

## 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’ Securities 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 such securities. In view of this, it is convenient to deal with the Commonwealth and State Government Securities on Issue in a separate division of this chapter (p. 955).

The subject of income taxes is also dealt with in a separate division at the end of this chapter.

For further detailed information on the subjects covered by this chapter, *see* the annual bulletins *Finance, Part I.—Public and Private Finance* and *Part II.—Commonwealth Taxation*, published by this Bureau. Current information in summarized form is contained in the *Quarterly Summary of Australian Statistics*, the *Monthly Review of Business Statistics*, and the *Digest of Current Economic Statistics*.

### COMMONWEALTH FINANCE

#### § 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. Sections 87 and 96 deal 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 932–6 of this issue a summary is given of the present provisions for Commonwealth financial assistance to the States.

The *Audit Act* 1901–1961 lays down the procedure which must be followed in accounting for the receipt and disbursement of public funds. The general administration of Commonwealth finances is the responsibility of the Treasurer of the Commonwealth.

#### § 2. Commonwealth Public Account

**1. Nature of Account.**—The Commonwealth Public Account includes the Consolidated Revenue Fund, the Trust Fund and the Loan Fund. Ordinary revenues from taxation and other sources are paid into the Consolidated Revenue Fund, from which the main expenditures are for defence, war and repatriation services, social services, payments to the States, Commonwealth business undertakings (mostly postal, telephone and telegraph) and administration. The Trust Fund covers special transactions outside the ordinary operations of departmental expenditures, such as pension funds and moneys held for expenditure by the Commonwealth at some future time. The Loan Fund receives its funds from the sale of Commonwealth securities, and expenditures from the Fund are made in accordance with the purpose of issue of each loan. The main disbursements from the Loan Fund are to the States, either by way of distribution of the proceeds of loans raised by the Commonwealth on their behalf or in accordance with the provisions of the Commonwealth and State Housing Agreements, and the remaining disbursements are for Commonwealth purposes such as defence or war service land settlement.

**2. Summary of Receipts and Expenditure.**—A summary of transactions on the Commonwealth Public Account for 1961–62 and the four preceding years is given in the table below.

**COMMONWEALTH PUBLIC ACCOUNT: SUMMARY OF TRANSACTIONS**  
(£ million)

Particulars	1957-58	1958-59	1959-60	1960-61	1961-62
<b>Expenditure—</b>					
Consolidated Revenue Fund(a) ..	1,219.4	1,268.2	1,396.9	1,495.7	1,619.4
Loan Fund—					
Defence services .. ..	..	37.3	12.0	..	23.6
State works and housing programmes ..	196.9	207.1	214.9	225.6	244.6
War service land settlement .. ..	8.7	5.7	6.9	2.0	1.6
Mount Isa Railway Agreement .. ..	..	..	..	..	3.8
Total Expenditure .. ..	1,425.0	1,518.3	1,630.7	1,723.3	1,893.0
<b>Redemptions—</b>					
Loan fund .. ..	..	..	..	5.0	..
National Debt Sinking Fund .. ..	89.1	95.2	95.2	96.3	94.6
Total Expenditure and Redemptions ..	1,514.1	1,613.5	1,725.9	1,824.6	1,987.6
<b>Receipts—</b>					
Consolidated Revenue Fund .. ..	1,323.8	1,296.1	1,438.3	1,638.3	1,641.5
National Debt Sinking Fund .. ..	75.8	72.3	71.1	73.8	76.7
Net movement in cash balances of other Trust Funds .. ..	12.8	11.7	2.9	-12.0	2.2
Total Receipts .. ..	1,412.4	1,380.1	1,512.3	1,700.1	1,720.4
Excess of Expenditure and Redemptions over Receipts to be met from Borrowings ..	101.7	233.4	213.6	124.5	267.2
<b>Borrowings—</b>					
Public loan proceeds—					
Australia .. ..	101.1	174.9	142.6	114.9	224.0
Overseas .. ..	10.9	29.0	42.1	25.4	16.2
Increase in temporary borrowings ..	-10.0	31.0	30.0	-15.0	22.0
Reduction in cash balances .. ..	-0.3	-1.5	-1.1	-0.8	5.0
Total .. ..	101.7	233.4	213.6	124.5	267.2

(a) Excludes payments to Loan Consolidation and Investment Reserve:—1957-58, £104.4 million; 1958-59, £27.9 million; 1959-60, £41.4 million; 1960-61, £142.6 million; 1961-62, £22.2 million.

### § 3. Commonwealth Consolidated Revenue Fund

#### REVENUE

1. **Sources of Revenue.**—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 1957-58 to 1961-62. Taxation constitutes the main sources of Commonwealth revenue, accounting for 86.3 per cent. in 1961-62.

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

Source	1957-58	1958-59	1959-60	1960-61	1961-62
<b>Taxation .. ..</b>	1,161,533	1,133,298	1,249,790	1,425,239	1,416,524
Per head of population .. ..	£119 4 6	£113 18 4	£122 19 3	£137 3 3	£133 11 2
<b>Business undertakings .. ..</b>	108,228	116,896	137,238	153,867	158,389
Per head of population .. ..	£11 2 2	£11 15 1	£13 10 1	£14 16 2	£14 18 8
<b>Territories .. ..</b>	2,845	3,189	4,198	5,455	5,996
Per head of population .. ..	£0 5 10	£0 6 5	£0 8 3	£0 10 6	£0 11 4
<b>Other revenue—</b>					
Interest .. ..	10,920	11,572	13,276	14,588	17,069
Coinage .. ..	223	149	415	321	589
Defence .. ..	5,776	6,185	5,832	5,827	4,806
Civil aviation .. ..	1,472	1,497	1,872	2,621	3,806
Health .. ..	105	92	106	119	111
Patents, trade marks, etc. ..	318	351	399	476	582
Bankruptcy .. ..	98	98	113	143	169
Shipping and transport .. ..	1,128	621	2,645	1,761	1,832
Net profit on Australian note issue	12,592	10,935	10,516	12,930	15,751
Surplus balances of trust accounts	3,991	5,722	5,674	2,053	3,525
Australian Aluminium Production Commission .. ..	..	..	..	2,500	250
Reserve Bank Reserve Fund .. ..	..	..	..	2,691	3,352
Commonwealth Banking Corporation	..	..	..	756	921
Joint Coal Board—repayment of advances .. ..	1,100	143	..	..	..
Other .. ..	13,442	5,302	6,212	6,932	7,870
<b>Total, Other Revenue .. ..</b>	51,165	42,667	47,060	53,718	60,633
Per head of population .. ..	£5 5 1	£4 5 9	£4 12 7	£5 3 5	£5 14 4
<b>Grand Total .. ..</b>	1,323,771	1,296,050	1,438,286	1,638,279	1,641,542
Per head of population .. ..	£135 17 7	£130 5 7	£141 10 2	£157 13 4	£154 15 6

A graphical representation of the revenue and expenditure of the Commonwealth Consolidated Revenue Fund appears on page 927.

2. *Taxation.*—(i) *Total Collections.* (a) *Amount.* Collections under each heading for the years 1957–58 to 1961–62 are shown below.

## COMMONWEALTH TAXATION: TOTAL NET COLLECTIONS

(£'000)

Type of tax	1957–58	1958–59	1959–60	1960–61	1961–62
Customs .. ..	71,717	71,671	84,381	101,785	85,160
Excise .. ..	231,334	236,254	252,111	257,409	265,645
Sales tax .. ..	137,777	143,617	164,185	173,040	148,824
Land tax .. ..	11	..	..	..	..
Pay-roll tax .. ..	48,552	49,619	55,162	61,260	60,972
Income taxes—					
Individuals .. ..	435,071	388,965	442,164	518,744	537,345
Companies .. ..	215,348	219,695	229,130	282,562	282,688
Dividend (withholding) .. ..	..	..	..	5,960	8,117
Estate duty .. ..	13,774	13,309	13,753	14,807	17,029
Gift duty .. ..	2,205	2,000	2,435	2,783	2,797
Special industry taxes(a) .. ..	5,744	8,168	6,469	6,889	7,947
<b>Total Taxation ..</b>	<b>1,161,533</b>	<b>1,133,298</b>	<b>1,249,790</b>	<b>1,425,239</b>	<b>1,416,524</b>

(a) 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, Gold Tax, Dairy Produce Levy, Canning Fruit Charge and Cattle Slaughter Levy.

(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 1957–58 to 1961–62.

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

(Per cent.)

Type of tax	1957–58	1958–59	1959–60	1960–61	1961–62
Customs .. ..	6.2	6.3	6.8	7.2	6.0
Excise .. ..	20.0	20.9	20.2	18.1	18.8
Sales tax .. ..	11.8	12.7	13.1	12.1	10.5
Land tax .. ..	..	..	..	..	..
Pay-roll tax .. ..	4.2	4.4	4.4	4.3	4.3
Income taxes .. ..	56.0	53.7	53.7	56.6	58.5
Estate duty .. ..	1.2	1.2	1.1	1.0	1.2
Gift duty .. ..	0.2	0.2	0.2	0.2	0.2
Special industry taxes(a) .. ..	0.4	0.6	0.5	0.5	0.5
<b>Total Taxation ..</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.

(ii) *Customs Revenue.* The following table gives details of net customs receipts for the years 1957-58 to 1961-62.

**COMMONWEALTH CUSTOMS REVENUE: CLASSIFICATION OF NET RECEIPTS**

(£'000)

Class	1957-58	1958-59	1959-60	1960-61	1961-62
Foodstuffs of animal origin .. ..	347	336	473	677	515
Foodstuffs of vegetable origin .. ..	1,546	1,512	1,784	2,100	2,063
Spirituous and alcoholic liquors ..	3,047	3,274	4,762	5,202	5,847
Tobacco, cigars and cigarettes .. ..	12,375	12,190	13,034	13,352	11,997
Animal substances (not foodstuffs) ..	5	5	7	8	5
Vegetable substances and fibres .. ..	222	182	259	168	247
Yarns, textiles and apparel .. ..	10,284	9,800	12,176	15,573	12,863
Oils, fats and waxes .. ..	10,039	11,123	10,970	12,430	9,149
Pigments, paints and varnishes .. ..	160	179	219	317	284
Rocks and minerals .. ..	35	24	56	46	62
Metals, metal manufactures and machinery ..	18,389	18,348	23,036	28,655	20,836
Rubber and leather and manufactures thereof	1,291	620	606	939	838
Wood and wicker, raw and manufactured ..	1,510	1,398	1,802	2,353	1,514
Earthenware, cement, china, glass and stone-ware .. ..	1,822	1,866	2,233	3,002	2,673
Pulp, paper and board, paper manufactures and stationery .. ..	848	940	1,426	2,361	2,404
Sporting materials, toys, fancy goods, jewellery and timepieces .. ..	2,165	2,297	2,825	3,526	3,237
Optical, surgical and scientific instruments, photographic goods .. ..	1,118	1,169	1,404	1,683	1,592
Chemicals, pharmaceutical products, essential oils and fertilizers .. ..	1,302	1,317	1,690	1,806	2,131
Miscellaneous goods .. ..	2,174	2,269	3,047	5,045	4,762
Primage .. ..	2,483	2,078	1,939	2,298	1,840
Other receipts .. ..	555	744	633	244	301
<b>Total .. ..</b>	<b>71,717</b>	<b>71,671</b>	<b>84,381</b>	<b>101,785</b>	<b>85,160</b>

(iii) *Excise Revenue.* Net excise receipts for the years 1957-58 to 1961-62 were as follows.

**COMMONWEALTH EXCISE REVENUE: CLASSIFICATION OF NET RECEIPTS**

(£'000)

Particulars	1957-58	1958-59	1959-60	1960-61	1961-62
Beer .. ..	105,997	105,286	109,724	111,740	113,504
Spirits .. ..	8,047	8,692	8,683	8,586	8,418
Tobacco .. ..	16,633	15,207	14,366	13,389	11,898
Cigars and cigarettes .. ..	51,366	55,824	61,459	64,969	67,488
Cigarette papers .. ..	862	811	770	716	640
Petrol .. ..	41,711	44,253	49,255	51,952	57,904
Diesel fuel .. ..	2,770	1,475	2,179	2,282	2,257
Matches .. ..	1,084	1,092	1,125	1,105	1,095
Playing cards .. ..	47	578	52	50	53
Coal .. ..	590	48	418	389	290
Cathode ray tubes .. ..	1,268	2,040	2,850	1,961	2,056
Miscellaneous .. ..	959	948	1,230	270	42
<b>Total .. ..</b>	<b>231,334</b>	<b>236,254</b>	<b>252,111</b>	<b>257,409</b>	<b>265,645</b>

(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, and a Central Office situated in Melbourne assessing taxpayers whose interests are in more than one State.

For detailed statistics relating to Commonwealth income taxes, estate duty, gift duty and sales tax, see the annual bulletin *Finance, Part II.—Commonwealth Taxation*, issued by this Bureau.

(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 15th August, 1961.

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 1935-1962*. 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 7th August, 1952, were:—

Period	General rate	Special rates
7th August, 1952, to 9th September, 1953 ..	12½ per cent. ..	20, 33½ and 50 per cent.
10th September, 1953, to 18th August, 1954 ..	12½ per cent. ..	16½ per cent.
19th August, 1954, to 14th March, 1956 ..	12½ per cent. ..	10 and 16½ per cent.
15th March, 1956, to 3rd September, 1957 ..	12½ per cent. ..	10, 16½, 25 and 30 per cent.
4th September, 1957, to 15th November, 1960 ..	12½ per cent. ..	8½, 16½, 25 and 30 per cent.
16th November, 1960, to 21st February, 1961 ..	12½ per cent. ..	8½, 16½, 25 and 40 per cent.
22nd February, 1961, to 15th August, 1961 ..	12½ per cent. ..	8½, 16½, 25 and 30 per cent.
16th August, 1961, to 6th February, 1962 ..	12½ per cent. ..	2½, 16½, 25 and 30 per cent.
From 7th February, 1962 .. ..	12½ per cent. ..	2½, 22½ and 25 per cent.

Particulars of the net amount of sales tax payable and the sales of taxable and exempt goods in each State for 1961-62 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 915 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, 1961-62

(£'000)

Particulars	N.S.W. (a)	Vic.	Q'land	S. Aust.	W. Aust.	Tas.	N. Terr.	Aus- tralia
Net sales on which sales tax was payable at—								
2½ per cent. ..	75,300	65,404	19,844	15,587	10,816	3,823	29	190,803
8½ per cent. ..	8,880	6,819	2,512	1,849	1,194	434	4	21,692
12½ per cent. ..	216,274	150,153	63,503	44,254	30,367	10,871	519	515,941
16½ per cent. ..	22,768	19,371	8,937	6,426	5,877	851	39	64,269
22½ per cent. ..	28,062	23,298	9,060	6,601	5,800	1,214	..	74,035
25 per cent. ..	45,164	28,300	9,315	6,543	4,549	2,190	29	96,090
30 per cent. ..	33,682	27,148	10,741	7,748	6,621	1,071	..	87,011
Total ..	430,130	320,493	123,912	89,008	65,224	20,454	620	1,049,841
Sales of exempt goods by registered persons..	947,476	702,853	335,915	200,665	161,630	62,940	4,417	2,415,896
Total sales of Taxable and Exempt Goods ..	1,377,606	1,023,346	459,827	289,673	226,854	83,394	5,037	3,465,737
Sales tax payable ..	61,161	44,662	17,722	12,592	9,574	2,774	80	148,565

(a) Includes 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 1957-58 to 1961-62.

### 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
1957-58	..	..	..	..	849,347	2,105,688	2,955,035	138,259
1958-59	..	..	..	..	890,293	2,152,026	3,042,319	143,296
1959-60	..	..	..	..	1,020,033	2,354,204	3,374,237	167,839
1960-61	..	..	..	..	1,040,552	2,447,126	3,487,678	171,584
1961-62	..	..	..	..	1,049,841	2,415,896	3,465,737	148,565

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 1935-1962*. The figures shown do not represent the total sales of all commodities, as vendors trading only in exempt goods are not required to be registered, and consequently the volume of their sales is not included in the statistics above. In addition, non-taxable sales (i.e., goods sold by one registered taxpayer to another registered taxpayer) are excluded.

(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.

(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. However, the collections now form part of the general revenues of the Commonwealth. For particulars of the present method of financing the National Welfare Fund, out of which Child Endowment is paid, see para. 5, page 926. 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. Employers whose export sales have increased above the annual average of export sales effected during a base period of two years ended 30th June, 1960, are entitled under the Commonwealth Government's export incentive scheme to a rebate of pay-roll tax of twelve and one half times the percentage increase in export sales.

(e) *Income Taxes*. Details of taxes on income are given in the division, Taxes on Income, at the end of this chapter.

(f) *Wool Sales Deduction*. The Wool Sales Deduction scheme operated from 2nd December, 1950, until 17th November, 1951. For particulars, see Official Year Book No. 46, page 819.

(g) *Estate Duty*. 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 only part 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.

Particulars of the number and value of estates and duty assessed, for each of the assessment years 1956-57 to 1960-61, are given in the following table.

#### ESTATE DUTY ASSESSMENTS

Particulars	1956-57	1957-58	1958-59	1959-60	1960-61
Number of estates .. ..	12,784	13,599	11,794	13,978	14,196
Gross value assessed .. .. £'000	213,253	227,310	202,899	233,560	244,976
Deductions .. .. £'000	37,376	39,707	35,589	40,453	45,683
Statutory exemption .. .. £'000	28,661	30,492	26,555	31,597	33,051
Dutiable value .. .. £'000	147,216	157,111	140,755	161,510	166,241
Duty payable .. .. £'000	13,580	13,967	13,013	14,116	15,589
Average dutiable value .. .. £	11,516	11,553	11,934	11,555	11,710
Average duty per estate .. .. £	1,062	1,027	1,103	1,010	1,098

(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.

(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) *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 1957-58, 1958-59, 1959-60, 1960-61 and 1961-62 were £1,328,000, £1,389,000, £1,542,000, £1,655,000 and £2,854,000 respectively.

(k) *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 1952* and the charge superseded by the wool levy.

(l) *Wheat Export Charge and Wheat Tax*. A summary of the provisions of the *Wheat Export Charge Acts 1946, 1948, 1952 and 1954* is contained in previous issues of the Official Year Book (see No. 40, p. 676, No. 41, p. 604 and No. 46, p. 820).

The *Wheat Export Charge Act 1958* repealed the *Wheat Export Charge Act 1954* and provided for an export charge on wheat and wheat products for the seasons 1958-59 to 1963-64 inclusive. The charge levied is the excess of the export price over the cost of production or 1s. 6d. per bushel whichever is the less. Under the *Wheat Industry Stabilization Act 1958*, to which the Wheat Export Charge is complementary, the Commonwealth Government guarantees a return to wheat-growers of the ascertained cost of production of up to 100 million bushels of wheat harvested each season exported from Australia. 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 £443,000 in 1957-58, £1,211,000 in 1958-59 and £1,000 in 1959-60, and were nil in 1960-61 and 1961-62.

The *Wheat Tax Act 1957* imposed a tax of ¼d. 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 amounts 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 1957* provided for the establishment of a Wheat Research Trust Account to receive moneys payable under the *Wheat 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 amounted to £185,000 in 1957-58, £207,000 in 1958-59, £187,000 in 1959-60, £261,000 in 1960-61 and £234,000 in 1961-62, and were paid to the Wheat Research Trust Account.

