction allowed for each dependant, for a parent or parent-in-law, or for a housekeeper employed by the taxpayer for the financial year 1959–60 is shown in the following table.

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

(£.)

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

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



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

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

For the 1959–60 financial year, medical expenses paid by a taxpayer who is a resident, in respect of himself or dependants, including children under 21 years of age, up to £150 for each person, are allowed as a concessional deduction. Medical expenses include payments made to a legally qualified medical practitioner, nurse or chemist, or to a hospital, in respect of an illness or operation, payments for dental services not exceeding £30 for any one person, payment for therapeutic treatment and eye tests, expenditure on medical or surgical appliances, artificial limbs or eyes, hearing aids and spectacles, and the remuneration of an attendant of a person who is blind or confined to bed or invalid chair.

Other concessional deductions allowed to resident taxpayers include, (i) payments of life, etc., insurance premiums and contributions to superannuation funds and friendly societies, not exceeding an aggregate of £400, (ii) payments to medical or hospital benefits funds, (iii) funeral expenses of a dependant not exceeding £30 and (iv) expenditure incurred for the full-time education of children or dependants who are less than 21 years of age (maximum £100 per child or dependant).

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

**5. Effective Exemption from Tax.**—For the financial years 1950–51 to 1959–60, resident taxpayers without dependants were exempt from Income Tax and Social Services Contribution if their income did not exceed £104. The effect of the deductions for dependants was to exempt taxpayers up to the incomes shown hereunder.

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

Taxpayer with—	Income Tax and Social Services Contribution— Financial Years 1950–51 to 1952–53.	Income Tax and Social Services Contribution— Financial Years 1953–54 to 1956–57.	Income Tax and Social Services Contribution— Financial Years 1957–58 to 1959–60.
No dependants .. .. .	104	104	104
Wife .. .. .	208	234	247
Wife and one child .. .. .	286	312	338
„ „ two children .. .. .	338	364	403
„ „ three children .. .. .	390	416	468
„ „ four children .. .. .	442	468	533

For the 1959–60 financial year, an aged person (i.e., a man who has attained the age of 65 years or a woman who has attained the age of 60 years) is exempt from Income Tax and Social Services Contribution if his net income (i.e., gross income less expenses of earning that income) does not exceed £429. A married couple both of whom qualify by age for the concession, are exempt from tax if their combined net incomes do not exceed £858.

**6. Rates of Income Tax and Social Services Contribution on Individuals.**—The following table shows the rates of income tax and social services contribution for the financial years 1953–54 to 1959–60.

**INCOME TAX AND SOCIAL SERVICES CONTRIBUTION—INDIVIDUALS: RATES  
OF INCOME TAX AND SOCIAL SERVICES CONTRIBUTION—1953-54 TO 1959-60.**

Total Taxable Income.		1953-54.		1954-55 to 1959-60.(a)			
Column 1.	Column 2.	Tax and Contribution on Amount in Column 1.		Tax and Contribution on each £1 of Balance of Income.	Tax and Contribution on Amount in Column 1.	Tax and Contribution on each £1 of Balance of Income.	
Exceeding—	Not Exceeding—						
£	£	£	s. d.	d.	£	s. d.	d.
Nil	100	Nil		1	Nil		1
100	150	0	8 4	4	0	8 4	3
150	200	1	5 0	9	1	0 10	7
200	250	3	2 6	13	2	10 0	11
250	300	5	16 8	17	4	15 10	15
300	400	9	7 6	22	7	18 4	20
400	500	18	10 10	28	16	5 0	26
500	600	30	4 2	33	27	1 8	30
600	700	43	19 2	38	39	11 8	34
700	800	59	15 10	42	53	15 0	38
800	900	77	5 10	46	69	11 8	42
900	1,000	96	9 2	50	87	1 8	46
1,000	1,200	117	5 10	56	106	5 0	52
1,200	1,400	163	19 2	64	149	11 8	59
1,400	1,600	217	5 10	71	198	15 0	65
1,600	1,800	276	9 2	78	252	18 4	71
1,800	2,000	341	9 2	85	312	1 8	77
2,000	2,400	412	5 10	93	376	5 0	85
2,400	2,800	567	5 10	100	517	18 4	92
2,800	3,200	733	19 2	107	671	5 0	99
3,200	3,600	912	5 10	114	836	5 0	105
3,600	4,000	1,102	5 10	121	1,011	5 0	111
4,000	4,400	1,303	19 2	128	1,196	5 0	117
4,400	5,000	1,517	5 10	136	1,391	5 0	124
5,000	6,000	1,857	5 10	144	1,701	5 0	132
6,000	8,000	2,457	5 10	151	2,251	5 0	139
8,000	10,000	3,715	12 6	158	3,409	11 8	145
10,000	16,000	5,032	5 10	165	4,617	18 4	152
16,000	upwards	9,157	5 10	168	8,417	18 4	160