(m) *Miscellaneous Export Charges*. These consist of charges levied on exports of apples and pears (*Apple and Pear Export Charges Act 1938-1960*), canned fruits (*Canned Fruits Export Charges Act 1926-1959*), 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:—1957-58, £390,000; 1958-59, £566,000; 1959-60, £540,000; 1960-61, £529,000; and 1961-62, £617,000.

(n) *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 1957-58 to 1961-62 were as follows:—1957-58, £3,337,000; 1958-59, £4,572,000; 1959-60, £3,717,000; 1960-61, £3,844,000; and 1961-62, £3,433,000.

(o) *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 ½d. 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 1957-58, 1958-59, 1959-60, 1960-61 and 1961-62 amounted to £61,000, £72,000, £112,000, £136,000 and £164,000 respectively.

(p) *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, 1959-60, 1960-61 and 1961-62, collections amounted to £151,000, £334,000, £350,000 and £390,000.

(q) *Canning Fruit Charge.* The *Canning Fruit Charge Act* 1959 imposed a levy on apricots, peaches and pears accepted by canneries as of canning quality or for use in the production of canned fruit, for the purpose of promoting the sale of Australian canned fruits both overseas and in Australia. The rate of the charge was ten shillings per ton of fruit delivered to canneries or such lesser rate as may be prescribed from time to time. In 1959-60, 1960-61 and 1961-62, collections amounted to £35,000, £30,000 and £45,000 respectively.

(r) *Cattle Slaughter Levy.* The *Cattle Slaughter Levy Act* 1960 imposed a levy upon the slaughter of cattle for human consumption at rates to be prescribed from time to time but not exceeding two shillings per head of cattle slaughtered. The proceeds of this levy may be expended on purposes associated with scientific, economic, or technical research related to the raising of cattle or the production or distribution of beef and other products of the slaughter of cattle. In 1960-61 and 1961-62, collections amounted to £84,000 and £210,000.

3. *Business Undertakings.*—(i) *Postmaster-General's Department.* Particulars of net receipts for each of the financial years 1957-58 to 1961-62 are given in the following table.

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

Particulars	1957-58	1958-59	1959-60	1960-61	1961-62 (a)
Telegraph .. .. .	6,169	6,321	6,804	7,275	7,448
Telephone .. .. .	55,344	59,717	71,209	81,114	85,166
Postal .. .. .	32,518	34,379	40,531	44,211	47,104
Miscellaneous .. .. .	2,745	3,050	3,087	3,565	96
<b>Total .. .. .</b>	<b>96,776</b>	<b>103,467</b>	<b>121,631</b>	<b>136,165</b>	<b>139,814</b>

(a) Owing to changes in accounting practices, exact comparisons cannot be made with previous years.

Further particulars of the Postmaster-General's Department's receipts to 1961-62 are given in Chapter XIV. Transport and Communication, of this Year Book (see p. 621).

(ii) *Broadcasting and Television Services.* Following the amendment of the *Australian Broadcasting Act* 1942-1946 by Act No. 64 of 1948, the Australian Broadcasting Control Board was set up on 15th March, 1949. (See also Chapter XIV. Transport and Communication, pp. 630-8).

Details of net receipts for the years 1957-58 to 1961-62 are shown in the following table.

**BROADCASTING AND TELEVISION SERVICES: NET RECEIPTS**  
(£'000)

Particulars	1957-58	1958-59	1959-60	1960-61	1961-62
Listeners' licence fees .. .. .	5,371	5,693	5,656	5,536	5,413
Broadcasting station licence fees .. .. .	80	85	88	104	97
Television viewers' licence fees .. .. .	1,389	2,777	4,624	5,781	6,626
Television station licence fees .. .. .	7	19	38	65	91
Miscellaneous .. .. .	29	44	54	67	126
<b>Total .. .. .</b>	<b>6,876</b>	<b>8,618</b>	<b>10,460</b>	<b>11,553</b>	<b>12,353</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 1957-58 to 1961-62.

COMMONWEALTH RAILWAYS REVENUE  
(£'000)

Railway	1957-58	1958-59	1959-60	1960-61	1961-62
Trans-Australian .. .. .	2,821	2,927	3,249	4,091	4,187
Central Australia .. .. .	1,554	1,635	1,601	1,867	1,821
North Australia .. .. .	182	203	272	149	155
Australian Capital Territory .. .. .	19	46	25	42	59
<b>Total .. .. .</b>	<b>4,576</b>	<b>4,811</b>	<b>5,147</b>	<b>6,149</b>	<b>6,222</b>

Further particulars to 1961-62 are given in Chapter XIV. Transport and Communication (see pp. 591-2 and 594-5).

4. **Other Sources of Revenue.**—Revenue derived by the Consolidated Revenue Fund from the Territories of the Commonwealth during 1961-62 amounted to £5,996,000 (Australian Capital Territory £3,993,000; Northern Territory £2,001,000; Cocos (Keeling) Islands £2,000). Of other sources of revenue, amounting to £60,633,000, the following are noteworthy:—interest £17,069,000; defence £4,806,000; net profit on Australian note issue £15,751,000.

For details of the revenue of the Territories see Chapter V. of this Year Book.

## EXPENDITURE

1. **Details of Expenditure from Consolidated Revenue.**—The following table shows details of expenditure from the Consolidated Revenue Fund during the years 1957-58 to 1961-62.

COMMONWEALTH CONSOLIDATED REVENUE FUND: EXPENDITURE  
(£'000)

Particulars	1957-58	1958-59	1959-60	1960-61	1961-62
<b>Debt charges(a)—</b>					
Interest (including exchange on overseas interest) .. .. .	51,919	47,701	46,617	43,489	43,039
Debt redemption .. .. .	14,272	14,204	19,190	23,104	25,109
Other(b) .. .. .	353	706	401	1,002	588
<b>Total .. .. .</b>	<b>66,544</b>	<b>62,611</b>	<b>66,208</b>	<b>67,595</b>	<b>68,736</b>
<b>Defence services .. .. .</b>	<b>143,148</b>	<b>107,868</b>	<b>138,112</b>	<b>151,333</b>	<b>133,500</b>
War and repatriation services .. .. .	75,832	78,770	86,579	97,947	104,280
Subsidies and bounties .. .. .	18,508	21,570	20,198	22,561	34,221
National Welfare Fund(c) .. .. .	242,990	273,460	295,064	326,447	360,877
<b>Loan Consolidation and Investment Reserve</b>					
Trust Account .. .. .	104,378	27,947	41,382	142,561	22,155
<b>Business undertakings—</b>					
Postmaster-General .. .. .	93,116	96,681	107,777	110,136	114,772
Broadcasting and television services .. .. .	7,334	8,371	9,983	11,372	12,800
Railways .. .. .	3,673	3,725	4,088	4,616	5,222
Territories .. .. .	18,914	20,240	23,559	26,839	30,328
<b>Works and services—</b>					
Defence .. .. .	43,147	45,198	44,723	49,325	48,112
Repatriation .. .. .	35,206	35,308	35,242	35,386	35,460
Postmaster-General .. .. .	34,811	36,353	39,937	42,145	46,939
Broadcasting services .. .. .	1,583	1,408	3,551	1,429	2,847
Railways .. .. .	2,545	1,281	1,091	1,248	1,697
Territories .. .. .	11,749	14,906	16,901	18,229	20,764
Other .. .. .	36,548	41,211	41,615	37,698	49,885
<b>Payments to or for States</b>	<b>276,404</b>	<b>293,414</b>	<b>330,542</b>	<b>363,191</b>	<b>406,030</b>
<b>Primary production—research sales promotion, etc. .. .. .</b>	<b>9,731</b>	<b>3,451</b>	<b>3,839</b>	<b>4,053</b>	<b>5,895</b>
<b>Other expenditure .. .. .</b>	<b>97,610</b>	<b>122,277</b>	<b>127,895</b>	<b>124,168</b>	<b>137,022</b>
<b>Grand Total .. .. .</b>	<b>1,323,771</b>	<b>1,296,050</b>	<b>1,438,286</b>	<b>1,638,279</b>	<b>1,641,542</b>
<b>Per head of population .. .. .</b>	<b>£ s. d.</b>	<b>£ s. d.</b>	<b>£ s. d.</b>	<b>£ s. d.</b>	<b>£ s. d.</b>
	135 17 7	130 5 7	141 10 2	157 13 4	154 15 6

(a) Excludes payments to or for the States under the Financial Agreement (see pp. 932-3).  
 (b) Redemption, conversion and loan management, etc., expenses. (c) Excludes Tuberculosis Benefits—maintenance grants, included in Payments to or for the States—1957-58, £4,495,000; 1958-59, £4,767,000; 1959-60, £4,299,000; 1960-61, £4,157,000; 1961-62, £4,314,000.

Further details of the expenditure in each section are given in paragraphs 2 to 12 following.

2. **Defence Services.**—Details of the expenditure on defence services, including works and services, but excluding debt charges, etc., by the Departments of Defence, Navy, Army, Air and Supply are shown in the following table. This table covers expenditure by the service and associated departments only, and includes the cost of maintaining forces in overseas posts.

The figures represent the combined expenditures from Consolidated Revenue and Loan Funds for the years 1957–58 to 1961–62. In earlier issues of this Year Book, this table covered expenditure from Trust Funds also, but there has been no expenditure from this source on defence services in recent years.

**DEFENCE SERVICES(a): COMMONWEALTH EXPENDITURE FROM REVENUE AND LOAN FUNDS**  
(£'000)

Particulars	1957–58	1958–59	1959–60	1960–61	1961–62
Department of Defence .. .. .	931	1,008	1,231	1,303	1,660
Department of the Navy—					
Naval Forces—pay, maintenance, etc. . . .	30,447	30,782	32,175	31,737	32,784
Naval construction and additions to the fleet .. .. .	5,825	5,220	5,557	7,898	6,469
Ships, aircraft and aircraft engines .. ..	4,090	2,576	1,937	2,151	5,078
Buildings, works, etc. . . . .	1,603	1,548	1,165	1,745	1,721
Advances to States under Commonwealth-State Housing Agreement .. .. .	290	254	274	311	236
Administrative and miscellaneous expenditure .. .. .	1,159	1,296	1,420	1,693	1,851
<i>Total, Navy .. .. .</i>	<i>43,414</i>	<i>41,676</i>	<i>42,528</i>	<i>45,535</i>	<i>48,139</i>
Department of the Army—					
Military Forces—pay, maintenance, etc. . .	38,496	41,184	44,210	42,162	43,023
Arms, armament, ammunition .. .. .	13,891	18,939	15,924	17,333	16,846
Buildings, works, etc. . . . .	3,343	3,498	3,142	3,350	2,631
Advances to States under Commonwealth-State Housing Agreement .. .. .	498	456	394	568	427
Administrative and miscellaneous expenditure .. .. .	2,443	2,645	2,676	3,296	3,159
<i>Total, Army .. .. .</i>	<i>58,671</i>	<i>66,722</i>	<i>66,346</i>	<i>66,709</i>	<i>66,086</i>
Department of Air—					
Air Force—pay, maintenance, etc. .. ..	27,736	27,038	29,711	31,662	32,795
Aircraft, equipment and stores .. .. .	22,629	25,874	26,011	25,064	26,091
Buildings, works, etc. . . . .	2,869	4,147	3,650	3,833	3,266
Advances to States under Commonwealth-State Housing Agreement .. .. .	387	485	393	551	679
Administrative and miscellaneous expenditure .. .. .	2,096	2,296	2,472	3,137	3,228
<i>Total, Air .. .. .</i>	<i>55,717</i>	<i>59,840</i>	<i>62,237</i>	<i>64,247</i>	<i>66,059</i>
Department of Supply—					
Weapons Research Establishment .. .. .	10,509	9,500	9,500	9,490	9,510
Defence research and development .. ..		1,311	1,321	1,383	1,520
Buildings, works, etc. . . . .	6,653	1,157	1,083	1,240	1,215
Administrative and miscellaneous expenditure .. .. .	9,377	8,026	8,879	8,860	9,373
<i>Total, Supply .. .. .</i>	<i>26,539</i>	<i>19,994</i>	<i>20,783</i>	<i>20,973</i>	<i>21,618</i>
Economic assistance to support defence programme of S.E.A.T.O. member countries ..	165	298	684	776	577
Administration of National Service Act ..	186	159	93	..	..
Civil defence .. .. .	95	102	105	112	222
Recruiting campaign .. .. .	327	311	302	474	481
Other .. .. .	250	262	496	520	385
Source—					
Consolidated Revenue Fund .. .. .	186,295	153,066	182,835	200,658	181,612
Loan Fund .. .. .	..	37,306	11,970	—9	23,615
<b>Grand Total .. .. .</b>	<b>186,295</b>	<b>190,372</b>	<b>194,805</b>	<b>200,649</b>	<b>205,227</b>

(a) Excludes expenditure on debt charges, audit charges, pension and superannuation payments and Defence Division of the Department of the Treasury.

3. **War and Repatriation Services.**—Expenditure from Consolidated Revenue and Loan Fund for war and repatriation services (excluding debt charges) in relation to both the 1914–18 and 1939–45 Wars is shown in the following table for the years 1957–58 to 1961–62. Expenditure on the maintenance of forces in oversea posts and the cost of arms and equipment is included in Defence Services.

**WAR AND REPATRIATION SERVICES: COMMONWEALTH EXPENDITURE  
FROM CONSOLIDATED REVENUE AND LOAN FUNDS**

(£'000)

Particulars	1957–58	1958–59	1959–60	1960–61	1961–62
War gratuities .. .. .	16	8	9	10	13
War and service pensions and widows' allowances .. .. .	59,027	60,770	65,823	73,673	77,270
Commonwealth Reconstruction Training Scheme .. .. .	340	365	297	212	154
War service land settlement .. .. .	10,302	7,520	8,458	3,670	3,549
Re-establishment loans for agricultural purposes .. .. .	65	63	58	37	39
Repatriation Department—					
Repatriation benefits .. .. .	11,275	12,456	13,908	15,646	17,283
Other benefits .. .. .	593	608	646	730	824
Administration and general expenses .. .. .	2,910	3,009	3,581	3,846	4,888
<i>Total, Repatriation Department ..</i>	<i>14,778</i>	<i>16,073</i>	<i>18,135</i>	<i>20,222</i>	<i>22,995</i>
War service homes—salaries and general expenses .. .. .	938	978	1,127	1,105	1,170
Other departments—miscellaneous expenditure .. .. .	409	368	392	432	538
Other administrations—recoverable expenditure(a) .. .. .	–1,340	–1,675	–782	613	129
Capital works and services—					
Repatriation Department .. .. .	206	308	242	386	460
<i>War Service Homes Act 1918–1949 ..</i>	<i>35,000</i>	<i>35,000</i>	<i>35,000</i>	<i>35,000</i>	<i>35,000</i>
<i>Total, Capital Works and Services ..</i>	<i>35,206</i>	<i>35,308</i>	<i>35,242</i>	<i>35,386</i>	<i>35,460</i>
Total, War and Repatriation Services—					
Consolidated Revenue Fund .. .. .	111,038	114,078	121,821	133,333	139,740
Loan Fund .. .. .	8,703	5,700	6,938	2,027	1,577
<b>Grand Total .. .. .</b>	<b>119,741</b>	<b>119,778</b>	<b>128,759</b>	<b>135,360</b>	<b>141,317</b>

(a) Munitions stores, etc., supplied to the British Government 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 1957–58 to 1961–62. Expenditure on special relief such as drought, frost, flood and bush fire, etc., is not included here (included under items in table, para. 12), 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 11, p. 936). Payments to the States for Cattle Tick Control, Dairy Industry Extension and Agricultural Advisory Services are also not included under this heading, but under the heading Payments to or for the States (see para. 10, p. 931).

Further information relating to assistance to primary producers is given in Chapter XXII, Rural Industry. 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)

Particulars	1957-58	1958-59	1959-60	1960-61	1961-62
Dairy industry(a) .. ..	13,500	13,500	13,500	13,500	13,500
Wheat prices stabilization .. ..	448	1,211	2	..	11,906
Assistance to gold-mining industry .. ..	660	898	838	699	659
Coastal shipping service—					
Tasmania .. ..	178	202	49	..	13
Papua and New Guinea .. ..	100	100	100	100	112
Pyrites .. ..	..	..	..	86	397
Rayon yarn .. ..	87	69	72	72	69
Flax fibre .. ..	62	93	83	5	12
Cotton bounty .. ..	65	140	214	374	315
Oil search .. ..	264	463	360	1,399	2,543
Air services .. ..	(b)	500	500	500	500
Ship construction .. ..	1,858	1,800	1,842	3,000	1,553
Tractor .. ..	467	415	621	941	877
Sulphuric acid .. ..	709	1,301	1,481	1,353	1,009
Cellulose acetate flake .. ..	110	110	128	127	69
Copper .. ..	..	768	408	405	687
<b>Total .. ..</b>	<b>18,508</b>	<b>21,570</b>	<b>20,198</b>	<b>22,561</b>	<b>34,221</b>

(a) Dairy products.

(b) Separate details not available.

5. **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 contribution 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 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 1957-58 to 1961-62. For a detailed account of the establishment of the National Welfare Fund, the services provided and the numbers and amounts of benefits paid, see Chapter XV. Welfare Services.

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

Year	Income			Expenditure (a)	Balance in fund at end of year
	Contribution from Consolidated Revenue (a)	Interest on invest- ments	Total (a)		
1957-58 .. ..	247,485	1,958	249,443	247,485	197,020
1958-59 .. ..	278,227	1,977	280,204	278,227	198,997
1959-60 .. ..	299,363	2,002	301,365	299,363	200,999
1960-61 .. ..	330,604	2,017	332,621	330,604	203,016
1961-62 .. ..	365,191	2,037	367,228	365,191	205,053

(a) Includes Tuberculosis Benefits maintenance grants elsewhere included in Payments to or for the States—1957-58, £4,495,000; 1958-59, £4,767,000; 1959-60, £4,299,000; 1960-61, £4,157,000; 1961-62, £4,314,000.

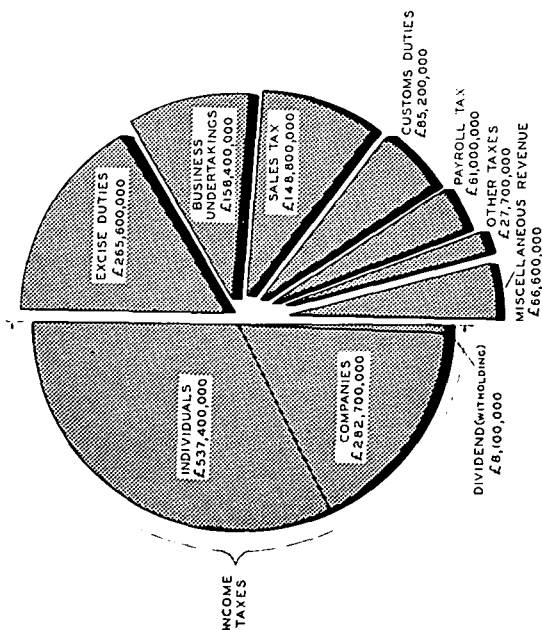
6. **Loan Consolidation and Investment Reserve Trust Account.**—The *Loan Consolidation and Investment Reserve Act 1955* established the Loan Consolidation and Investment Reserve Trust Account for the purpose of repurchase or redemption of securities representing portion of the public debt of the Commonwealth.

Payments from the Consolidated Revenue Fund were made as follows:—1957-58, £104,378,000; 1958-59, £27,947,000; 1959-60, £41,382,000; 1960-61, £142,561,000; and 1961-62, £22,155,000. Expenditure from the Trust Account on repurchase of securities was £132,767,000 in 1957-58; £100,046,000 in 1958-59; £79,885,000 in 1959-60;

# COMMONWEALTH CONSOLIDATED REVENUE FUND, YEAR ENDED 30<sup>TH</sup> JUNE, 1962

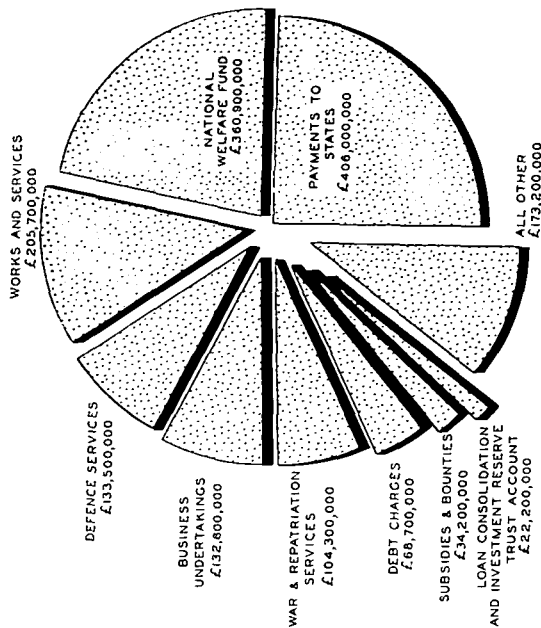
927

## REVENUE



TOTAL REVENUE  
£1,641,500,000

## EXPENDITURE

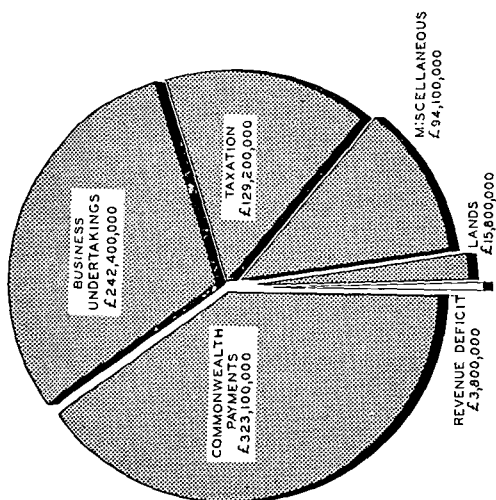


TOTAL EXPENDITURE  
£1,641,500,000

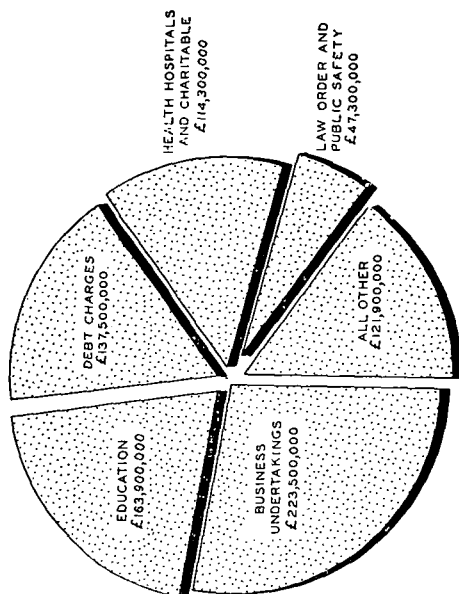
# STATE CONSOLIDATED REVENUE FUNDS, YEAR ENDED 30<sup>TH</sup> JUNE, 1962

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## REVENUE



## EXPENDITURE





£30,899,000 in 1960-61; and £67,847,000 in 1961-62. The major portion of the balance of the Trust Account at 30th June, 1962, was invested in Commonwealth securities in special loans to finance Commonwealth and State works programmes.

7. **Business Undertakings.**—(i) *Postmaster-General's Department.* Details of the expenditure of this Department for the years 1957-58 to 1961-62 are given in the following table.

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

Particulars	1957-58	1958-59	1959-60	1960-61	1961-62
Salaries, stores and materials, mail, engineering services, etc. . . . .	91,777	95,306	106,404	108,593	113,113
Rents, repairs, etc. . . . .	1,339	1,375	1,373	1,543	1,659
<i>Total, Working, etc., Expenses</i> . . . . .	<i>93,116</i>	<i>96,681</i>	<i>107,777</i>	<i>110,136</i>	<i>114,772</i>
Works and services . . . . .	34,811	36,353	39,937	42,145	46,939
<b>Grand Total</b> . . . . .	<b>127,927</b>	<b>133,034</b>	<b>147,714</b>	<b>152,281</b>	<b>161,711</b>

Further details of the Postmaster-General's Department expenditure for 1961-62 appear in Chapter XIV. Transport and Communication, of this Year Book (*see* p. 622).

(ii) *Broadcasting and Television Services.* Details of expenditure for the years 1957-58 to 1961-62 are shown in the following table. Further details of broadcasting and television services appear in Chapter XIV. Transport and Communication of this Year Book (*see* p. 630).

**COMMONWEALTH BROADCASTING AND TELEVISION SERVICES:**  
**EXPENDITURE**  
(£'000)

Particulars	1957-58	1958-59	1959-60	1960-61	1961-62
Australian Broadcasting Control Board . .	153	192	258	301	319
Australian Broadcasting Commission— Salaries, general and programme expenses . . . . .	5,100	5,936	7,238	8,460	9,300
Technical and other services—Postmaster- General—Sound broadcasting . . . . .	1,995	2,060	2,181	2,195	2,590
Television . . . . .	58	159	275	386	517
Repairs, maintenance, etc. . . . .	28	24	31	30	74
<i>Total, Working, etc., Expenses</i> . . . . .	<i>7,334</i>	<i>8,371</i>	<i>9,983</i>	<i>11,372</i>	<i>12,800</i>
Works and services . . . . .	1,583	1,408	3,551	1,429	2,847
<b>Grand Total</b> . . . . .	<b>8,917</b>	<b>9,779</b>	<b>13,534</b>	<b>12,801</b>	<b>15,647</b>

(iii) *Railways.* The expenditure on railways for the years 1957-58 to 1961-62 is shown below.

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

Particulars	1957-58	1958-59	1959-60	1960-61	1961-62
Working expenses—					
Trans-Australian . . . . .	2,277	2,301	2,610	3,047	3,379
North Australia . . . . .	221	169	202	170	183
Central Australia . . . . .	1,090	1,168	1,185	1,288	1,561
Aust. Capital Territory . . . . .	50	50	52	59	61
Miscellaneous . . . . .	35	37	39	52	38
<i>Total, Working, etc., Expenses</i> . . . . .	<i>3,673</i>	<i>3,725</i>	<i>4,088</i>	<i>4,616</i>	<i>5,222</i>
Works and services . . . . .	2,545	1,281	1,091	1,248	1,697
<b>Grand Total</b> . . . . .	<b>6,218</b>	<b>5,006</b>	<b>5,179</b>	<b>5,864</b>	<b>6,919</b>

Additional details of the financial operations of the Commonwealth Railways to 1961-62 are given in Chapter XIV. Transport and Communication (*see* pp. 591-5).

8. **Territories.**—The following table shows the expenditure on account of Commonwealth Territories for the years 1957-58 to 1961-62. 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 Chapter V. The Territories of Australia, of this Year Book.

**COMMONWEALTH TERRITORIES: EXPENDITURE**  
(£'000)

Territory	1957-58	1958-59	1959-60	1960-61	1961-62
Administration and maintenance of services—					
Aust. Capital Territory(a) ..	3,075	3,685	4,301	4,805	5,020
Northern Territory(a) ..	4,406	4,877	6,245	6,853	7,758
Papua and New Guinea ..	11,374	11,611	12,951	15,094	17,477
Norfolk Island ..	33	31	32	32	38
Cocos (Keeling) Islands ..	26	36	30	55	35
<i>Total</i> ..	<i>18,914</i>	<i>20,240</i>	<i>23,559</i>	<i>26,839</i>	<i>30,328</i>
Works and services—					
Aust. Capital Territory(a) ..	8,394	11,098	12,433	13,157	13,811
Northern Territory(a) ..	3,300	3,678	3,874	4,531	6,380
Papua and New Guinea ..	8	87	591	532	569
Cocos (Keeling) Islands ..	47	43	3	9	4
<i>Total</i> ..	<i>11,749</i>	<i>14,906</i>	<i>16,901</i>	<i>18,229</i>	<i>20,764</i>

(a) Excludes Railways, see para. 8 (iii), page 929.

9. Works and Services.—In the following table, details are given of Commonwealth expenditure on works and services during each of the years 1957-58 to 1961-62. The table covers all expenditure on works and services made from the Consolidated Revenue Fund and the Loan Fund. In earlier issues of this Year Book, this table covered expenditure from Trust Funds also, but there has been no expenditure on works and services from this source in recent years.

**COMMONWEALTH EXPENDITURE ON WORKS AND SERVICES FROM  
REVENUE AND LOAN FUNDS**  
(£'000)

Particulars	1957-58	1958-59	1959-60	1960-61	1961-62
Defence Services—					
Navy .. .. .	9,814	7,504	6,996	9,980	10,594
Army .. .. .	10,732	15,831	13,163	15,270	13,487
Air Force .. .. .	11,366	14,847	12,676	15,427	15,733
Other .. .. .	11,235	7,014	11,871	8,639	8,272
Repatriation Services—					
War service homes .. .. .	35,000	35,000	35,000	35,000	35,000
Other .. .. .	206	308	242	386	461
Postmaster-General's Department	34,807	36,354	39,935	42,143	46,939
Broadcasting and television services	1,583	1,407	3,551	1,429	2,847
Railways—					
Commonwealth .. .. .	2,542	1,239	1,071	1,229	1,696
Overseas Telecommunications .. .. .	..	..	..	..	1,000
Territories—					
Australian Capital Territory .. .. .	8,390	11,095	12,433	13,150	13,808
Northern Territory .. .. .	3,300	3,678	3,874	4,531	6,380
Papua-New Guinea .. .. .	8	87	591	532	569
Cocos (Keeling) Islands .. .. .	47	43	3	9	4
Other—					
Civil aviation .. .. .	4,098	5,688	4,801	5,999	4,564
Snowy Mountains Scheme .. .. .	18,350	24,000	28,250	18,500	16,010
Immigration .. .. .	297	270	350	391	460
Health .. .. .	549	678	811	789	1,034
Subscriptions to capital .. .. .	1,750	4,750	1,300	2,680	11,650
Advances .. .. .	1,297	230	166	500	..
All other works, buildings, etc. .. .. .	10,208	5,575	5,933	8,825	14,166
Source—					
Consolidated Revenue Fund .. .. .	165,589	175,665	183,060	185,461	204,704
Loan Fund .. .. .	-10	-67	-43	-52	-30
<i>Grand Total</i> .. .. .	<i>165,579</i>	<i>175,598</i>	<i>183,017</i>	<i>185,409</i>	<i>204,674</i>

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

10. 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 1961-62.* 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, 1961-62(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) ..	2,329	1,566	844	899	653	448	6,739
Special grants ..					6,156	5,075	11,231
Financial assistance grants ..	99,249	73,015	43,730	33,225	30,085	12,836	292,140
Additional financial assistance ..	2,240	1,800	3,340	970	660	990	10,000
Commonwealth Aid Roads(c) ..	13,811	10,080	9,093	5,752	8,764	2,500	50,000
<i>Tuberculosis Act 1948</i> —reimbursement of capital expenditure ..	48	57	200	46	12	23	386
National Welfare Fund—Tuberculosis Benefits—maintenance grants ..	1,495	1,110	783	345	397	184	4,314
Mental institutions—contribution to capital expenditure ..	648	..	71	28	77	..	824
Western Australian waterworks grant ..	..	..	..	..	61	..	61
Coal mining industry—long service leave(c) ..	228	..	43	..	15	4	290
Encouragement of meat production ..	..	..	2	..	3	..	5
Grants to universities ..	6,142	3,704	1,309	1,396	994	616	14,161
Cattle tick control ..	330	..	..	..	..	..	330
Dairy industry extension grant ..	65	65	72	18	18	8	246
Expansion of agricultural advisory services ..	74	60	53	27	27	19	260
Development of north-western Australia ..	..	..	..	..	1,705	..	1,705
Grants for railway standardization ..	..	4,000	..	..	..	..	4,000
Cattle roads ..	..	..	650	..	500	..	1,150
Coal loading works—New South Wales ..	284	..	..	..	..	..	284
Natural Disaster Payments ..	50	50	21	..	193	5	319
<b>Total</b> ..	<b>129,911</b>	<b>97,634</b>	<b>61,307</b>	<b>43,410</b>	<b>50,793</b>	<b>22,975</b>	<b>406,030</b>

(a) Excludes relief to primary producers, subsidies and bounties, and other payments for medical research, etc. (b) Paid to National Debt Sinking Fund. (c) Paid to Trust Fund.

(b) 1957-58 to 1961-62. 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	1957-58	1958-59	1959-60	1960-61	1961-62
Financial Agreement—					
Interest on States' debts ..	7,585	7,585	7,585	7,585	7,585
Sinking fund on States' debts(b) ..	5,065	5,386	5,942	6,274	6,739
Special grants ..	19,500	20,750	8,326	8,618	11,231
Financial assistance grants ..	165,820	174,547	244,500	269,994	292,140
Special financial assistance ..	24,145	30,437	..	..	..
Additional financial assistance ..	5,000	..	..	..	10,000
Grants for road construction, etc.(c) ..	31,664	33,249	43,923	46,000	50,000
Commonwealth Aid Roads—special assistance ..	2,950	2,950	..	..	..
<i>Tuberculosis Act 1948</i> —reimbursement of capital expenditure ..	2,142	1,412	781	410	386
National Welfare Fund—Tuberculosis Benefits—maintenance grants ..	4,495	4,767	4,299	4,157	4,314
Mental institutions—contribution to capital expenditure ..	1,256	1,120	1,147	727	824
Western Australian waterworks grants ..	677	524	609	517	61
Coal mining industry—long service leave(c) ..	590	525	484	380	290
Encouragement of meat production ..	98	16	6	7	5
Grants to universities ..	3,074	6,919	7,628	11,227	14,161
Cattle tick control ..	536	578	477	541	330
Dairy industry extension grant ..	219	261	247	243	246
Expansion of agricultural advisory services ..	265	236	218	264	260
Development of north-western Australia ..	..	171	484	1,208	1,705
Grants for railway standardization ..	1,070	1,882	3,723	4,716	4,000
Cattle roads ..	..	..	..	..	1,150
Coal loading works—New South Wales ..	..	..	..	..	284
Natural Disaster Payments ..	253	99	163	323	319
<b>Total</b> ..	<b>276,404</b>	<b>293,414</b>	<b>330,542</b>	<b>363,191</b>	<b>406,030</b>

(a) Excludes relief to primary producers, subsidies and bounties, and other payments for medical research, etc. (b) Paid to National Debt Sinking Fund. (c) Paid to Trust Fund.

(c) The following table shows particulars of payments by the Commonwealth to each of the States to 30th June, 1962.

**COMMONWEALTH PAYMENTS TO OR FOR THE STATES TO 30th JUNE, 1962(a)**  
(£'000)

Particulars	N.S.W.	Vic.	Q'land	S. Aust.	W. Aust.	Tas.	Total
Section 87 of Constitution, 1900-01 to 1909-10 ..	27,732	19,988	8,921	6,193	8,758	2,612	74,204
Surplus Revenue Acts, 1910-11 to 1926-27 ..	41,508	31,168	15,158	9,879	9,757	4,357	111,827
Financial agreements, 1927-28 to 1961-62 ..	134,477	93,063	49,558	35,627	25,525	13,639	351,889
Special grants(b) ..	..	..	..	78,096	113,191	50,137	241,424
Income tax reimbursement grants, 1942-43 to 1945-46(c) ..	55,419	24,330	22,212	9,038	9,492	3,409	123,900
Income tax reimbursement special grants, 1945-46 to 1946-47(c) ..	..	..	..	1,654	913	119	2,686
Entertainments tax reimbursement grants, 1942-43 to 1945-46(d) ..	603	1,399	..	364	368	138	2,872
Tax reimbursement grants, 1947-48 to 1958-59(e) ..	525,633	336,069	215,973	120,052	108,474	45,635	1,351,836
Additional tax reimbursement grants (f) ..	2,027	1,160	814	429	410	160	5,000
Special financial assistance(g) ..	80,419	55,320	31,388	17,345	15,603	6,799	206,874
Additional assistance(h) ..	1,989	1,061	1,125	368	315	142	5,000
Non-recurring grants from excess receipts, 1934-35 to 1936-37 ..	1,188	827	433	265	201	86	3,000
Financial assistance grants(i) ..	274,687	201,011	120,056	91,627	83,524	35,729	806,634
Additional financial assistance(j) ..	2,240	1,800	3,340	970	660	990	10,000
Special assistance(k) ..	21,888	8,334	6,318	4,878	12,066	1,164	54,648
Grants for road construction, 1922-23 to 1961-62(l) ..	119,232	79,143	80,923	48,127	80,728	21,475	429,628
Payments to Commonwealth Aid Roads (Supplementary) Trust Account(m) ..	..	..	..	..	..	..	5,000
Tuberculosis Act 1948—reimbursement of capital expenditure ..	5,099	1,671	4,985	738	2,238	298	15,029
Tuberculosis Act 1948—maintenance grants ..	14,755	12,480	6,751	3,764	5,027	1,905	44,682
Mental institutions—contribution to capital expenditure ..	2,554	2,740	628	580	238	355	7,095
Encouragement of meat production ..	..	..	1,326	..	835	..	2,161
Grants to universities ..	21,370	12,508	6,123	5,577	4,177	2,833	52,588
Grants for railway standardization(n) ..	..	14,485	..	5,110	..	..	19,595
<b>Total ..</b>	<b>1,332,820</b>	<b>898,557</b>	<b>576,032</b>	<b>440,681</b>	<b>482,500</b>	<b>191,982</b>	<b>3,927,572</b>

(a) Includes non-recurring grants from excess receipts, but excludes payments on account of the Morgan-Whylla Waterworks, amounts provided for relief of wheat-growers and other primary producers, and other payments for medical research, social services, etc.

(b) Under various States Grants Acts. (c) Under States Grants (Income Tax Reimbursement) Act 1942.

(d) Under States Grants (Entertainments Tax Reimbursement) Act 1942. (e) Under States Grants (Tax Reimbursement) Act 1946-48.

(f) Under States Grants (Additional Tax Reimbursement) Act 1950. (g) Under States Grants (Special Financial Assistance) Acts 1951 and 1952. (h) Under States Grants (Additional Assistance) Act 1958.

(i) Under States Grants Act 1959. (j) Under States Grants (Additional Assistance) Act 1962.

(k) Includes natural disaster (flood, cyclone, bush fire, drought, etc.) payments, unemployment relief, metalliferous mining, forestry, local public works, grants for price control reimbursement, coal strike emergency grant, grants for imported houses, Port Augusta-Port Pirie railway, Western Australian waterworks, cattle tick control, dairy industry extension, agricultural advisory services, cattle roads, coal-loading works, etc.

(l) Under Main Roads Development, Federal Aid Roads, Federal Aid Roads and Works and Commonwealth Aid Roads Acts. (m) Expenditure not allocable between States.

(n) Under the Railway Standardization (South Australia) Agreement Act 1949 and the Railway Standardization (New South Wales and Victoria) Agreement Act 1958. Includes repayable advances.

Particulars of special Commonwealth grants for the relief of primary producers are not included in the foregoing tables. See para. 4, Subsidies and Bounties, page 925, and para. 12, Other Expenditure, page 937.