(a) For the 1959-60 financial year, provision was made for a rebate to reduce by 5 per cent. the income tax and social services contribution otherwise payable.

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

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

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

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

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

8. **Taxes on Specified Incomes.**—The following table shows the Income Tax and Social Services Contribution payable by taxpayers, with various incomes and numbers of dependants, on income derived in each year from 1952–53 to 1959–60:—

**COMMONWEALTH TAXES ON INCOME.**

(£.)

Income.	Income Tax and Social Services Contribution.				
	1952–53 Financial Year.	1953–54 Financial Year.	1954–55 to 1956–57 Financial Years.	1957–58 and 1958–59 Financial Years.	1959–60 Financial Year.

**INCOME FROM PERSONAL EXERTION.—TAXPAYER WITH NO DEPENDANTS.**

150	..	..	..	1.65	1.25	1.05	1.05	1.00
200	..	..	..	3.95	3.10	2.50	2.50	2.35
250	..	..	..	7.30	5.85	4.80	4.80	4.55
300	..	..	..	11.65	9.35	7.90	7.90	7.50
350	..	..	..	17.10	13.95	12.10	12.10	11.50
400	..	..	..	22.50	18.55	16.25	16.25	15.45
500	..	..	..	35.85	30.20	27.10	27.10	25.75
600	..	..	..	51.65	43.95	39.60	39.60	37.60
800	..	..	..	90.00	77.30	69.60	69.60	66.10
1,000	..	..	..	135.00	117.30	106.25	106.25	100.95
1,500	..	..	..	281.65	246.85	225.85	225.85	214.55
2,000	..	..	..	468.35	412.30	376.25	376.25	357.45
3,000	..	..	..	928.35	823.10	753.75	753.75	716.05
5,000	..	..	..	2,088.35	1,857.30	1,701.25	1,701.25	1,616.20

**INCOME FROM PERSONAL EXERTION.—TAXPAYER WITH DEPENDENT WIFE.**

150	..	..	..	..	..	..	..	..
200	..	..	..	..	..	..	..	..
250	..	..	..	1.55	0.75	0.65	0.50	0.50
300	..	..	..	3.75	2.00	1.60	1.25	1.20
350	..	..	..	7.00	4.20	3.60	2.80	2.65
400	..	..	..	11.30	7.25	6.05	5.25	5.00
500	..	..	..	22.05	15.80	13.75	12.65	12.00
600	..	..	..	35.30	26.70	23.85	22.40	21.30
800	..	..	..	69.25	55.05	49.50	47.65	45.25
1,000	..	..	..	110.80	90.70	81.85	79.55	75.55
1,500	..	..	..	247.15	209.30	191.35	188.20	178.80
2,000	..	..	..	426.75	366.25	334.55	330.35	313.85
3,000	..	..	..	876.35	765.15	700.10	694.75	660.00
5,000	..	..	..	2,022.45	1,783.60	1,634.10	1,627.35	1,546.00

COMMONWEALTH TAXES ON INCOME—*continued.*

(£.)