(iii) *Financial Agreement.* Details of the Financial Agreement between the Commonwealth and the States are given in Official Year Book No. 37, pages 685-90. Under this Agreement, the Commonwealth undertook to contribute £7,584,912 per annum towards interest payable on the State loan securities for a period of 58 years from 1st July, 1927. This amount is 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 loan securities. Details of these are given on pages 955-6 of this chapter.

(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 1958-59 to 1962-63 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 1962-63 include an estimate of the indispensable need of the claimant State for 1962-63 and an adjustment to the estimated grant for 1960-61. South Australia agreed with the Commonwealth not to apply for special grants in other than exceptional circumstances after 1st July, 1959, when the new financial arrangements under the *States Grants Act* 1959 came into operation (*see* sub-para. (v) below).

#### COMMONWEALTH GRANTS COMMISSION: GRANTS RECOMMENDED

(£'000)

Particulars	1958-59	1959-60	1960-61	1961-62	1962-63
South Australia—					
Estimated grant .. ..	5,201	..	..	..	..
Adjustment(a) .. ..	49	(b) 1,426	..	..	..
<i>Net grant recommended</i> ..	<u>5,250</u>	<u>1,426</u>	..	..	..
Western Australia—					
Estimated grant .. ..	9,758	3,149	3,700	5,200	5,900
Adjustment(a) .. ..	1,342	351	609	956	310
<i>Net grant recommended</i> ..	<u>11,100</u>	<u>3,500</u>	<u>4,309</u>	<u>6,156</u>	<u>6,210</u>
Tasmania—					
Estimated grant .. ..	4,414	2,597	3,400	4,100	4,900
Adjustment(a) .. ..	- 14	803	909	975	141
<i>Net grant recommended</i> ..	<u>4,400</u>	<u>3,400</u>	<u>4,309</u>	<u>5,075</u>	<u>5,041</u>
<b>Grand Total .. ..</b>	<b>20,750</b>	<b>8,326</b>	<b>8,618</b>	<b>11,231</b>	<b>11,251</b>

(a) Adjustment to estimated grant paid two years previously.  
payment of £1,027,000 in 1959-60.

(b) Includes the final adjusting

(v) *Financial Assistance Grants.* The *States Grants Act* 1959 repealed the *States Grants (Tax Reimbursement) Acts* of 1946, 1947 and 1948 and provided for payment of financial assistance to the States in 1959-60 amounting to £244,500,000 to be distributed among the States as follows:—New South Wales, £83,450,000; Victoria, £60,625,000; Queensland, £36,375,000; South Australia, £27,675,000; Western Australia, £25,462,000; Tasmania, £10,913,000. In subsequent years, the financial assistance grant payable to each State has been determined by increasing its grant for 1959-60 in accordance with a formula which takes into account movements in population in each State and the increases (if any) in the level of average wages per person employed as shown in returns submitted under the *Pay-roll Tax Assessment Act* 1941-1961. In 1961-62, the grants determined according to this formula were as follows:—New South Wales, £99,249,000; Victoria, £73,015,000; Queensland, £43,730,000; South Australia, £33,225,000; Western Australia, £30,085,000; Tasmania, £12,836,000.

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. 635-7). 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 which expired after 1958-59. *See* Official Year Book No. 46, pages 837-8.

(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 £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 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.

During 1961–62, an additional assistance grant of £10,000,000 was provided to the States on a non-repayable basis under the authority of the *States Grants (Additional Assistance) Act* 1962 for expenditure on employment-giving activities, mainly in the works field.

(viii) *Grants for Road Construction.* (a) *Main Roads Development Act* 1923–1925, *Federal Aid Roads Acts* 1926, 1931 and 1936, *Federal Aid Roads and Works Act* 1937, *Commonwealth Aid Roads and Works Act* 1947–1949, *Commonwealth Aid Roads Act* 1950, *Commonwealth Aid Roads Act* 1954, and *Commonwealth Aid Roads (Special Assistance) Act* 1957. Details of these Acts are given in earlier issues of the Official Year Book (see No. 38, pp. 787–8, No. 41, p. 62, and No. 46, p. 838) and in the annual bulletin *Finance, Part I.—Public and Private Finance*.

(b) *Commonwealth Aid Roads Act* 1959. A new scheme of Commonwealth assistance to the States for roads was established by the *Commonwealth Aid Roads Act* 1959. Under this Act, which is to operate for a period of five years from 1st July, 1959, the Commonwealth has undertaken to make available up to £250,000,000 to the States for the construction, reconstruction, maintenance and repair of roads.

Of this amount, a total of £220,000,000 will be paid to the States as basic grants for roads over five years. The basic grants are fixed annual amounts which rise progressively by £2,000,000 a year from £40,000,000 in 1959–60 to £48,000,000 in 1963–64. In each year, the grants will be distributed between the States on the basis of 5 per cent. of the total to Tasmania and the balance shared between the other five States, one-third in proportion to their respective populations at the date of the last preceding Census, one-third in proportion to their respective areas, and one-third in proportion to the respective number of motor vehicles registered in these States at 31st December preceding the year of payment.

The balance of up to £30,000,000 over the five years will be made available to the States as matching assistance for roads. The total amounts of matching assistance will increase by £2,000,000 a year from £2,000,000 in 1959–60 to £10,000,000 in 1963–64. Up to the limit of its share of the total matching assistance available in any year, each State qualifies for £1 of matching assistance from the Commonwealth for each £1 by which the amount it allocates in that year from its own resources for expenditure on roads exceeds the amount so allocated in 1958–59. The share of each State in the total matching assistance available in any year is determined by the same formula as is used to determine its share of the basic grant in that year.

The full amount of the matching assistance available to each State in any year is being paid during that year on the understanding that the road grants to the State in the following year will be adjusted if it is subsequently found that the State did not qualify in full for the matching assistance paid to it in that year.

The legislation relating to the years 1947–48 to 1958–59 provided for annual allocations to the Commonwealth for expenditure on strategic roads and the promotion of road safety practices. No such provisions are contained in the present legislation, the Commonwealth making separate provision for these purposes.

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

Re-imbursements from the National Welfare Fund of maintenance expenditure on tuberculosis hospitals equal the amounts by which such expenditures of the States in any financial year exceed those for the year 1947–48. As from 1st July, 1948, the States have also been reimbursed from annual appropriations of the Department of Health for all their capital expenditure on buildings, furnishings, equipment and plant.

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

(xi) *Other Payments.* (a) *Western Australian Waterworks.* The *Western Australia Grant (Water Supply) Act* 1948–1957 provides for grants to Western Australia not exceeding

an aggregate of £5,000,000 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) *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 £150,000 in Queensland and £50,000 in Western Australia.

(d) *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 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.

Under the *States Grants (Universities) Act 1960*, which carried on the principle of grants for capital works and equipment introduced in the 1958 legislation, payments of up to £42,000,000 over the three calendar years 1961, 1962 and 1963 are to be made to the States. (See also Chapter XVIII. Education, Cultural Activities, and Research, pp. 748–51.)

(e) *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.

(f) *Western Australia Northern Development.* The Commonwealth provides financial assistance of up to £5,000,000 to the State of Western Australia under the *Western Australia Grant (Northern Development) Act 1958–59* in respect of developmental expenditure by the State in the area of Western Australia north of the twentieth parallel of latitude during the period of five years commencing on 1st July, 1958. Under the scheme, Commonwealth assistance is provided in respect of projects, nominated by the State, which the Commonwealth is satisfied will contribute to the development of the area and which could not reasonably be expected to be carried out during the period of five years without the grant of Commonwealth assistance.

Payments to the State during 1961–62 amounted to £1,705,000, bringing total payments by the Commonwealth in respect of the scheme to £3,568,000.

(g) *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.

(h) *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.

(i) *Grants for Railway Projects.* 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.

Under the *Railway Standardization (New South Wales and Victoria) Agreement Act* 1958 the Commonwealth provided funds for the construction of the 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.

(j) *Cattle Roads Grants.* The *Queensland Grant (Beef Cattle Roads) Act* 1961 provides for a grant of £5,000,000 to be paid to Queensland over the five-year period commencing 1st July, 1961, for expenditure on approved roads for the transport of beef cattle. In 1961-62, an amount of £650,000 was paid to the State.

Under the *Western Australia Grant (Beef Cattle Roads) Act* 1961, a special grant of £500,000 was made to Western Australia in 1961-62 for certain work on roads and bridges in the north of the State.

(k) *Coal Loading Works—New South Wales.* Under the *Coal Loading Works Agreement (New South Wales) Act* 1961, the Commonwealth is providing financial assistance to New South Wales of up to £2,650,000, partly by way of repayable advances from the Consolidated Revenue Fund and partly by grants from the Coal Industry Fund of the Joint Coal Board, for improvements to coal loading facilities at Newcastle, Port Kembla and Balmain. In 1961-62, repayable advances amounted to £284,000 and grants to £172,000.

(l) *Natural Disaster Payments.* Special Commonwealth payments are provided to assist State schemes for the relief of personal hardship and distress caused by serious floods, cyclones or bush fires in the States and for restoration of damaged public assets such as roads and bridges.

11. **Primary Production Research and Sales Promotion, Export Funds, etc.**—Expenditure under this item includes 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. Information relating to the taxes levied is given in sub-section Revenue, of this section (see pp. 920-2). Details of expenditure from the trust funds are included in § 4, Commonwealth Trust Funds. Details of expenditure from the Consolidated Revenue Fund during the last five years are given in the following table.

**PRIMARY PRODUCTION—RESEARCH AND SALES PROMOTION, EXPORT FUNDS, ETC.: EXPENDITURE FROM COMMONWEALTH CONSOLIDATED REVENUE FUND**  
(£'000)

Particulars	1957-58	1958-59	1959-60	1960-61	1961-62
<b>Research and sales promotion—</b>					
Canned fruit (sales promotion) .. ..	..	..	35	27	53
Cattle and beef research .. ..	..	..	..	82	170
Dairy produce research .. ..	..	..	162	198	277
Dairy produce sales promotion .. ..	..	151	207	222	262
Tobacco industry research .. ..	61	72	112	125	169
Wheat research .. ..	185	207	187	262	234
Wool research .. ..	1,328	1,389	1,542	1,455	1,507
Wool use promotion .. ..	885	926	1,028	1,168	2,346
<b>Export funds—</b>					
Apple and pear .. ..	38	43	45	81	102
Canned fruits .. ..	52	70	76	59	66
Dairy produce .. ..	65	96	100	81	104
Dried fruits .. ..	45	51	43	34	54
Egg .. ..	7	6	36	60	34
Meat .. ..	99	160	131	100	139
Wine .. ..	84	140	109	93	112
<b>Other—</b>					
Meat agreement deficiency payments .. ..	5,927	..	..	..	264
Fisheries development .. ..	215	114	9	1	..
Other .. ..	740	26	17	5	2
<b>Total .. ..</b>	<b>9,731</b>	<b>3,451</b>	<b>3,839</b>	<b>4,053</b>	<b>5,895</b>



12. **Other Expenditure.**—Expenditure shown in this table covers expenditure not included under other headings, and in the main relates to expenditure on administrative services and other activities (i.e. what might be termed "running expenses").

Information on the functions of departments and the Acts administered by the Ministers of departments may be found on pages 87–98 of this Year Book.

**COMMONWEALTH CONSOLIDATED REVENUE FUND: OTHER EXPENDITURE**  
(£'000)

Department	1957–58	1958–59	1959–60	1960–61	1961–62
Governor-General .. .. .	158	147	164	148	171
Parliament .. .. .	1,768	1,910	2,236	2,277	2,213
Prime Minister—					
Audit Office .. .. .	622	623	709	725	771
Public Service Board .. .. .	619	667	755	829	868
National Library .. .. .	180	201	280	353	463
British High Commissioner's Office .. .. .	762	832	928	966	1,083
Australian National University .. .. .	1,196	1,404	1,684	2,389	3,200
Australian Universities Commission .. .. .	..	..	23	28	29
Commonwealth Grants Commission .. .. .	22	21	24	26	27
Office of Education .. .. .	310	408	385	412	521
Security services .. .. .	483	498	578	669	661
Commonwealth Scholarship Scheme .. .. .	1,243	1,587	2,100	2,551	2,927
Grants-in-aid .. .. .	159	175	324	224	360
Departmental, n.e.i. .. .. .	584	582	756	630	747
<i>Total, Prime Minister .. .. .</i>	<i>6,180</i>	<i>6,998</i>	<i>8,546</i>	<i>9,802</i>	<i>11,657</i>
External Affairs—					
Oversea representation .. .. .	1,569	1,655	1,983	2,320	2,690
United Nations and allied organizations .. .. .	828	927	993	1,264	2,737
Colombo Plan—Economic development .. .. .	3,872	2,152	3,172	2,870	2,232
Technical assistance .. .. .	1,125	1,252	1,292	1,572	1,767
Indus Basin Development .. .. .	..	..	..	268	1,358
Other international development and relief .. .. .	670	693	758	1,097	910
Departmental, n.e.i. .. .. .	828	954	1,003	995	1,105
Antarctic Division .. .. .	389	527	738	764	731
<i>Total .. .. .</i>	<i>9,281</i>	<i>8,160</i>	<i>9,939</i>	<i>11,150</i>	<i>13,530</i>
Treasury—					
Taxation Branch and Boards of Review .. .. .	8,385	8,641	9,822	10,200	10,987
Bureau of Census and Statistics .. .. .	1,217	1,493	1,841	2,188	3,324
Commonwealth Superannuation Board .. .. .	93	88	108	127	144
<i>Superannuation Act</i> —total Government contributions .. .. .	4,221	4,773	5,356	5,978	6,861
I.B.R.D. and I.M.F. .. .. .	3,500	20,302	14,742	2,930	3,521
Departmental, n.e.i. .. .. .	1,297	1,493	1,896	2,428	2,268
<i>Total .. .. .</i>	<i>18,713</i>	<i>36,790</i>	<i>33,765</i>	<i>23,851</i>	<i>27,105</i>
Attorney-General—					
Crown Solicitor .. .. .	336	343	413	420	439
High Court .. .. .	111	131	148	158	169
Bankruptcy .. .. .	170	180	197	214	242
Conciliation and Arbitration Commission, Industrial Court and Registrar .. .. .	219	245	281	318	352
Patents, Trade Marks and Designs .. .. .	407	414	475	476	520
Other branches .. .. .	365	396	516	533	586
Departmental, n.e.i. .. .. .	372	386	405	476	510
<i>Total .. .. .</i>	<i>1,980</i>	<i>2,095</i>	<i>2,435</i>	<i>2,595</i>	<i>2,818</i>
Interior—					
Electoral Branch .. .. .	612	911	702	694	1,100
Bureau of Meteorology .. .. .	1,090	1,372	1,655	1,727	1,861
Ionospheric Prediction Service .. .. .	41	44	52	57	74
Forestry Branch .. .. .	154	144	190	195	234
News and Information Bureau .. .. .	410	417	453	479	529
Surveys .. .. .	..	..	97	92	91
Departmental, n.e.i. .. .. .	1,772	1,763	1,610	1,872	1,916
<i>Total .. .. .</i>	<i>4,079</i>	<i>4,651</i>	<i>4,759</i>	<i>5,116</i>	<i>5,815</i>

**COMMONWEALTH CONSOLIDATED REVENUE FUND: OTHER  
EXPENDITURE—continued**  
(£'000)

Department	1957-58	1958-59	1959-60	1960-61	1961-62
<b>Works .. .. .</b>	<b>2,296</b>	<b>2,244</b>	<b>2,970</b>	<b>2,938</b>	<b>3,644</b>
<b>Civil Aviation—</b>					
Maintenance and development of civil aviation .. .. .	5,661	7,066	7,594	7,528	7,613
Meteorological services .. .. .	565	653	776	828	895
Departmental, n.e.i. .. .. .	3,298	3,087	3,484	3,651	3,888
<i>Total .. .. .</i>	<i>9,524</i>	<i>10,806</i>	<i>11,854</i>	<i>12,007</i>	<i>12,396</i>
<b>Customs and Excise—</b>					
Refunds of diesel fuel taxation .. .. .	1,315	989	278	115	129
Departmental .. .. .	4,246	4,427	5,208	5,873	5,356
<i>Total .. .. .</i>	<i>5,561</i>	<i>5,416</i>	<i>5,486</i>	<i>5,988</i>	<i>5,485</i>
<b>Health .. .. .</b>	<b>2,293</b>	<b>2,389</b>	<b>2,801</b>	<b>3,136</b>	<b>3,461</b>
<b>Trade—</b>					
Tariff Board .. .. .	89	134	166	175	209
Commercial intelligence services abroad .. .. .	562	619	694	871	1,018
Departmental, n.e.i. .. .. .	1,617	2,376	2,026	2,194	2,655
<i>Total .. .. .</i>	<i>2,268</i>	<i>3,129</i>	<i>2,886</i>	<i>3,240</i>	<i>3,882</i>
<b>Primary Industry—</b>					
Inspection of goods for export .. .. .	1,043	1,144	1,321	1,360	1,446
Division of Agricultural Economics .. .. .	142	133	157	172	188
Departmental, n.e.i. .. .. .	584	686	765	785	976
<i>Total .. .. .</i>	<i>1,769</i>	<i>1,963</i>	<i>2,243</i>	<i>2,317</i>	<i>2,610</i>
<b>Social Services—</b>					
Homes for aged persons—grants to eligible organizations .. .. .	838	1,767	1,872	2,154	3,473
Departmental .. .. .	3,295	3,460	3,955	4,090	4,531
<i>Total .. .. .</i>	<i>4,133</i>	<i>5,227</i>	<i>5,827</i>	<i>6,244</i>	<i>8,004</i>
<b>Shipping and Transport—</b>					
Marine Services Division .. .. .	1,159	1,224	1,367	1,402	1,389
Road safety practices .. .. .	150	150	150	150	150
Departmental, n.e.i. .. .. .	1,151	1,102	603	469	633
<i>Total .. .. .</i>	<i>2,460</i>	<i>2,476</i>	<i>2,120</i>	<i>2,022</i>	<i>2,172</i>
<b>Territories .. .. .</b>	<b>266</b>	<b>274</b>	<b>343</b>	<b>379</b>	<b>433</b>
<b>Immigration—</b>					
Assisted migration .. .. .	6,835	7,188	7,567	7,348	5,984
Other migration activities .. .. .	1,870	1,862	1,811	1,994	2,578
Departmental, n.e.i. .. .. .	2,129	2,175	2,363	2,429	2,501
<i>Total .. .. .</i>	<i>10,834</i>	<i>11,225</i>	<i>11,741</i>	<i>11,771</i>	<i>11,063</i>
<b>Labour and National Service—</b>					
Stevedoring Industry Charge .. .. .	3,337	4,572	3,717	3,542	3,436
Departmental .. .. .	2,205	2,281	2,581	2,630	2,779
<i>Total .. .. .</i>	<i>5,542</i>	<i>6,853</i>	<i>6,298</i>	<i>6,172</i>	<i>6,215</i>
<b>National Development—</b>					
Bureau of Mineral Resources .. .. .	786	784	1,027	1,346	1,683
Division of National Mapping .. .. .	307	312	415	417	577
Joint Coal Board .. .. .	195	170	175	187	155
Australian Atomic Energy Commission .. .. .	1,331	1,525	2,233	2,379	2,804
Departmental, n.e.i. .. .. .	289	446	352	874	458
<i>Total .. .. .</i>	<i>2,908</i>	<i>3,237</i>	<i>4,202</i>	<i>5,203</i>	<i>5,677</i>
<b>Commonwealth Scientific and Industrial Research Organization .. .. .</b>	<b>5,597</b>	<b>6,287</b>	<b>7,280</b>	<b>7,812</b>	<b>8,671</b>
<b>Total, Other Expenditure .. .. .</b>	<b>97,610</b>	<b>122,277</b>	<b>127,895</b>	<b>124,168</b>	<b>137,022</b>

## § 4. Commonwealth Trust Funds

1. Receipts, Expenditure and Balances, 1961-62.—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, 1962.

## COMMONWEALTH TRUST FUNDS: RECEIPTS, EXPENDITURE AND BALANCES, 1961-62

(£'000)

Fund	Balance at 30th June, 1961	Year ended 30th June, 1962		Balance at 30th June, 1962
		Receipts	Expenditure	
Canadian Loan .. .. .	7,145	301	119	7,327
Coal Mining Industry Long Service Leave	2,146	392	645	1,893
Coinage .. .. .	..	3,816	3,816	..
Commonwealth Aid Roads (Supplementary)	73	..	6	67
Defence Forces Retirement Benefits ..	16,249	6,106	3,150	19,205
Insurance Deposits .. .. .	6,524	4,775	1,021	10,278
Interest Suspense .. .. .	519	12,871	13,390	..
International Development and Relief ..	70	335	213	192
Korean Operations Pool .. .. .	11,464	..	..	11,464
Lend-Lease Settlement .. .. .	700	34	245	489
Loan Consolidation and Investment Reserve	328,858	35,160	69,381	294,637
National Debt Sinking Fund .. .. .	161,186	76,651	94,598	143,239
National Welfare .. .. .	203,016	367,228	365,191	205,053
Parliamentary Retiring Allowances ..	431	123	81	473
Pensions Suspense .. .. .	7,478	239	7,605	112
Post Office Stores and Services .. .. .	209	57,511	57,706	14
Superannuation .. .. .	80,951	20,639	10,208	91,382
Swiss Loan .. .. .	15,142	558	..	15,700
Taxation Funds Suspense .. .. .	773	5	757	21
Temple Society .. .. .	486	269	244	511
Tobacco Industry .. .. .	94	236	240	90
War Service Homes .. .. .	..	36,171	36,171	..
War Service Homes—Insurance .. .. .	794	283	241	836
Wheat Industry Stabilization .. .. .	266	..	..	266
Wheat Prices Stabilization .. .. .	4,960	11,962	16,922	..
Wheat Research .. .. .	740	431	408	763
Wine Research .. .. .	426	19	18	427
Wool Research .. .. .	9,222	1,983	2,551	8,654
Other .. .. .	14,195	77,733	77,548	14,380
<b>Total .. .. .</b>	<b>874,117</b>	<b>715,831</b>	<b>762,475</b>	<b>827,473</b>

2. Summary, 1957-58 to 1961-62.—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	1957-58	1958-59	1959-60	1960-61	1961-62
Balances brought forward .. .. .	904,447	888,033	810,099	767,830	874,117
Receipts .. .. .	910,244	880,171	915,830	1,059,621	715,831
Expenditure .. .. .	926,658	958,105	958,099	953,334	762,475
Balance carried forward .. .. .	888,033	810,099	767,830	874,117	827,473

## § 5. 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 1957-58 to 1961-62 and of the aggregate expenditure to 30th June, 1962. The figures shown relate to disbursements for Commonwealth purposes only and 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	1957-58	1958-59	1959-60	1960-61	1961-62	Total to 30th June, 1962
War Loans—						
Defence and War (1914-18, 1939-45) services .. .. .	(a)8,703	(a)5,700	(a)6,937	(a)2,027	(a)1,577	2,046,303
Defence services—						
General services, works, armaments, etc. ..	..	37,308	11,987	..	23,641	72,936
Other Loans—						
Capital works and services—						
Defence(b) .. .. .	..	— 2	— 17	— 9	— 26	8,628
Repatriation services(b)—						
War service homes(b) .. .. .	..	..	..	..	..	7,329
Other .. .. .	..	..	..	..	..	47
Postmaster-General's Department	— 3	2	— 1	— 2	..	40,412
Broadcasting services .. .. .	..	..	..	..	..	104
Railways .. .. .	— 3	— 42	— 20	— 19	..	13,660
Territories(c) .. .. .	— 4	— 3	..	— 7	— 4	8,695
Other—						
Ships, yards and docks .. .. .	..	..	..	..	..	7,694
Civil aviation .. .. .	..	..	..	..	..	213
Immigration .. .. .	..	..	..	..	..	1,681
Emergency wheat storage .. .. .	— 30	— 21	..	..	..	3,071
All other works, buildings, etc. ..	..	— 1	— 5	— 15	..	4,203
Other purposes—						
Assistance to States—						
Farmers' debt adjustment .. ..	..	..	..	..	..	7,967
Housing .. .. .	33,160	35,810	36,080	37,200	50,400	465,359
Other .. .. .	..	..	..	..	..	5,976
Wheat bounty .. .. .	..	..	..	..	..	3,430
Loan (Qantas Empire Airways) ..	3,311	6,033	4,646	1,573	11,827	31,289
Loan (Australian National Airlines Commission) .. .. .	..	1,337	..	892	..	2,229
Mount Isa Railway Agreement ..	..	..	..	..	3,750	3,750
Total, Other Loans .. .. .	36,431	43,113	40,683	39,613	65,947	615,737
International Bank Dollar Loan(d) ..	14,565	7,492	..	..	..	137,645
Swiss Loan(e) .. .. .	..	..	..	..	..	11,722
Canadian Loan(f) .. .. .	..	..	..	..	..	6,459
Grand Total .. .. .	59,699	93,613	59,607	41,640	91,165	2,890,802

(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. (e) Payment to Swiss Loan Trust Account. (f) Payment to Canadian Loan Trust Account.

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

Information relating to the Commonwealth Government securities on issue is given in the Division, Government Securities on Issue, Commonwealth and States, of this chapter.

## 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 delegated to local government 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 is needed, therefore, 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 undertakings are:—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. 955–6).

## § 2. State Consolidated Revenue Funds

### 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) interest on advances; (e) payments by the Commonwealth Government under the Financial Agreements, Special Grants and Financial Assistance Acts, etc.; (f) Commonwealth National Welfare Fund payments; and (g) miscellaneous sources, comprising fines, fees, etc.

Of these sources, that yielding the largest revenue to the Consolidated Revenue Funds for the States as a whole in the year 1961–62 was Commonwealth payments under financial assistance and other grants (40.2 per cent. of the total revenue). Next in magnitude was the group of business undertakings (30.1 per cent.), the principal contributors being the government railways and tramways, followed by taxation receipts (16.1 per cent.). More than one-quarter of the total State taxation collections are not paid into Consolidated Revenue Funds, however, but into special funds (*see para. 3 (ii) (b) following*). Of the remaining sources of revenue, interest (n.e.i.) constituted 3.8 per cent., land revenue 2.0 per cent., and National Welfare Fund payments 1.4 per cent.

**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 1957–58 to 1961–62.

## STATE CONSOLIDATED REVENUE

Year	N.S.W.(a)	Vic.	Q'land	S. Aust.	W. Aust.	Tas.	Total
TOTAL REVENUE (£'000)							
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
1959-60 ..	262,533	168,310	103,103	76,077	64,388	25,099	699,510
1960-61 ..	282,364	185,101	108,817	81,979	69,333	27,795	755,389
1961-62 ..	295,612	196,309	117,325	89,102	74,926	31,293	804,567
PER HEAD OF POPULATION £ s. d.							
1957-58 ..	63 4 10	52 19 4	61 16 9	74 17 7	82 5 3	60 3 10	62 10 2
1958-59 ..	64 5 11	54 19 11	68 5 1	74 18 0	85 2 0	64 9 9	64 15 2
1959-60 ..	69 3 0	59 14 0	69 15 1	81 9 9	89 15 3	72 18 9	69 6 8
1960-61 ..	72 17 0	63 19 6	72 7 4	85 13 0	95 0 2	79 8 0	73 5 4
1961-62 ..	74 17 5	66 6 9	76 16 9	90 18 3	100 9 3	87 14 7	76 10 0

(a) See § 1, para. 2, p. 941, for transactions included.

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 1961-62 were as follows.

## STATE CONSOLIDATED REVENUE: SOURCES, 1961-62

Source of revenue	N.S.W. (a)	Vic.	Q'land	S. Aust.	W. Aust.	Tas. (b)	Total.
TOTAL REVENUE (£'000)							
Taxation(c) .. ..	47,051	43,383	15,266	12,575	6,568	4,347	129,190
Business undertakings .. ..	107,540	53,225	35,072	24,449	22,038	112	242,436
Lands .. ..	5,623	3,269	3,916	781	1,642	554	15,785
Interest, n.e.i. .. ..	2,522	7,196	5,040	7,520	3,000	5,145	30,423
Commonwealth grants(d)—							
Financial assistance .. ..	99,249	73,015	43,730	33,225	30,085	12,836	292,140
Other(e) .. ..	5,495	3,927	5,456	3,100	6,636	6,332	30,946
Commonwealth National							
Welfare Fund payments(f)	6,460	1,147	2,863	833	50	305	11,658
Miscellaneous .. ..	21,672	11,147	5,982	6,619	4,907	1,662	51,989
Total .. ..	295,612	196,309	117,325	89,102	74,926	31,293	804,567
PER HEAD OF POPULATION (£ s. d.)							
Taxation(c) .. ..	11 18 4	14 13 2	10 0 0	12 16 7	8 16 2	12 3 9	12 5 8
Business undertakings .. ..	27 4 9	17 19 9	22 19 5	24 18 11	29 11 0	0 6 3	23 1 0
Lands .. ..	1 8 6	1 2 1	2 11 4	0 16 0	2 4 0	1 11 1	1 10 0
Interest, n.e.i. .. ..	0 12 9	2 8 8	3 6 0	7 13 5	4 0 5	14 8 6	2 17 10
Commonwealth grants(d)—							
Financial assistance .. ..	25 2 9	24 13 6	28 12 9	33 18 0	40 6 9	35 19 9	27 15 7
Other(e) .. ..	1 7 10	1 6 6	3 11 5	3 3 3	8 17 11	17 15 0	2 18 11
Commonwealth National							
Welfare Fund payments(f)	1 12 9	0 7 9	1 17 6	0 17 0	0 1 4	0 17 1	1 2 2
Miscellaneous .. ..	5 9 9	3 15 4	3 18 4	6 15 1	6 11 8	4 13 2	4 18 10
Total .. ..	74 17 5	66 6 9	76 16 9	90 18 3	100 9 3	87 14 7	76 10 0

(a) See § 1, para. 2, p. 941.

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

(c) In all States, certain taxation collections are not paid into Consolidated Revenue Fund. For total collections see next page.

(d) Excludes Commonwealth payments paid to trust funds.

(e) Includes payments under Financial Agreement, special grants, financial assistance, grants to universities, etc.

(f) Consolidated Revenue Fund receipts only. Excludes payments to Trust Funds.

(ii) *Revenue from Taxation.* (a) *General.* In the tables on taxation collections in these paragraphs, 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 instead of under Stamp duties and Licences respectively.

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. From 1942-43 to 1958-59, the States were reimbursed by the Commonwealth for the revenue lost by the discontinuance of these taxes. Commencing with 1959-60, however, a new scheme for the payment of financial assistance to the States was instituted (for details see para. 10 (v), p. 933). 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.

(b) *Net Collections, 1961-62.* The following tables show, for the year 1961-62, details of the collections in each State from the various types of tax in operation, 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 present a comprehensive statement of all taxation collections by the government in each State.

**STATE REVENUE FROM TAXATION: TOTAL NET COLLECTIONS(a), 1961-62**  
(£'000)

Tax	N.S.W.	Victoria	Q'land	S. Aust.	W. Aust.	Tas.	Total
Motor—							
Registration fees and taxes ..	11,386	10,162	5,814	4,161	2,877	1,266	35,666
Drivers', etc., licences ..	1,478	520	320	388	313	118	3,137
Other ..	5,746	4,250	2,488	86	81	155	12,806
<i>Total</i> ..	<i>18,610</i>	<i>14,932</i>	<i>8,622</i>	<i>4,635</i>	<i>3,271</i>	<i>1,539</i>	<i>51,609</i>
Probate and succession duties ..	15,861	12,540	4,375	2,292	1,531	984	37,583
Stamp duties, n.e.i. ..	14,709	11,998	4,734	2,066	2,121	900	36,528
Land ..	9,285	7,406	1,762	2,388	1,272	547	22,660
Liquor ..	4,132	3,363	1,339	216	529	282	9,861
Lotteries ..	..	3,175	334	..	..	..	3,509
Racing ..	2,893	3,203	605	1,115	895	404	9,115
Entertainments ..	..	846	..	..	106	138	1,090
Poker machines licence fees ..	1,772	..	..	..	..	..	1,772
Licences, n.e.i. ..	171	356	207	102	98	10	944
Other ..	..	..	2,296	137	377	..	2,810
<i>Grand Total</i> ..	<i>67,433</i>	<i>57,819</i>	<i>24,274</i>	<i>12,951</i>	<i>10,200</i>	<i>4,804</i>	<i>177,481</i>

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

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

**STATE REVENUE FROM TAXATION: PAYMENTS INTO SPECIAL FUNDS,**  
1961-62  
(£'000)

Tax	N.S.W.	Victoria	Q'land	S. Aust.	W. Aust.	Tas.	Total
Motor ..	18,610	14,008	6,903	..	3,255	284	43,060
Stamp duties, n.e.i. ..	..	200	..	..	..	..	200
Liquor ..	..	170	..	..	..	..	170
Racing ..	..	..	..	376	..	173	549
Poker machines licence fees ..	1,772	..	..	..	..	..	1,772
Other ..	..	58	2,105	..	377	..	2,540
<i>Total</i> ..	<i>20,382</i>	<i>14,436</i>	<i>9,008</i>	<i>376</i>	<i>3,632</i>	<i>457</i>	<i>48,291</i>

The table hereunder shows, for the year 1961-62, the proportions of collections under individual classes of tax to the total taxation revenue.

**STATE REVENUE FROM TAXATION: PROPORTIONS OF INDIVIDUAL TAXES TO TOTAL, 1961-62**

(Per cent.)

Tax	N.S.W.	Vic.	Q'land	S. Aust.	W. Aust.	Tas.	Total
Motor .. ..	27.60	25.82	35.52	35.79	32.07	32.02	29.08
Probate and succession duties	23.52	21.69	18.02	17.70	15.00	20.49	21.17
Stamp duties, n.e.i. ..	21.81	20.75	19.50	15.95	20.80	18.73	20.58
Land .. ..	13.77	12.81	7.26	18.44	12.47	11.38	12.77
Liquor .. ..	6.13	5.82	5.52	1.66	5.18	5.88	5.56
Lotteries .. ..	..	5.49	1.38	..	..	..	1.98
Racing .. ..	4.29	5.54	2.49	8.61	8.78	8.41	5.13
Entertainments .. ..	..	1.46	..	..	1.04	2.88	0.61
Poker machines licence fees	2.63	..	..	..	..	..	1.00
Licences, n.e.i. ..	0.25	0.62	0.85	0.79	0.96	0.21	0.53
Other .. ..	..	..	9.46	1.06	3.70	..	1.59
<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>

(c) *Net Collections, 1957-58 to 1961-62.* 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 1957-58 to 1961-62, are shown in the following table.

**STATE REVENUE FROM TAXATION: TOTAL NET COLLECTIONS**

Year	N.S.W.	Vic.	Q'land	S. Aust.	W. Aust.	Tas.	Total
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**TOTAL NET COLLECTIONS**

(£'000)

1957-58 ..	48,552	40,177	17,371	10,173	7,761	4,086	128,120
1958-59 ..	54,006	42,845	18,509	10,576	7,655	4,307	137,898
1959-60 ..	61,451	51,713	22,913	11,522	9,014	4,428	161,041
1960-61 ..	63,580	55,946	22,701	12,102	9,518	4,581	168,428
1961-62 ..	67,433	57,819	24,274	12,951	10,200	4,804	177,481

**PER HEAD OF POPULATION**

(£ s. d.)

1957-58 ..	13 5 3	14 19 4	12 4 3	11 9 8	11 3 10	12 6 1	13 4 8
1958-59 ..	14 9 8	15 11 7	12 15 2	11 12 10	10 16 11	12 14 5	13 19 1
1959-60 ..	16 3 9	18 6 10	15 10 0	12 6 10	12 11 4	12 17 4	15 19 3
1960-61 ..	16 8 1	19 6 9	15 1 11	12 12 10	13 0 10	13 1 9	16 6 9
1961-62 ..	17 1 7	19 10 9	15 18 0	13 4 3	13 13 6	13 9 5	16 17 6

The following table shows, for the years 1957-58 to 1961-62, 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	1957-58	1958-59	1959-60	1960-61	1961-62
Motor .. .. .	37,586	41,973	46,527	48,926	51,609
Probate and succession duties .. .. .	25,680	27,177	33,991	33,878	37,583
Stamp duties, n.e.i. .. .. .	24,527	28,317	36,901	37,887	36,528
Land .. .. .	15,396	15,424	17,220	19,914	22,660
Liquor .. .. .	8,095	8,483	8,623	9,052	9,861
Lotteries .. .. .	3,602	3,434	3,444	3,610	3,509
Racing .. .. .	7,870	7,540	8,262	8,526	9,115
Entertainments .. .. .	1,982	1,846	1,609	1,421	1,090
Poker machines licence fees .. .. .	835	906	1,265	1,677	1,772
Licences n.e.i., and all other .. .. .	2,547	2,798	3,199	3,537	3,754
<b>Total .. .. .</b>	<b>128,120</b>	<b>137,898</b>	<b>161,041</b>	<b>168,428</b>	<b>177,481</b>

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

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

## STATE REVENUE FROM TAXATION: PAYMENTS INTO SPECIAL FUNDS

(£'000)

Tax	1957-58	1958-59	1959-60	1960-61	1961-62
Motor .. .. .	31,659	35,814	39,604	41,131	43,060
Stamp duties, n.e.i. .. .. .	188	220	225	209	200
Land .. .. .	100	..	..	..	..
Liquor .. .. .	219	168	193	182	170
Lotteries .. .. .	60	31	10	..	..
Racing .. .. .	573	521	544	571	549
Poker machines licence fees .. .. .	835	906	1,265	1,677	1,772
Other .. .. .	1,510	1,741	2,093	2,407	2,540
<b>Total .. .. .</b>	<b>35,144</b>	<b>39,401</b>	<b>43,934</b>	<b>46,177</b>	<b>48,291</b>

(iii) *Business Undertakings.* (a) 1961-62. 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 1961-62, the revenue from these sources was £242,436,000 or 30.1 per cent. of the revenue from all sources. Details of revenue are as follows.

## STATE REVENUE FROM BUSINESS UNDERTAKINGS, 1961-62

(£'000)

Source	N.S.W.	Vic.	Q'land	S. Aust.	W. Aust.	Tas.(a)	Total
Railways(b) .. .. .	88,351	42,983	35,072	14,081	16,825	..	197,312
Tramways and omnibuses .. .. .	12,543	..	..	..	..	..	12,543
Harbours, rivers, lights .. .. .	6,646	(c) 692	..	2,580	752	..	10,670
Water supply, sewerage, irrigation and drainage .. .. .	..	4,989	..	7,241	4,153	..	16,383
Electricity supply .. .. .	..	3,931	..	..	..	..	3,931
Other .. .. .	..	630	..	547	308	112	1,597
<b>Total .. .. .</b>	<b>107,540</b>	<b>53,225</b>	<b>35,072</b>	<b>24,449</b>	<b>22,038</b>	<b>112</b>	<b>242,436</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, £4,100,000.  
 (c) Includes Harbour Trust Fund contribution, £450,000.