Income.	Income Tax and Social Services Contribution.				
	1952-53 Financial Year.	1953-54 Financial Year.	1954-55 to 1956-57 Financial Years.	1957-58 and 1958-59 Financial Years.	1959-60 Financial Year.
<b>INCOME FROM PERSONAL EXERTION.—TAXPAYER WITH DEPENDENT WIFE AND ONE CHILD.</b>					
150 .. .. .	..	..	..	..	..
200 .. .. .	..	..	..	..	..
250 .. .. .	..	..	..	..	..
300 .. .. .	0.85	..	..	..	..
350 .. .. .	2.50	1.10	0.95	0.60	0.55
400 .. .. .	5.15	2.80	2.25	1.50	1.40
500 .. .. .	13.60	8.80	7.40	5.80	5.50
600 .. .. .	24.90	17.80	15.60	13.40	12.75
800 .. .. .	54.95	42.85	38.60	35.35	33.60
1,000 .. .. .	93.90	75.90	68.30	64.20	61.00
1,500 .. .. .	223.75	188.50	172.20	165.80	157.50
2,000 .. .. .	395.55	338.85	309.70	302.00	286.90
3,000 .. .. .	837.35	730.60	668.20	658.20	625.30
5,000 .. .. .	1,973.05	1,739.40	1,593.80	1,580.35	1,501.35
<b>INCOME FROM PERSONAL EXERTION.—TAXPAYER WITH DEPENDENT WIFE AND TWO CHILDREN.</b>					
150 .. .. .	..	..	..	..	..
200 .. .. .	..	..	..	..	..
250 .. .. .	..	..	..	..	..
300 .. .. .	..	..	..	..	..
350 .. .. .	0.80	..	..	..	..
400 .. .. .	2.40	1.10	0.90	..	..
500 .. .. .	8.70	5.30	4.35	2.55	2.40
600 .. .. .	18.80	13.05	11.25	8.00	7.60
800 .. .. .	46.30	35.70	32.10	27.20	25.85
1,000 .. .. .	83.20	66.80	60.10	53.90	51.20
1,500 .. .. .	208.15	174.60	159.40	149.85	142.35
2,000 .. .. .	375.85	321.95	294.35	282.80	268.65
3,000 .. .. .	812.45	708.95	648.25	633.30	601.65
5,000 .. .. .	1,940.15	1,709.95	1,566.90	1,546.75	1,469.40
<b>INCOME FROM PROPERTY.—TAXPAYER WITH NO DEPENDANTS.</b>					
150 .. .. .	1.65	1.25	1.05	1.05	1.00
200 .. .. .	3.95	3.10	2.50	2.50	2.35
250 .. .. .	7.30	5.85	4.80	4.80	4.55
300 .. .. .	11.65	9.35	7.90	7.90	7.50
350 .. .. .	17.10	13.95	12.10	12.10	11.50
400 .. .. .	22.50	18.55	16.25	16.25	15.45
500 .. .. .	40.85	30.20	27.10	27.10	25.75
600 .. .. .	61.65	43.95	39.60	39.60	37.60
800 .. .. .	110.00	77.30	69.60	69.60	66.10
1,000 .. .. .	165.00	117.30	106.25	106.25	100.95
1,500 .. .. .	345.00	246.85	225.85	225.85	214.55
2,000 .. .. .	565.00	412.30	376.25	376.25	357.45
3,000 .. .. .	1,091.70	823.10	753.75	753.75	716.05
5,000 .. .. .	2,351.70	1,857.30	1,701.25	1,701.25	1,616.20

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

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

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

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

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

10. *Lodgment of Returns and Assessment of Tax.*—All persons with assessable income in excess of £104 are required to lodge returns by the 31st July each year (31st August for business incomes). The Income Tax and Social Services Contribution payable is assessed, and assessment notices showing the amounts payable are issued, during the year following the year of income (in most cases from September to June following the lodgment of the return). The approximate amount payable, however, has already been collected during the income year—from employees by deductions from wages and from non-employees by a provisional tax. The amount shown on the assessment notice is therefore adjusted against the amount already paid and any difference either collected or refunded.