(b) 1957-58 to 1961-62. 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. (a)	Total
TOTAL REVENUE (£'000)							
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
1959-60 ..	99,850	47,518	34,846	20,690	19,891	58	222,853
1960-61 ..	107,126	51,995	35,398	22,939	21,075	48	238,581
1961-62 ..	107,540	53,225	35,072	24,449	22,038	112	242,436
PER HEAD OF POPULATION (£ s. d.)							
1957-58 ..	24 18 0	16 5 10	24 0 0	23 9 0	25 11 10	..	21 8 10
1958-59 ..	24 14 5	16 16 5	24 4 4	22 7 0	26 7 7	..	21 10 1
1959-60 ..	26 6 0	16 17 1	23 11 6	22 3 3	27 14 7	0 3 4	22 1 9
1960-61 ..	27 12 9	17 19 5	23 10 10	23 19 4	28 17 7	0 2 9	23 2 10
1961-62 ..	27 4 9	17 19 9	22 19 5	24 18 11	29 11 0	0 6 3	23 1 0

(a) Tasmanian transport services are under the separate 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 1957-58 to 1961-62.

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

Source	1957-58	1958-59	1959-60	1960-61	1961-62
Railways, tramways and omnibuses .. ..	185,817	189,773	198,709	210,123	209,855
Harbour services .. ..	5,961	6,158	6,736	8,703	10,670
Water supply, sewerage, irrigation and drainage .. ..	11,835	12,315	12,922	14,995	16,383
Other .. ..	3,979	4,250	4,486	4,760	5,528
<b>Total .. ..</b>	<b>207,592</b>	<b>212,496</b>	<b>222,853</b>	<b>238,581</b>	<b>242,436</b>

For further information on the finances of the various types of business undertakings in the States, see Chapters XIV. Transport and Communication and XIX. Local Government of this Year Book.

(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 1961-62.

### STATE LAND REVENUE, 1961-62 (£'000)

Source	N.S.W.	Vic.	Q'land	S. Aust.	W. Aust.	Tas.	Total
Sales ..	666	265	..	155	58	14	1,158
Conditional purchases ..	207	..	..	10	136	..	353
Rentals(a) ..	3,402	671	3,636	237	320	47	8,313
Forestry ..	1,256	2,195	..	..	1,082	482	5,015
Other ..	92	138	280	379	46	11	946
<b>Total ..</b>	<b>5,623</b>	<b>3,269</b>	<b>3,916</b>	<b>781</b>	<b>1,642</b>	<b>554</b>	<b>15,785</b>

(a) Includes mining royalties, rents, etc.

The total land revenue for all States for the years 1957-58 to 1961-62 respectively was:—£15,050,000, £12,890,000, £14,324,000, £15,269,000 and £15,785,000.

(v) *Commonwealth Grants.* Commonwealth grants to the States represent a considerable proportion of the States' revenue. In 1961-62, the total amount (excluding sundry minor items) paid to the Consolidated Revenue Funds of the States was £323,086,000 (40.2 per cent.). Details were as follows:—contribution towards interest on States' debts under the Financial Agreement, £7,585,000; special grants to the States of Western Australia and Tasmania, £11,231,000; financial assistance, £292,140,000; additional assistance, £9,340,000; grants to universities, £2,370,000; and other grants, £420,000.

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 (£6,739,000 in 1961-62) paid to the National Debt Sinking Fund, grants for Commonwealth Aid Roads (£50,000,000 in 1961-62), and grants for universities (£11,791,000 in 1961-62) paid to State trust funds.

More detailed information concerning Commonwealth grants to the States is given on pages 930-6.

(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 1961-62, the total amount paid to State Consolidated Revenue Funds was £11,658,000 (1.4 per cent.). This amount was made up of hospital benefits, £4,068,000; pharmaceutical benefits, £2,178,000; milk for school children, £1,330,000; tuberculosis—reimbursement of maintenance expenditure, £4,035,000; other, £47,000.

(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 £30,423,000 in 1961-62, while miscellaneous revenue, which includes fines of the courts and fees for services, amounted to £51,989,000 in 1961-62.

## EXPENDITURE

1. *General.*—The principal heads of State expenditure from Consolidated Revenue Funds are:—(a) interest, exchange and debt redemption charges in connexion with 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 largest item of State government expenditure. In 1961-62, the working expenses of the railways, tramways and omnibuses were 24.8 per cent. of the total expenditure from the State Consolidated Revenue Funds; next in magnitude were education, 20.3 per cent.; debt charges, 17.0 per cent.; charitable, public health and hospitals, 14.1 per cent.; and law, order and public safety, 5.9 per cent.

As stated at the beginning of this division, figures relating to New South Wales represent the transactions of the Consolidated Revenue Fund and the business undertakings included in the annual budget papers. These undertakings are:—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.

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 1957-58 to 1961-62 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
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## TOTAL EXPENDITURE

(£'000)

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
1959-60	..	262,463	167,997	103,267	76,389	65,794	26,131	702,041
1960-61	..	282,701	184,932	109,435	80,791	70,537	27,993	756,389
1961-62	..	298,745	196,298	117,215	88,596	75,890	31,651	808,395

## PER HEAD OF POPULATION

(£ s. d.)

1957-58	..	63	4	7	54	3	4	62	18	0	75	6	7	83	17	8	62	12	9	63	4	7
1958-59	..	64	5	9	55	18	5	69	1	6	76	0	6	87	9	8	67	3	4	65	10	0
1959-60	..	69	2	8	59	11	7	69	17	3	81	16	4	91	14	5	75	18	9	69	11	8
1960-61	..	72	18	9	63	18	3	72	15	6	84	8	2	96	13	2	79	19	3	73	7	3
1961-62	..	75	13	3	66	6	8	76	15	3	90	7	11	101	15	1	88	14	9	76	17	4

(a) See para. 1, p. 947, for transactions included.

3. Details of Expenditure.—(i) 1961-62. The following tables show the total expenditure and expenditure per head of population for each of the principal items.

## STATE EXPENDITURE: DETAILS, 1961-62

Particulars	N.S.W.(a)	Vic.	Q'land	S. Aust.	W. Aust.	Tas.(b)	Total
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## TOTAL EXPENDITURE

(£'000)

Debt (interest, exchange, debt redemption, etc.) ..	38,800	35,266	18,587	21,300	14,246	9,256	137,455
Railways ..	74,992	40,482	37,172	14,270	17,289	1,405	185,610
Tramways and omnibuses ..	13,570	..	..	..	642	360	14,572
Harbours and rivers, etc. ..	5,031	633	..	1,456	774	28	7,922
Water supply, sewerage irrigation and drainage ..	..	4,043	..	4,951	3,377	269	12,640
Other business and industrial undertakings ..	..	854	14	239	1,547	85	2,739
Education ..	63,603	44,721	19,207	16,952	12,923	6,523	163,929
Health and charitable ..	40,742	28,963	19,054	10,793	10,504	4,304	114,360
Justice ..	4,528	2,533	1,487	620	530	313	10,011
Police ..	10,905	8,255	4,825	2,660	2,081	1,078	29,804
Penal establishments ..	2,652	1,293	511	649	479	273	5,857
Public safety ..	748	22	529	115	179	79	1,672
All other expenditure ..	43,174	29,233	15,829	14,591	11,319	7,678	121,824
Total .. ..	298,745	196,298	117,215	88,596	75,890	31,651	808,395

(a) See para. 1, p. 947, for transactions included. (b) Tasmanian transport services are under the separate control of the Transport Commission. Figures shown for relevant items represent payments to the Commission.

## STATE EXPENDITURE: DETAILS, 1961-62—continued

Particulars	N.S.W. (a)	Vic.	Q'land	S. Aust.	W. Aust.	Tas.(b)	Total
PER HEAD OF POPULATION (£ s. d.)							
Debt (interest, exchange, debt redemption, etc.)	9 16 6	11 18 4	12 3 5	21 14 8	19 2 0	25 19 0	13 1 4
Railways	18 19 11	13 13 7	24 6 11	14 11 2	23 3 7	3 18 10	17 12 11
Tramways and omnibuses	3 8 9	..	..	..	0 17 2	1 0 2	1 7 9
Harbours and rivers, etc.	1 5 6	0 4 3	..	1 9 9	1 0 9	0 1 6	0 15 1
Water supply, sewerage, irrigation and drainage	..	1 7 4	..	5 1 0	4 10 7	0 15 1	1 4 0
Other business and industrial undertakings	..	0 5 9	0 0 2	0 4 11	2 1 6	0 4 10	0 5 2
Education	16 2 2	15 2 3	12 11 7	17 5 11	17 6 7	18 5 9	15 11 9
Health and charitable	10 6 5	9 15 9	12 9 7	11 0 3	14 1 8	12 1 4	10 17 8
Justice	1 2 11	0 17 1	0 19 6	0 12 8	0 14 2	0 17 7	0 19 0
Police	2 15 3	2 15 10	3 3 2	2 14 3	2 15 10	3 0 5	2 16 8
Penal establishments	0 13 5	0 8 9	0 6 8	0 13 3	0 12 10	0 15 4	0 11 2
Public safety	0 3 9	0 0 2	0 6 11	0 2 4	0 4 10	0 4 5	0 3 2
All other expenditure	10 18 8	9 17 7	10 7 4	14 17 9	15 3 7	21 10 6	11 11 8
Total	75 13 3	66 6 8	76 15 3	90 7 11	101 15 1	88 14 9	76 17 4

(a) See para. 1, p. 947, for transactions included.

(b) Tasmanian transport services are under the separate control of the Transport Commission. Figures shown for relevant items represent payments to the Commission.

For further information on the finances of the various types of business undertakings in the States, see Chapters XIV. Transport and Communication and XIX. Local Government of this Year Book.

(ii) 1957-58 to 1961-62. 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	1957-58	1958-59	1959-60	1960-61	1961-62
Debt (interest, exchange, debt redemption, etc.)	97,123	105,051	116,850	125,217	137,455
Railways, tramways and omnibuses (working expenses)	185,083	182,958	193,282	198,779	200,182
Harbours and rivers, etc.	4,537	4,354	4,786	6,313	7,922
Water supply, sewerage, irrigation and drainage	9,498	9,500	10,976	11,211	12,640
Other business and industrial undertakings	4,701	3,977	2,688	2,764	2,739
Education	104,702	116,546	130,641	149,348	163,929
Health and charitable	84,449	92,057	99,406	105,994	114,360
Justice	7,099	7,602	8,435	9,449	10,011
Police	22,276	23,888	25,904	28,139	29,804
Penal establishments	4,084	4,340	4,676	5,311	5,857
Public safety	1,118	1,371	1,262	1,418	1,672
All other expenditure	87,530	95,632	103,135	112,446	121,824
Total	612,200	647,276	702,041	756,389	808,395

## SURPLUS REVENUE

The following table shows for each of the years 1957-58 to 1961-62 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)							
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
1959-60 ..	70	313	- 164	- 312	-1,406	-1,032	-2,531
1960-61 ..	- 337	169	- 618	1,188	-1,204	- 198	-1,000
1961-62 ..	-3,133	11	110	506	- 964	- 358	-3,828

## PER HEAD OF POPULATION

(£ s. d.)

1957-58 ..	0	0	3	-1	4	0	-1	1	3	-0	9	0	-1	12	5	-2	8	11	-0	14	5
1958-59 ..	0	0	2	-0	18	6	-0	16	5	-1	2	6	-2	7	8	-2	13	7	-0	14	10
1959-60 ..	0	0	4	0	2	5	-0	2	2	-0	6	7	-1	19	2	-3	0	0	-0	5	0
1960-61 ..	-0	1	9	0	1	3	-0	8	2	1	4	10	-1	13	0	-0	11	3	-0	1	11
1961-62 ..	-0	15	10	0	0	1	0	1	6	0	10	4	-1	5	10	-1	0	2	-0	7	6

(a) See para. 1, p. 947.

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 1958 to 1962 were as follows.

## STATE TRUST FUND BALANCES

(£'000)

At 30th June—	N.S.W.(a)	Vic.	Q'land	S. Aust.	W. Aust.	Tas.	Total
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
1960 .. ..	62,686	44,183	56,022	5,742	18,102	1,930	188,665
1961 .. ..	65,186	50,285	59,569	6,701	20,706	1,265	203,712
1962 .. ..	69,944	52,842	65,541	6,187	19,540	2,143	216,197

(a) Special Deposits Account and Special Accounts.

## § 4. State Loan Funds

1. *General.*—State public borrowing is due mainly to the fact that the State governments, in addition to ordinary administrative duties, undertake functions such as the construction and operation of the railway systems, which in other countries are usually entrusted to local authorities or left to private enterprise. 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 debt thus consists chiefly of moneys raised and expended with the object of assisting the development of the resources of the country, and is 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 the bulletin *Finance, Part I.—Public and Private Finance*. 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) 1961–62. Particulars of gross loan expenditure on works, services, etc., are shown in the following table.

STATE GROSS LOAN EXPENDITURE ON WORKS, SERVICES, ETC., 1961–62  
(£'000)

Particulars	N.S.W.	Vic.(a)	Q'land	S. Aust.	W. Aust.	Tas.	Total
<b>Public Works and Services—</b>							
Railways ..	8,750	7,664	6,035	2,448	3,475	185	28,557
Tramways and omnibuses ..	70				307	59	436
Roads ..	959	790	1,232	200			
Bridges ..		390					
Harbours and rivers ..	4,335	417	—4	1,447	1,591	2,034	13,391
Lights and lighthouses ..							
Water supply ..	8,868	7,956	1,649	9,004	3,550	872	35,195
Sewerage ..		412		2,099	785		
Electricity supply ..	8,200	7,000	19	2,300	180	6,814	24,513
Gas supply ..		70					70
Public buildings ..	26,209	22,638	9,223	8,609	6,303	3,671	76,653
Loans and grants to local bodies ..	280	666	3,924		302	180	5,352
Housing(b) ..	400	710	2,690	800	1,351	62	6,013
Other public works, etc. ..	177	194		168	609	590	1,738
<b>Primary Production—</b>							
Soldier settlement ..	99	296	—349				46
Land for settlement ..	809	1,524	301	19		150	2,803
Advances to settlers ..		39		560		329	928
Water conservation ..	6,258		2,430	149			
Irrigation and drainage ..				814	988		10,639
Vermin-proof fencing ..		1	30	(c)			31
Agriculture ..	200		2		296		498
Agricultural Bank ..			1,339		229		1,568
Forestry ..	600	915	2,058	1,204	125	350	5,252
Mines and mineral resources ..	736	79	90	532	121		1,558
Other ..	570	862		21	5	26	1,484
<b>Other Purposes ..</b>		(d) 794	19	281	556	773	2,423
<b>Total, Public Works, Services, etc. ..</b>	<b>67,520</b>	<b>53,417</b>	<b>30,688</b>	<b>30,655</b>	<b>20,773</b>	<b>16,095</b>	<b>219,148</b>
<b>Per head of population ..</b>	<b>£17 2 0</b>	<b>£18 1 0</b>	<b>£20 1 11</b>	<b>£31 5 7</b>	<b>£27 17 1</b>	<b>£45 2 6</b>	<b>£20 16 9</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) Included in item Advances to settlers. (d) Includes Rural Finance Corporation, for advances to rural industries, £661,000.

NOTE.—The negative amounts shown for Queensland represent transfers of liability on account of expenditure incurred in earlier years. The amounts involved have been debited against the item Loans and grants to local bodies, and included in the expenditure shown for 1961–62.

(ii) 1957-58 to 1961-62. Particulars of gross loan expenditure on works, etc., for these years are shown in the following table.

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

Year	N.S.W.	Vic.(a)	Q'land	S. Aust.	W. Aust.	Tas.	Total
GROSS LOAN EXPENDITURE (£'000)							
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
1959-60 ..	63,651	49,491	29,362	28,245	18,016	14,470	203,235
1960-61 ..	65,182	51,705	29,686	31,385	19,353	16,767	214,078
1961-62 ..	67,520	53,417	30,688	30,655	20,773	16,095	219,148
PER HEAD OF POPULATION (£ s. d.)							
1957-58 ..	15 14 8	15 7 8	16 6 1	27 19 2	22 18 11	32 15 5	17 18 10
1958-59 ..	16 2 1	16 3 1	18 5 10	30 0 3	25 1 2	37 19 6	19 2 1
1959-60 ..	16 15 4	17 11 0	19 17 4	30 5 1	25 2 4	42 1 0	20 2 10
1960-61 ..	16 16 4	17 17 5	19 14 10	32 15 10	26 10 5	47 17 11	20 15 3
1961-62 ..	17 2 0	18 1 0	20 1 11	31 5 7	27 17 1	45 2 6	20 16 9

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

The tables above do not include particulars of expenditure on loan discounts and flotations, the funding of deficits, the retirement of treasury bills, and similar items of a nature other than works, services, etc. Summaries of the gross and net expenditure and repayments in respect of all loan purposes for the years 1959-60 to 1961-62 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, 1959-60 to 1961-62.

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

Particulars	N.S.W.	Vic.	Q'land	S. Aust.	W. Aust.	Tas.	Total
1959-60							
Works and services—							
Gross expenditure ..	63,651	49,491	29,362	28,245	18,016	14,470	203,235
Net expenditure ..	57,966	43,674	22,223	25,149	16,252	13,208	178,472
Repayments ..	5,685	5,817	7,139	3,096	1,764	1,262	24,763
Other than works, etc.(a)—							
Gross expenditure ..	—1,166	1,670	..	40	1,082	95	1,721
Net expenditure ..	—1,166	1,670	..	..	1,017	14	2,115
Repayments ..	..	..	—580	40	(b) 65	81	—394
Total Loan Expenditure—							
Gross ..	62,485	51,161	29,362	28,285	19,098	14,565	204,956
Net ..	56,800	45,344	22,803	25,149	17,269	13,222	180,587
Repayments ..	5,685	5,817	6,559	3,136	1,829	1,343	24,369
1960-61							
Works and services—							
Gross expenditure ..	65,182	51,705	29,686	31,385	19,353	16,767	214,078
Net expenditure ..	60,076	48,588	23,853	26,543	17,709	15,185	191,954
Repayments ..	5,106	3,117	5,833	4,842	1,644	1,582	22,124
Other than works, etc.(a)—							
Gross expenditure ..	—2,739	—2,331	..	71	—107	166	—4,940
Net expenditure ..	—2,739	—2,331	650	..	—174	120	—4,474
Repayments ..	..	..	—650	71	(b) 67	46	—466
Total Loan Expenditure—							
Gross ..	62,443	49,374	29,686	31,456	19,246	16,933	209,138
Net ..	57,337	46,257	24,503	26,543	17,535	15,305	187,480
Repayments ..	5,106	3,117	5,183	4,913	1,711	1,628	21,658

For footnotes, see next page.