11. *Company Income Taxes.*—(i) *General.* For taxation purposes, companies are divided into two main groups—public and private. A private company is defined as a company in which all the issued shares are held by not more than twenty persons or which is capable of being controlled by not more than seven persons; and which is not a company in which the public is substantially interested or a subsidiary of a public company. All other companies are regarded as public companies. Both public and private companies pay primary Income Tax and Social Services Contribution assessed on a taxable income ascertained on the same principles as for individuals.

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

(ii) *Rates of Tax.* The rates of Primary Tax, in the case of public companies, and Primary and Additional Tax for private companies, for the financial years 1953-54 to 1959-60 are shown in the table below.

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

**RATES OF TAX: COMPANIES, 1953-54 TO 1959-60 FINANCIAL YEARS.**  
(Pence per £.)

Type of Company.	Rate of Income Tax and Social Services Contribution—						Rate of Additional Tax on Undistributed Income.
	1953-54 to 1955-56.		1956-57.		1957-58 to 1959-60.		1953-54 to 1959-60.
	Up to £5,000.	On Remainder of Taxable Income.	Up to £5,000.	On Remainder of Taxable Income.	Up to £5,000.	On Remainder of Taxable Income.	Undistributed Amount—Additional Tax.
Private .. ..	48	72	60	84	54	78	120
Co-operative .. ..	60	84	72	96	66	90	..
Non-Profit(a)—							
Friendly Society Dispensaries .. ..	60	84	72	96	66	66	..
Other(b) .. ..	60	84	72	96	66	90	..
Life Assurance—							
Mutual .. ..	48	72	60	84	54	78	..
Other—							
(1) Mutual Income ..	48	72	60	84	54	78	..
(2) Other Income(c) ..	(d) 72	84	(d) 84	96	(d) 78	90	..
Other .. ..	(d) 72	84	(d) 84	96	(d) 78	90	..
Interest paid to a Non-Resident(e) .. ..	84	84	96	96	90	90	..

(a) Incomes not exceeding £104 are exempt from tax. (b) Where the taxable income does not exceed £208 (1953-54 to 1955-56), £228 (1956-57) or £231 (1957-58 to 1959-60) the tax may not exceed one half (1953-54 to 1955-56, 1957-58 to 1959-60) or eleven-twentieths (1956-57) of the amount by which the taxable income exceeds £104. (c) The rate of 72d. (1953-54 to 1955-56), 84d. (1956-57) or 78d. (1957-58 to 1959-60) is levied on the amount by which the £5,000 exceeds the mutual income. (d) For non-resident companies dividends included in this part of the taxable income are taxed at 60d. (1953-54 to 1955-56), 72d. (1956-57) and 66d. per £1 (1957-58 to 1959-60). (A resident company is allowed a rebate of tax in respect of dividends received.) (e) If the non-resident is not a company, tax is paid only on income in excess of £104.

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

- (a) Primary income tax and social services contribution payable;
- (b) Retention allowance (i.e., the proportion of the reduced distributable income which a company may retain without incurring liability for undistributed income tax); and
- (c) Certain dividends paid by the company.

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

- On the first £1,000 or part, 50 per cent.
- On the next £1,000 or part, 40 per cent.
- On the next £1,000 or part, 35 per cent.
- On the next £1,000 or part, 30 per cent.
- On the balance, 25 per cent., and

Ten per cent. of distributable income from property, except dividends from other private companies.

For 1959-60, the minimum retention allowance in relation to business profits has been increased to 35 per cent. The new rates are as follows:—

- On the first £1,000 or part, 50 per cent.
- On the next £1,000 or part, 40 per cent.
- On the balance, 35 per cent.

The retention allowance in respect of distributable income from property, except dividends from other private companies, is unchanged at 10 per cent.

For the financial years 1953-54 to 1959-60, the reduced distributable income is calculated by deducting from the taxable income the primary tax payable and the amount of all property income included in taxable income. The additional tax on undistributed income was imposed at a flat rate of 10s. in the £1 on the undistributed amount.