STATE LOAN EXPENDITURE: SUMMARY—*continued*

(£'000)

Particulars	N.S.W.	Vic.	Q'land	S. Aust.	W. Aust.	Tas.	Total
1961-62							
Works and services—							
Gross expenditure ..	67,520	53,417	30,688	30,655	20,773	16,095	219,148
Net expenditure ..	62,198	50,461	24,831	26,282	18,876	14,950	197,598
Repayments ..	5,322	2,956	5,857	4,373	1,897	1,145	21,550
Other than works, etc.(a)—							
Gross expenditure ..	-1,410	-1,144	..	33	181	165	-2,175
Net expenditure ..	-1,410	-1,144	670	-695	128	94	-2,357
Repayments ..	..	..	-670	728	(b) 53	71	182
Total Loan Expenditure—							
Gross ..	66,110	52,273	30,688	30,688	20,954	16,260	216,973
Net ..	60,788	49,317	25,501	25,587	19,004	15,044	195,241
Repayments ..	5,322	2,956	5,187	5,101	1,950	1,216	21,732

(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 government securities on issue on behalf of the States is given in the division on Government Securities on Issue: Commonwealth and States (*see* p. 957).

## COMMONWEALTH AND STATE FINANCE

1. Revenue and Expenditure.—(i) *Consolidated Revenue Funds.* The following table shows the aggregate revenue and expenditure of the Consolidated Revenue Funds of the Commonwealth and States for each of the years 1957-58 to 1961-62. In the table, 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 up to 1958-59, and financial assistance grants in 1959-60 to 1961-62, interest under the Financial Agreement, special grants, special financial assistance, coal strike emergency grants, price control reimbursements, grants to universities, cattle tick control, *Tuberculosis Act* 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		
	Common- wealth	States	Total	Common- wealth	States	Total
	£'000.	£'000.	£m.	£'000.	£'000.	£m.
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
1960 .. ..	1,438,286	699,510	1,857.3	1,438,286	702,041	1,859.8
1961 .. ..	1,638,279	755,389	2,085.3	1,638,279	756,389	2,086.3
1962 .. ..	1,641,542	804,567	2,102.6	1,641,542	808,395	2,106.4

(ii) *Loan Expenditure.* The aggregate gross loan expenditures of the Commonwealth and States on works and services for the years 1957-58 to 1961-62 are shown in the following table.

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

Gross loan expenditure	1957-58	1958-59	1959-60	1960-61	1961-62
Commonwealth(b) .. ..	45,174	86,190	59,650	41,692	91,195
State .. ..	173,693	188,814	203,235	214,078	219,148
<b>Total .. ..</b>	<b>218,867</b>	<b>275,004</b>	<b>262,885</b>	<b>255,770</b>	<b>310,343</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.

2. Taxation.—The following table shows the combined Commonwealth and State taxation collections, and the amount per head of population, for the years 1957-58 to 1961-62. Taxation collections by the State governments which are not paid into the Consolidated Revenue Funds are included.

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

Particulars	1957-58	1958-59	1959-60	1960-61	1961-62
<b>NET COLLECTIONS</b> (£'000)					
Customs and excise duties .. ..	303,051	307,925	336,492	359,194	350,805
Sales tax .. ..	137,777	143,617	164,185	173,040	148,824
Land tax .. ..	15,407	15,424	17,220	19,914	22,660
Pay-roll tax .. ..	48,552	49,619	55,162	61,260	60,972
Income taxes .. ..	650,452	608,675	671,302	807,273	828,150
Probate and succession duties .. ..	39,477	40,486	47,744	48,685	54,612
Stamp duties, n.e.i. .. ..	24,527	28,317	36,901	37,887	36,528
Motor taxes .. ..	37,586	41,973	46,527	48,926	51,609
Liquor taxes .. ..	8,095	8,483	8,623	9,052	9,861
Racing .. ..	7,870	7,540	8,262	8,526	9,115
Entertainments tax .. ..	1,982	1,846	1,609	1,421	1,090
Licences n.e.i., and other taxes .. ..	14,877	17,291	16,804	18,489	19,779
<b>Total—</b>					
Commonwealth .. ..	1,161,533	1,133,298	1,249,790	1,425,239	1,416,524
States .. ..	128,120	137,898	161,041	168,428	177,481
<b>Grand Total .. ..</b>	<b>1,289,653</b>	<b>1,271,196</b>	<b>1,410,831</b>	<b>1,593,667</b>	<b>1,594,005</b>

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

Customs and excise duties .. ..	31 2 2	30 19 1	33 2 2	34 11 3	33 1 6
Sales tax .. ..	14 2 11	14 8 9	16 3 1	16 13 0	14 0 8
Land tax .. ..	1 11 8	1 11 0	1 13 11	1 18 4	2 2 9
Pay-roll tax .. ..	4 19 8	4 19 9	5 8 7	5 17 11	5 15 0
Income taxes .. ..	66 15 3	61 3 8	66 0 11	77 13 10	78 1 8
Probate and succession duties .. ..	4 1 0	4 1 5	4 13 11	4 13 9	5 3 0
Stamp duties, n.e.i. .. ..	2 10 4	2 16 11	3 12 7	3 12 11	3 8 11
Motor taxes .. ..	3 17 2	4 4 5	4 11 6	4 14 2	4 17 4
Liquor taxes .. ..	0 16 7	0 17 0	0 17 0	0 17 5	0 18 7
Racing .. ..	0 16 2	0 15 2	0 16 3	0 16 5	0 17 2
Entertainments tax .. ..	0 4 1	0 3 8	0 3 2	0 2 8	0 2 0
Licences n.e.i., and other taxes .. ..	1 10 6	1 14 9	1 13 1	1 15 7	1 17 3
<b>Total—</b>					
Commonwealth .. ..	119 4 6	113 18 4	122 19 3	137 3 1	133 10 11
States .. ..	13 4 8	13 19 1	15 19 3	16 6 9	16 17 6
<b>Grand Total .. ..</b>	<b>132 7 6</b>	<b>127 15 7</b>	<b>138 16 2</b>	<b>153 7 3</b>	<b>150 5 10</b>

(a) For separate details of Commonwealth and State taxation collections, see pp. 915-22 and 943-5.

**GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATES**

**NOTE.**—For the following reasons, Government Securities on Issue, as set out in the tables in this division, may not be aggregated without adjustment to indicate what is sometimes described as the “public debt” or “net public debt” of the Commonwealth and State governments.

There are forms of debt not evidenced by the issue of securities. Again, some of the securities included in the tables are held by the governments themselves. For example, a State government may hold temporarily, or even for long periods, securities issued by the Commonwealth government. The Commonwealth government itself, through such institutions as the National Debt Commission, or through the Trust Funds, holds large investments in securities issued, either directly by itself or on behalf of the States. In addition, some of the securities issued on behalf of the States and held by the Commonwealth government represent the proceeds of overseas loans, securities for which were issued directly by the Commonwealth government. From the point of view of the aggregate net debt of the Commonwealth and the States, it would thus involve duplication if the sum of the securities on issue were to be regarded as representing the “net public debt”.

**§ 1. General**

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

In the statistical tables relating to government securities, details of securities on issue, annual interest liability and average rate of interest liability, except in § 3, paras. 3 and 4, are shown in the currencies in which they are repayable or payable respectively. Australian currency equivalents for overseas loans have been calculated using the rates of exchange ruling at 30th June in each year shown. Rates of exchange to £A. at 30th June, 1962, were as follows:—£Sterling, 0.8000; United States dollars, 2.2400; Canadian dollars, 2.4216; Swiss francs, 9.7955; Netherlands guilders, 8.1088; German Deutsche marks, 8.9600.

**§ 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. 685–90). 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 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 securities issued on behalf 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 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; borrow from the public by means of counter sales of securities; and 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 Government Securities.**—The Commonwealth took over on 1st July, 1929, securities issued by each State existing on 30th June, 1927; and all other

securities 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 securities 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 redemption on so much of the securities 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 securities. The balance of the interest payable on the State securities is paid to the Commonwealth by the States.

7. **Sinking Fund.**—(i) *State Securities existing at 30th June, 1927.* A sinking fund at the rate of 7s. 6d. per annum for each £100 of the securities 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 securities of the States existing at 30th June, 1927, and each State contributes annually 5s. per £100 on its securities 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 sub-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 688–9.

(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 securities 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 Securities on Issue.* Sinking fund contributions in respect of overseas securities 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. Government Securities on Issue: Commonwealth and States

1. Government Securities on Issue, Annual Interest Payable and Average Rate of Interest, 30th June, 1962.—In the following tables, details are given of government securities on issue on account of the Commonwealth and States, annual interest payable and average rate of interest at 30th June, 1962.

GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATES,  
30th JUNE, 1962

Particulars	Currency in which repayable							Total— Aus- tralian currency equiva- lent(a)
	Aus- tralian currency	Sterling	United States dollars	Can- adian dollars	Swiss francs	Nether- lands guilders	German Deutsche marks	
	£A.'000	£Stg.'000	U.S. \$ '000	Can. \$ '000	Sw. fr. '000	f.'000	D.M. '000	£A.'000
For Commonwealth purposes—								
War .. .. .	837,044	13,188						853,530
Works .. .. .	443,430	62,000	315,617	51,627	209,658	7,150	6,355	706,145
<i>Total, Commonwealth</i> .. .. .	<i>1,280,474</i>	<i>75,188</i>	<i>315,617</i>	<i>51,627</i>	<i>209,658</i>	<i>7,150</i>	<i>6,355</i>	<i>1,559,675</i>
On account of States—								
New South Wales .. .. .	850,495	111,274	75,366	5,278	15,833	10,383	..	1,028,308
Victoria .. .. .	623,203	41,105	39,434	4,244	12,732	8,346	..	696,270
Queensland .. .. .	311,654	44,474	30,425	2,130	6,391	4,250	..	382,885
South Australia .. .. .	340,008	31,570	19,512	2,258	6,774	4,191	..	390,323
Western Australia .. .. .	243,425	30,412	14,273	1,621	4,863	3,264	..	289,380
Tasmania .. .. .	179,915	7,326	8,691	1,234	3,703	2,416	..	194,139
<i>Total, States</i> .. .. .	<i>2,548,700</i>	<i>266,161</i>	<i>187,701</i>	<i>16,765</i>	<i>50,296</i>	<i>32,850</i>	<i>..</i>	<i>2,981,305</i>
Total, Commonwealth and States—								
Stock and bonds .. .. .	3,343,916	337,108	267,364	32,386	240,000	40,000	..	3,927,468
Treasury Bills, Internal .. .. .	240,900	..	..	..	..	..	..	240,900
Treasury Bills, Public .. .. .	208,000	..	..	..	..	..	..	208,000
International Bank Loans .. .. .	..	..	191,664	36,006	19,954	..	6,355	103,179
Commonwealth notes .. .. .	..	..	44,290	..	..	..	..	19,773
Debentures .. .. .	31,465	..	..	..	..	..	..	31,465
Balance of securities of States taken over by Commonwealth and still represented by State securities .. .. .	..	4,241	..	..	..	..	..	5,302
Other .. .. .	4,893	..	..	..	..	..	..	4,893
<b>Grand Total—</b>								
Currencies in which Re- payable .. .. .	3,829,174	341,349	503,318	68,392	259,954	40,000	6,355	..
Australian Currency Equi- valents (a) .. .. .	3,829,174	426,687	224,696	28,243	26,538	4,933	709	4,540,980

(a) For rates of exchange to £A. ruling at 30th June, 1962, see p. 955.

GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATES—  
ANNUAL INTEREST PAYABLE, 30th JUNE, 1962

Particulars	Currency in which payable							Total— Aus- tralian currency equiva- lent(a)
	Aus- tralian currency	Sterling	United States dollars	Can- adian dollars	Swiss francs	Nether- lands guilders	German Deutsche marks	
	£A.'000	£Stg.'000	U.S. \$ '000	Can. \$ '000	Sw. fr. '000	f.'000	D.M. '000	A.'000
For Commonwealth purposes—								
War .. .. .	24,875	454						25,442
Works .. .. .	17,770	2,932	15,053	2,380	8,675	357	302	30,103
<i>Total, Commonwealth</i> .. .. .	<i>42,645</i>	<i>3,386</i>	<i>15,053</i>	<i>2,380</i>	<i>8,675</i>	<i>357</i>	<i>302</i>	<i>55,545</i>
On account of States—								
New South Wales .. .. .	37,333	4,676	3,586	304	712	519	..	45,042
Victoria .. .. .	28,014	1,701	1,926	244	573	417	..	31,211
Queensland .. .. .	13,595	1,610	1,393	122	287	213	..	16,335
South Australia .. .. .	15,218	1,067	949	130	305	210	..	17,086
Western Australia .. .. .	10,817	1,003	685	93	219	163	..	12,457
Tasmania .. .. .	7,937	271	437	71	167	121	..	8,532
<i>Total, States</i> .. .. .	<i>112,914</i>	<i>10,328</i>	<i>8,976</i>	<i>964</i>	<i>2,263</i>	<i>1,643</i>	<i>..</i>	<i>130,663</i>
<b>Grand Total</b> .. .. .	<b>155,559</b>	<b>13,714</b>	<b>24,029</b>	<b>3,344</b>	<b>10,938</b>	<b>2,000</b>	<b>302</b>	<b>186,208</b>

(a) For rates of exchange to £A. ruling at 30th June, 1962, see p. 955.

**GOVERNMENT SECURITIES ON ISSUE : COMMONWEALTH AND STATES—  
ANNUAL INTEREST PAYABLE, 30TH JUNE, 1962—continued**

Particulars	Currency in which payable							Total— Aus- tralian currency equiva- lent(a)
	Aus- tralian currency	Sterling	United States dollars	Can- adian dollars	Swiss francs	Nether- lands guilders	German Deutsche marks	
AVERAGE RATE OF INTEREST LIABILITY								
(Per cent.)								
For Commonwealth purposes—								
War .. .. .	2.97	3.44						2.98
Works .. .. .	4.01	4.73	4.77	4.61	4.14	5.00	4.75	4.26
<i>Total, Commonwealth</i> ..	<i>3.33</i>	<i>4.50</i>	<i>4.77</i>	<i>4.61</i>	<i>4.14</i>	<i>5.00</i>	<i>4.75</i>	<i>3.56</i>
On account of States—								
New South Wales .. .. .	4.39	4.20	4.76	5.75	4.50	5.00	..	4.38
Victoria .. .. .	4.50	4.14	4.88	5.75	4.50	5.00	..	4.48
Queensland .. .. .	4.36	3.62	4.58	5.75	4.50	5.00	..	4.27
South Australia .. .. .	4.48	3.38	4.90	5.75	4.50	5.00	..	4.38
Western Australia .. .. .	4.44	3.30	4.80	5.75	4.50	5.00	..	4.30
Tasmania .. .. .	4.43	3.70	5.03	5.75	4.50	5.00	..	4.39
<i>Total, States</i> .. .. .	<i>4.43</i>	<i>3.88</i>	<i>4.79</i>	<i>5.75</i>	<i>4.50</i>	<i>5.00</i>	..	<i>4.38</i>
<b>Grand Total</b> .. .. .	<b>4.06</b>	<b>4.02</b>	<b>4.78</b>	<b>4.89</b>	<b>4.21</b>	<b>5.00</b>	<b>4.75</b>	<b>4.10</b>

(a) For rates of exchange to £A. ruling at 30th June, 1962, see p. 955.

**2. Government Securities on Issue, Annual Interest Payable and Average Rate of Interest 30th June, 1958 to 1962.**—In the following tables details are given of government securities on issue and annual interest payable, including the average rate of interest, at 30th June, 1958 to 1962.

**GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATES**

Particulars	30th June—				
	1958	1959	1960	1961	1962
For Commonwealth purposes—					
Australian currency .. £A.'000	1,589,204	1,496,354	1,378,574	1,326,454	1,280,474
Sterling .. £Stg.'000	61,665	64,040	75,820	75,339	75,188
United States dollars U.S. \$'000	291,913	311,862	333,049	317,812	315,617
Canadian dollars Can. \$'000	50,904	50,911	50,328	51,933	51,627
Swiss francs .. Sw. fr.'000	144,518	148,166	205,794	210,657	209,658
Netherlands guilders .. f.'000	..	..	..	..	7,150
German Deutsche marks D.M.'000	..	12,337	8,369	6,355	6,355
<i>Total, Commonwealth—Australian Currency Equivalent(a) £A.'000</i>	<i>1,835,042</i>	<i>1,755,822</i>	<i>1,666,863</i>	<i>1,607,328</i>	<i>1,559,675</i>
On account of States—					
Australian currency .. £A.'000	1,964,954	2,093,752	2,244,605	2,389,864	2,548,700
Sterling .. £Stg.'000	256,755	267,865	267,105	266,691	266,161
United States dollars U.S. \$'000	127,614	146,008	161,538	178,256	187,701
Canadian dollars Can. \$'000	..	..	..	16,765	16,765
Swiss francs .. Sw. fr.'000	..	..	..	50,296	50,296
Netherlands guilders .. f.'000	..	..	..	..	32,850
<i>Total, States—Australian Currency Equivalents(a) £A.'000</i>	<i>2,342,869</i>	<i>2,493,766</i>	<i>2,650,601</i>	<i>2,815,240</i>	<i>2,981,305</i>
<b>Total, Commonwealth and States— Australian Currency Equivalents(a) £A.'000</b>	<b>4,177,911</b>	<b>4,249,588</b>	<b>4,317,464</b>	<b>4,422,568</b>	<b>4,540,980</b>

(a) For rates of exchange to £A. ruling at 30th June, 1962, see p. 955.

GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATES—  
ANNUAL INTEREST PAYABLE

Particulars	30th June—				
	1958	1959	1960	1961	1962
AMOUNT					
Commonwealth purposes—					
Australian currency .. £A.'000	47,133	45,700	43,556	43,277	42,645
Sterling .. £Stg.'000	2,193	2,327	2,980	3,395	3,386
United States dollars U.S. \$'000	12,956	13,946	15,184	14,570	15,053
Canadian dollars Can. \$'000	2,300	2,302	2,279	2,388	2,380
Swiss francs .. Sw. fr.'000	5,748	5,922	8,514	8,723	8,675
Netherlands guilders .. f.'000	..	..	..	..	357
German Deutsche marks D.M.'000	..	586	398	302	302
<i>Total, Commonwealth—Australian Currency Equivalents(a) £A.'000</i>	<i>57,314</i>	<i>56,576</i>	<i>56,009</i>	<i>55,987</i>	<i>55,545</i>
On account of States—					
Australian currency .. £A.'000	78,189	84,746	93,252	104,072	112,914
Sterling .. £Stg.'000	8,821	9,859	9,832	10,355	10,328
United States dollars U.S. \$'000	5,180	6,124	6,989	7,900	8,976
Canadian dollars Can. \$'000	..	..	..	964	964
Swiss francs .. Sw. fr.'000	..	..	..	2,263	2,263
Netherlands guilders .. f.'000	..	..	..	..	1,643
<i>Total, States—Australian Currency Equivalents(a) £A.'000</i>	<i>91,528</i>	<i>99,804</i>	<i>108,662</i>	<i>121,194</i>	<i>130,663</i>
<i>Total, Commonwealth and States—Australian Currency Equivalents(a) £A.'000</i>	<i>148,842</i>	<i>156,380</i>	<i>164,671</i>	<i>177,181</i>	<i>186,208</i>

## AVERAGE RATE (PER CENT.) OF INTEREST PAYABLE

For Commonwealth Purposes—					
Australian currency .. ..	2.97	3.05	3.16	3.26	3.33
Sterling .. ..	3.56	3.63	3.93	4.51	4.50
United States dollars .. ..	4.44	4.47	4.56	4.58	4.77
Canadian dollars .. ..	4.52	4.52	4.53	4.60	4.61
Swiss francs .. ..	3.98	4.00	4.14	4.14	4.14
Netherlands guilders .. ..	..	..	..	..	5.00
German Deutsche marks .. ..	..	4.75	4.75	4.75	4.75
<i>Total Commonwealth—Australian Currency Equivalents(a) ..</i>	<i>3.12</i>	<i>3.22</i>	<i>3.36</i>	<i>3.48</i>	<i>3.56</i>
On accounts of States—					
Australian currency .. ..	3.98	4.05	4.15	4.35	4.43
Sterling .. ..	3.44	3.68	3.68	3.88	3.88
United States dollars .. ..	4.06	4.19	4.33	4.43	4.79
Canadian dollars .. ..	..	..	..	5.75	5.75
Swiss francs .. ..	..	..	..	4.50	4.50
Netherlands guilders .. ..	..	..	..	..	5.00
<i>Total, States—Australian Currency Equivalents(a) ..</i>	<i>3.91</i>	<i>4.00</i>	<i>4.10</i>	<i>4.30</i>	<i>4.38</i>
<i>Total, Commonwealth and States—Australian Currency Equivalents(a)</i>	<i>3.56</i>	<i>3.68</i>	<i>3.81</i>	<i>4.01</i>	<i>4.10</i>

(a) For rates of exchange to £A. ruling at 30th June, 1962, see p. 955.