12. Yield of Income Taxes.—(i) *Collections from Income Taxes.* The following table shows the collections of taxes imposed on income for the years 1938-39 and 1954-55 to 1958-59:—

**INCOME TAX COLLECTIONS.**  
(£'000.)

Year.	Total.		
	Commonwealth.(a)	State.(b)	Total.
1938-39 .. .. .	11,883	29,796	41,679
1954-55 .. .. .	532,916	52	532,968
1955-56 .. .. .	573,988	74	574,062
1956-57 .. .. .	620,298	23	620,321
1957-58 .. .. .	650,419	33	650,452
1958-59 .. .. .	608,660	15	608,675

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

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

**COMMONWEALTH INCOME TAXES ASSESSED.**  
(£'000.)

Tax.	1939-40.	1953-54.	1954-55.	1955-56.	1956-57.	1957-58.
<b>Individuals—</b>						
Income Tax and Social Services Contribution .. .. .	(a) 7,423	b 378,874	320,174	316,027	346,355	390,596
<b>Companies—</b>						
Income Tax .. .. .	8,041	119,348	158,887	174,997	210,664	212,707
Additional Tax on Undistributed Income of Private Companies ..	688	4,266	4,001	3,654	2,951	2,512
<b>Total .. .. .</b>	<b>16,152</b>	<b>502,488</b>	<b>483,062</b>	<b>494,678</b>	<b>559,970</b>	<b>605,815</b>

(a) Income Tax. (b) Includes assessments issued to 30th June, 1957.

(iii) *Commonwealth Income Tax and Social Services Contribution, 1957-58 Assessment Year.* The following tables show, for the 1957-58 assessment year, details of the number of taxpayers, income, and net income tax and social services contribution assessed for individuals and resident and non-resident companies.

**COMMONWEALTH INCOME TAX AND SOCIAL SERVICES CONTRIBUTION:  
1957-58 ASSESSMENT(a)—NUMBER OF TAXPAYERS, ACTUAL INCOME,  
TAXABLE INCOME AND NET INCOME TAX AND SOCIAL SERVICES CONTRI-  
BUTION ASSESSED—INDIVIDUALS.**

(Incomes derived in the year 1956-57.)

Grade of Actual Income(b) and State or Territory of Assessment.		Number of Taxpayers.			Actual Income.	Taxable Income.			Net Income Tax and Social Services Contribution Assessed.
		Males.	Females.	Total	Total.	Salary and Wages.	Other Income.	Total.	
£	£	No.	No.	No.	£'000.	£'000.	£'000.	£'000.	£'000.
105-	199 ..	52,678	101,306	153,674	23,726	19,011	3,752	22,763	192
200-	299 ..	68,935	122,303	191,438	48,082	48,082	7,697	44,717	828
300-	399 ..	94,755	137,971	232,726	81,685	62,274	12,076	74,350	2,323
400-	499 ..	106,544	155,479	262,023	117,929	87,210	18,332	105,542	4,540
500-	599 ..	120,216	190,841	311,057	171,031	128,086	23,293	151,379	8,233
600-	699 ..	148,929	146,838	295,767	191,965	137,232	27,131	164,363	10,376
700-	799 ..	244,176	88,464	332,640	250,299	173,195	30,453	203,648	14,207
800-	899 ..	345,544	50,894	396,438	337,405	232,969	33,111	266,080	20,317
900-	999 ..	353,761	29,796	383,557	363,938	246,070	34,044	280,114	23,162
1,000-	1,099 ..	294,344	19,503	313,847	328,662	218,050	33,771	251,821	22,607
1,100-	1,199 ..	217,143	12,931	230,074	263,937	170,273	32,266	202,539	19,673
1,200-	1,299 ..	158,482	9,462	167,944	209,484	130,752	30,184	160,936	16,777
1,300-	1,399 ..	117,641	7,351	124,992	168,212	100,867	28,707	129,574	14,401
1,400-	1,499 ..	83,684	5,966	89,650	129,713	73,794	26,617	100,411	11,874
1,500-	1,999 ..	194,295	17,697	211,992	359,944	173,537	110,520	284,057	38,724
2,000-	2,999 ..	99,946	13,697	113,643	271,255	81,065	144,363	225,428	40,897
3,000-	3,999 ..	32,976	5,229	38,205	130,947	26,729	86,709	113,438	26,869
4,000-	4,999 ..	15,488	2,549	18,037	80,128	13,461	57,429	70,890	20,084
5,000-	9,999 ..	19,365	3,407	22,772	150,667	21,827	114,526	136,353	50,833
10,000-	14,999 ..	2,992	651	3,643	43,627	4,733	35,375	40,108	19,101
15,000 and over		1,623	332	1,955	45,370	3,551	37,861	41,412	23,097
<b>Total Residents</b>		<b>2,773,207</b>	<b>1,122,867</b>	<b>3,896,074</b>	<b>3,768,006</b>	<b>2,141,706</b>	<b>928,217</b>	<b>3,069,923</b>	<b>389,115</b>
Central Office ..		8,286	5,371	13,657	44,024	6,808	32,103	38,911	13,894
New South Wales		1,029,753	431,905	1,461,658	1,436,580	855,524	315,081	1,170,605	147,861
Victoria ..		783,690	345,623	1,129,313	1,084,447	631,528	260,440	891,968	109,397
Queensland ..		389,471	133,787	523,258	484,379	249,532	137,500	387,032	50,770
South Australia		261,097	100,286	361,383	344,488	185,305	97,210	282,515	33,675
Western Australia		191,677	67,012	258,689	234,013	129,845	57,052	186,897	20,837
Tasmania ..		91,519	32,435	123,954	113,781	65,812	25,393	91,205	9,996
Nor. Territory ..		5,290	1,478	6,768	7,805	4,766	1,049	5,815	727
Aust. Cap. Ter.		12,424	4,970	17,394	18,489	12,586	2,389	14,975	1,958
<b>Total Residents</b>		<b>2,773,207</b>	<b>1,122,867</b>	<b>3,896,074</b>	<b>3,768,006</b>	<b>2,141,706</b>	<b>928,217</b>	<b>3,069,923</b>	<b>389,115</b>
<b>Total Non-Residents</b>		<b>2,556</b>	<b>2,464</b>	<b>5,020</b>	<b>6,890</b>	<b>737</b>	<b>5,704</b>	<b>6,441</b>	<b>1,481</b>
<b>Grand Total</b>		<b>2,775,763</b>	<b>1,125,331</b>	<b>3,901,094</b>	<b>3,774,896</b>	<b>2,142,443</b>	<b>933,921</b>	<b>3,076,364</b>	<b>390,596</b>

(a) Assessments in respect of 1956-57 incomes issued to 30th September, 1958. Assessments issued after that date are not included.

(b) Actual income is defined briefly as "Gross income including exempt income less expenses incurred in gaining that income".



COMMONWEALTH INCOME TAX AND SOCIAL SERVICES CONTRIBUTION,  
1957-58 ASSESSMENT(a)—NUMBER OF TAXPAYERS, ACTUAL INCOME,  
TAXABLE INCOME AND NET TAX ASSESSED—RESIDENT AND NON-  
RESIDENT COMPANIES.

(Incomes derived in 1956-57.)

Grade of Taxable Income(b) and State or Territory of Assessment.		Number of Taxpayers.	Actual Income.	Taxable Income.	Net Tax Assessed.(c)
£	£	No.	£'000.	£'000.	£'000.
1-	999	11,437	5,307	3,947	889
1,000-	4,999	12,662	36,848	33,564	7,413
5,000-	9,999	5,465	40,337	37,957	9,309
10,000-	19,999	3,266	47,598	45,534	12,551
20,000-	49,999	2,401	77,160	74,667	22,038
50,000-	99,999	975	70,401	68,178	20,774
100,000-	199,999	565	81,007	78,718	24,709
200,000-	499,999	323	98,616	96,003	28,914
500,000-	999,999	79	57,554	55,290	18,571
1,000,000 and over		78	237,431	208,626	67,539
<i>Total</i>		<i>37,251</i>	<i>752,259</i>	<i>702,484</i>	<i>212,707</i>
Central Office		3,124	381,141	343,415	110,082
New South Wales		15,345	155,868	151,598	42,940
Victoria		10,338	110,958	108,116	29,962
Queensland		2,488	35,719	34,321	10,945
South Australia		3,484	36,071	35,069	9,557
Western Australia		1,425	21,195	18,959	5,989
Tasmania		756	9,111	8,941	2,803
Northern Territory		58	445	442	118
Australian Capital Territory		233	1,751	1,623	311
<i>Total</i>		<i>37,251</i>	<i>752,259</i>	<i>702,484</i>	<i>212,707</i>

(a) Assessments in respect of 1956-57 incomes issued to 31st December, 1958. Assessments issued after that date are not included. (b) Taxable income is the income remaining after deducting from assessable income all allowable deductions. (c) Excludes additional tax levied on the undistributed income of Private Companies £2,512,000.

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

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

Grade of Actual Income.(b)	1954-55.		1955-56.		1956-57.		1957-58.	
	No. of Tax-payers.	Tax.	No. of Tax-payers.	Tax.	No. of Tax-payers.	Tax.	No. of Tax-payers.	Tax.
£            £		£'000.		£'000.		£'000.		£'000.
105- 199 ..	166,549	258	164,808	214	162,809	208	153,674	192
200- 299 ..	220,238	1,181	216,963	965	206,419	911	191,438	828
300- 399 ..	247,650	2,903	248,479	2,521	244,801	2,477	232,726	2,323
400- 499 ..	281,456	5,614	280,227	4,984	273,853	4,822	262,023	4,540
500- 599 ..	329,867	9,645	322,109	8,521	318,290	8,436	311,057	8,233
600- 699 ..	339,308	12,540	314,943	10,737	303,339	10,570	295,767	10,376
700- 799 ..	472,930	21,129	406,000	16,723	357,134	15,109	332,640	14,207
800- 899 ..	428,201	23,229	417,227	21,140	395,107	20,164	396,438	20,317
900- 999 ..	308,464	20,564	343,406	21,132	363,075	22,513	383,557	23,162
1,000- 1,099 ..	382,728	33,422	257,924	18,807	290,610	21,376	313,847	22,607
1,100- 1,199 ..			174,712	15,032	209,609	18,273	230,074	19,673
1,200- 1,299 ..			118,569	12,084	151,068	15,327	167,944	16,777
1,300- 1,399 ..	134,385	17,922	79,891	9,478	108,192	12,807	124,992	14,401
1,400- 1,499 ..			56,835	7,787	76,105	10,365	89,650	11,874
1,500- 1,999 ..	101,130	21,930	134,831	26,067	181,225	34,332	211,992	38,724
2,000- 2,999 ..	70,043	30,330	79,743	30,953	95,565	35,939	113,643	40,897
3,000- 3,999 ..	27,762	22,690	28,800	21,499	31,869	23,466	38,205	26,869
4,000- 4,999 ..	13,155	16,681	13,592	15,799	14,879	17,166	18,037	20,084
5,000- 9,999 ..	16,995	42,617	17,428	39,381	18,238	41,359	22,772	50,833
10,000-14,999 ..	2,795	16,212	2,592	13,441	2,586	13,491	3,643	19,101
15,000-29,999 ..	1,286	13,716	1,246	11,857	1,156	10,972	1,668	16,008
30,000-49,999 ..	185	3,993	157	2,877	145	2,765	215	4,227
50,000 and over	57	2,532	68	2,735	56	2,379	72	2,862
<b>Total ..</b>	<b>3,545,184</b>	<b>319,108</b>	<b>3,680,550</b>	<b>314,734</b>	<b>3,806,130</b>	<b>345,227</b>	<b>3,896,074</b>	<b>389,115</b>

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