3. Government Securities on Issue and Annual Interest Payable, 30th June, 1962—  
Australian Currency.—In the following tables, details, including per capita figures, are shown in Australian currency equivalents calculated at rates of exchange ruling at 30th June, 1962.

**GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATES,  
30th JUNE, 1962—AUSTRALIAN CURRENCY**

Particulars	Currency in which repayable							Total
	Australian currency	Sterling	United States dollars	Canadian dollars	Swiss francs	Nether- lands guilders	German Deutsche marks	
AMOUNT (£A.'000)								
For Commonwealth pur- poses—								
War .. ..	837,044	16,486	..	..	..	..	..	853,530
Works .. ..	443,430	77,500	140,901	21,320	21,403	882	709	706,145
Total, Commonwealth—								
Treasury Bills, Internal	240,900	..	..	..	..	..	..	240,900
Other short-term ..	208,000							208,000
Other .. ..	831,574	93,986	140,901	21,320	21,403	882	709	1,110,775
Total, Commonwealth	1,280,474	93,986	140,901	21,320	21,403	882	709	1,559,675
On account of States—								
New South Wales ..	850,495	139,092	33,645	2,180	1,616	1,280	..	1,028,308
Victoria .. ..	623,203	51,381	17,604	1,753	1,300	1,029	..	696,270
Queensland .. ..	311,654	55,592	13,583	880	652	524	..	382,885
South Australia ..	340,008	39,463	8,711	932	692	517	..	390,323
Western Australia ..	243,425	38,015	6,372	668	497	403	..	289,380
Tasmania .. ..	179,915	9,158	3,880	510	378	298	..	194,139
Total, States ..	2,548,700	332,701	83,795	6,923	5,135	4,051	..	2,981,305
Total, Commonwealth and States—								
Treasury Bills, Internal	240,900	..	..	..	..	..	..	240,900
Other short-term ..	208,000							208,000
Other .. ..	3,380,274	426,687	224,696	28,243	26,538	4,933	709	4,092,080
Grand Total ..	3,829,174	426,687	224,696	28,243	26,538	4,933	709	4,540,980

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

For Commonwealth purposes—																											
War	..	..	78	3	10	1	10	10							79	14	8										
Works	..	..	41	8	5	7	4	9	13	3	3	1	19	10	2	0	0	1	8	0	1	4	65	19	3		
Total, Commonwealth			..	119	12	3	8	15	7	13	3	3	1	19	10	2	0	0	1	8	0	1	4	145	13	11	
On account of States—																											
New South Wales	..	..	213	17	4	34	19	6	8	9	2	0	11	0	0	8	2	0	6	5	..	..	258	11	7		
Victoria	..	..	208	6	6	17	3	6	5	17	8	0	11	9	0	8	8	0	6	11	..	..	232	15	0		
Queensland	..	..	202	0	7	36	0	9	8	16	1	0	11	5	0	8	5	0	6	10	..	..	248	4	1		
South Australia	..	..	343	13	1	39	17	9	8	16	1	0	18	10	0	14	0	0	10	5	..	..	394	10	2		
Western Australia	..	..	322	12	10	50	7	8	8	8	11	0	17	9	0	13	2	0	10	8	..	..	383	11	0		
Tasmania	..	..	504	1	1	25	13	2	10	17	5	1	8	7	1	1	2	0	16	8	..	..	543	18	1		
Total, States			..	240	3	7	31	7	0	7	17	11	0	13	1	0	9	8	0	7	8	..	..	280	18	11	
Total, Commonwealth and States			..	357	13	11	39	17	2	20	19	10	2	12	9	2	9	7	0	9	2	0	1	4	424	3	9



**GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATES—  
ANNUAL INTEREST PAYABLE, 30th JUNE, 1962—AUSTRALIAN CURRENCY**

Particulars	Currency in which repayable—							Total
	Australian currency	Sterling	United States dollars	Canadian dollars	Swiss francs	Netherlands guilders	German Deutsche marks	
AMOUNT (£A.'000)								
For Commonwealth purposes—								
War .. ..	24,875	568	..	..	..	..	..	25,443
Works .. ..	17,770	3,665	6,720	983	886	44	34	30,102
<i>Total, Commonwealth</i> ..	42,645	4,233	6,720	983	886	44	34	55,545
On account of States—								
New South Wales ..	37,333	5,845	1,601	126	73	64	..	45,042
Victoria .. ..	28,014	2,126	859	101	59	52	..	31,211
Queensland .. ..	13,595	2,012	623	50	29	26	..	16,335
South Australia ..	15,218	1,334	423	54	31	26	..	17,086
Western Australia ..	10,817	1,254	306	38	22	20	..	12,457
Tasmania .. ..	7,937	339	195	29	17	15	..	8,532
<i>Total, States</i> ..	112,914	12,910	4,007	398	231	203	..	130,663
<i>Total, Commonwealth and States</i>	155,559	17,143	10,727	1,381	1,117	247	34	186,208

## PER HEAD OF POPULATION

(£A. s. d.)

For Commonwealth purposes—								
War .. ..	2 6 6	0 1 1	..	..	..	..	..	2 7 7
Works .. ..	1 13 2	0 6 10	0 12 7	0 1 10	0 1 8	0 0 1	0 0 1	2 16 3
<i>Total, Commonwealth</i> ..	3 19 8	0 7 11	0 12 7	0 1 10	0 1 8	0 0 1	0 0 1	5 3 10
On account of States—								
New South Wales ..	9 7 9	1 9 4	0 8 1	0 0 8	0 0 4	0 0 4	..	11 6 6
Victoria .. ..	9 7 3	0 14 3	0 5 9	0 0 8	0 0 5	0 0 4	..	10 8 8
Queensland .. ..	8 16 3	1 6 1	0 8 1	0 0 8	0 0 5	0 0 4	..	10 11 10
South Australia ..	15 7 8	1 7 0	0 8 7	0 1 7	0 0 7	0 0 6	..	17 5 5
Western Australia ..	14 6 9	1 13 3	0 8 1	0 1 1	0 0 7	0 0 6	..	16 10 3
Tasmania .. ..	22 4 9	0 19 0	0 10 11	0 1 7	0 1 0	0 0 10	..	23 18 1
<i>Total, States</i> ..	10 12 10	1 4 4	0 7 7	0 0 9	0 0 5	0 0 4	..	12 6 3
<i>Total, Commonwealth and States</i>	14 10 8	1 12 0	1 0 1	0 2 7	0 2 1	0 0 5	0 0 1	17 7 11

4. Government Securities on Issue and Annual Interest Payable, 30th June, 1958 to 1962.—In the following table, particulars of government securities on issue and annual interest payable thereon are shown in Australian currency equivalents calculated at rates of exchange ruling at 30th June in each year.

**GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATES—  
SECURITIES ON ISSUE AND ANNUAL INTEREST PAYABLE—AUSTRALIAN  
CURRENCY  
(£A.'000)**

Particulars	30th June—				
	1958	1959	1960	1961	1962
<b>SECURITIES ON ISSUE</b>					
<b>For Commonwealth purposes—</b>					
War .. .. .	1,375,995	1,220,653	1,102,843	1,022,473	853,530
Works .. .. .	459,047	535,169	564,020	584,855	706,145
<b>Total, Commonwealth—</b>					
Treasury Bills, Internal .. .. .	264,300	269,600	233,500	251,100	240,900
Other short-term .. .. .	140,000	171,000	201,000	186,000	208,000
Other .. .. .	1,430,742	1,315,222	1,232,363	1,170,228	1,110,775
<i>Total, Commonwealth</i> .. .. .	<i>1,835,042</i>	<i>1,755,822</i>	<i>1,666,863</i>	<i>1,607,328</i>	<i>1,559,675</i>
<b>On account of States—</b>					
New South Wales .. .. .	828,564	875,770	924,707	976,284	1,028,308
Victoria .. .. .	533,175	571,859	612,003	653,756	696,270
Queensland .. .. .	302,298	320,714	340,118	361,154	382,885
South Australia .. .. .	305,788	326,614	347,914	369,749	390,323
Western Australia .. .. .	227,600	242,019	257,047	272,878	289,380
Tasmania .. .. .	145,444	156,790	168,812	181,419	194,139
<i>Total, States</i> .. .. .	<i>2,342,869</i>	<i>2,493,766</i>	<i>2,650,601</i>	<i>2,815,240</i>	<i>2,981,305</i>
<b>Total, Commonwealth and States—</b>					
Treasury Bills, Internal .. .. .	264,300	269,600	233,500	251,100	240,900
Other short-term .. .. .	140,000	171,000	201,000	186,000	208,000
Other .. .. .	3,773,611	3,808,988	3,882,964	3,985,468	4,092,080
<b>Grand Total</b> .. .. .	<b>4,177,911</b>	<b>4,249,588</b>	<b>4,317,464</b>	<b>4,422,568</b>	<b>4,540,980</b>

**ANNUAL INTEREST LIABILITY**

<b>For Commonwealth purposes—</b>					
War .. .. .	38,200	35,231	32,388	30,680	25,443
Works .. .. .	19,114	21,345	23,621	25,307	30,102
<i>Total, Commonwealth</i> .. .. .	<i>57,314</i>	<i>56,576</i>	<i>56,009</i>	<i>55,987</i>	<i>55,545</i>
<b>On account of States—</b>					
New South Wales .. .. .	32,364	34,985	37,827	42,126	45,042
Victoria .. .. .	21,277	23,581	25,798	28,812	31,211
Queensland .. .. .	11,411	12,381	13,427	15,025	16,335
South Australia .. .. .	11,995	13,094	14,290	15,890	17,086
Western Australia .. .. .	8,640	9,374	10,318	11,479	12,457
Tasmania .. .. .	5,841	6,389	7,002	7,862	8,532
<i>Total, States</i> .. .. .	<i>91,528</i>	<i>99,804</i>	<i>108,662</i>	<i>121,194</i>	<i>130,663</i>
<b>Total, Commonwealth and States .. .. .</b>	<b>148,842</b>	<b>156,380</b>	<b>164,671</b>	<b>177,181</b>	<b>186,208</b>

5. Government Securities on Issue at Each Rate of Interest.—(i) *Commonwealth.* The following table shows particulars of the securities on issue for Commonwealth purposes at 30th June, 1962, at each rate of interest.

**GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH—AMOUNTS AT EACH RATE OF INTEREST, 30th JUNE, 1962**

Rate of interest per annum (per cent.)	Currency in which repayable							Total— Aus- tralian currency equiva- lent(a)
	Aus- tralian currency	Sterling	United States dollars	Can- adian dollars	Swiss francs	Nether- lands guilders	German deutsche marks	
	£A.'000	£Stg.'000	U.S. \$ '000	Can. \$ '000	Sw. fr. '000	f.'000	D.M. '000	£A.'000
6.0 .. .. .	..	15,642	..	..	..	..	..	19,553
5.75 .. .. .	..	..	28,820	3,235	..	..	..	14,202
5.5 .. .. .	..	21,341	40,330	..	..	..	..	44,681
5.375 .. .. .	36,688	..	8,033	..	..	..	..	36,688
5.25 .. .. .	37,111	..	8,739	..	..	..	..	40,697
5.0 .. .. .	349,048	..	106,364	30,406	451	7,150	..	353,832
4.75 .. .. .	107,113	..	32,996	4,259	10,109	..	6,355	167,908
4.625 .. .. .	..	..	1,067	..	69,704	..	..	17,522
4.5 .. .. .	117,004	..	71,508	1,341	9,394	..	..	124,596
4.25 .. .. .	26,931	5,655	..	12,386	60,000	..	..	60,367
4.0 .. .. .	5,832	..	..	..	60,000	..	..	24,141
3.875 .. .. .	34	..	12,796	..	..	..	..	6,159
3.75 .. .. .	3,606	..	4,964	..	..	..	..	9,319
3.5 .. .. .	..	5,652	..	..	..	..	..	9,281
3.25 .. .. .	..	17,129	..	..	..	..	..	21,411
3.125 .. .. .	99,696	..	..	..	..	..	..	99,696
3.0 .. .. .	..	9,769	..	..	..	..	..	12,211
1.0 .. .. .	448,900	..	..	..	..	..	..	448,900
Overdue .. .. .	4,367	..	..	..	..	..	..	4,367
National Savings Stamps .. .. .	18	..	..	..	..	..	..	18
Special Bonds .. .. .	44,126	..	..	..	..	..	..	44,126
<b>Total—</b>								
Currencies in which Repayable .. .. .	1,280,474	75,188	315,617	51,627	209,658	7,150	6,355	..
Australian Currency Equivalents(a) .. .. .	1,280,474	93,986	140,901	21,320	21,403	882	709	1,559,675

(a) For rates of exchange to £A. ruling at 30th June, 1962, see p. 955.

(ii) *States.* The following table shows particulars of the securities on issue for State purposes at 30th June, 1962, at each rate of interest.

**GOVERNMENT SECURITIES ON ISSUE: STATES—AMOUNTS AT EACH RATE OF INTEREST, 30th JUNE, 1962**

Rate of interest per annum (per cent.)	Currency in which repayable						Total— Aus- tralian currency equiva- lent(a)
	Aus- tralian currency	Sterling	United States dollars	Can- adian dollars	Swiss francs	Nether- lands guilders	
	£A.'000	£Stg.'000	U.S. \$ '000	Can. \$ '000	Sw. fr. '000	f.'000	
6.0 .. .. .		34,193					42,741
5.75 .. .. .	126,742			16,765			133,665
5.5 .. .. .		32,080	38,995				57,508
5.25 .. .. .	226,040		41,292				244,474
5.0 .. .. .	607,370	1	30,220			32,850	624,913
4.75 .. .. .	224,540		18,788				232,928
4.5 .. .. .	569,255	11,790	19,940		50,296		598,030
4.25 .. .. .	144,629						144,629
4.0 .. .. .	43,722	21,665					70,803
3.875 .. .. .	703						703
3.75 .. .. .	69,865		6,447				72,743
3.625 .. .. .	107						107
3.5 .. .. .	5,044	25,134	32,019				50,756
3.4875 .. .. .	2						2
3.25 .. .. .	12,195	51,276					76,290
3.125 .. .. .	372,806						372,806
3.1 .. .. .	3,380						3,380
3.0 .. .. .	26,359	55,784					96,089
2.75 .. .. .		15,795					19,744
2.7125 .. .. .	319						319
2.5 .. .. .	2	18,441					23,053
2.325 .. .. .	1,424						1,424
1.5 .. .. .	3,020						3,020
1.0 .. .. .	31,466						31,466
Overdue .. .. .		2					2
Special Bonds .. .. .	79,710						79,710
<b>Total—</b>							
Currencies in which Repayable .. .. .	2,548,700	266,161	187,701	16,765	50,296	32,850	
Australian Currency Equiva- lent(a) .. .. .	2,548,700	332,701	83,795	6,923	5,135	4,051	2,981,305

(a) For rates of exchange to £A. ruling at 30th June, 1962, see p. 955.

6. Government Securities on Issue at Dates of Maturity.—(i) *Commonwealth.* In the following tables, government securities on issue on account of the Commonwealth at 30th June, 1962, are classified according to the earliest and latest years of maturity.

**GOVERNMENT SECURITIES ON ISSUE, 30th JUNE, 1962: COMMONWEALTH—  
BY EARLIEST YEAR OF MATURITY**

Particulars.	Currency in which repayable							Total— Aus- tralian currency equiva- lent(a)
	Aus- tralian currency	Sterling	United States dollars	Can- adian dollars	Swiss francs	Nether- lands guilders	German deutsche marks	
	£A.'000	£Stg.'000	U.S. \$ '000	Can. \$ '000	Sw. fr. '000	f.'000	D.M. '000	£A.'000
Before 30th June, 1962 ..	80,653	11,307	240,351	48,392	19,954	..	6,355	224,816
1962-63 .. ..	512,431	..	5,200	..	..	..	..	514,752
1963-64 .. ..	44,782	..	9,230	..	..	..	..	48,903
1964-65 .. ..	29,048	122	..	..	60,000	..	..	35,326
1965-66 .. ..	8,468	17,007	..	..	60,000	..	..	35,853
1966-67 .. ..	51,201	..	5,096	..	..	..	..	53,476
1967-68 .. ..	49,617	..	3,734	..	..	7,150	..	52,166
1968-69 .. ..	66,531	..	3,643	..	..	..	..	68,157
1969-70 .. ..	9,113	..	28,314	..	60,000	..	..	27,878
1970-71 .. ..	31,359	6,951	4,044	3,235	9,704	..	..	44,180
1971-72 .. ..	13,576	..	16,005	..	..	..	..	20,721
1972-73 .. ..	26,602	..	..	..	..	..	..	26,602
1974-75 .. ..	63,171	..	..	..	..	..	..	63,171
1975-76 .. ..	52,681	20,075	..	..	..	..	..	77,775
1976-77 .. ..	67,318	11,910	..	..	..	..	..	14,888
1979-80 .. ..	9,110	..	..	..	..	..	..	67,318
1980-81 .. ..	62,219	7,816	..	..	..	..	..	9,110
1981-82 .. ..	33,174	..	..	..	..	..	..	71,989
1982-83 .. ..	18,674	..	..	..	..	..	..	33,174
1984-85 .. ..	2,156	..	..	..	..	..	..	18,674
1985-86 .. ..	..	..	..	..	..	..	..	2,156
War (1939-45) Savings and Savings Certificates—								
Seven Years Series ..	1,575	..	..	..	..	..	..	1,575
Five Years Series ..	957	..	..	..	..	..	..	957
War (1914-18) Savings Stamps .. ..	14	..	..	..	..	..	..	14
National Savings Stamps	16	..	..	..	..	..	..	16
War (1939-45) Savings Stamps .. ..	140	..	..	..	..	..	..	140
Peace Savings Certificates	33	..	..	..	..	..	..	33
Overdue .. ..	1,683	..	..	..	..	..	..	1,683
Half-yearly instalments ..	46	..	..	..	..	..	..	46
Special bonds .. ..	44,126	..	..	..	..	..	..	44,126
<b>Total—</b>								
Currencies in which Repayable ..	1,280,474	75,188	315,617	51,627	209,658	7,150	6,355	..
Australian Currency Equivalents(a) ..	1,280,474	93,986	140,901	21,320	21,403	882	709	1,559,675

(a) For rates of exchange to £A. ruling at 30th June, 1962, see p. 955.

GOVERNMENT SECURITIES ON ISSUE, 30th JUNE, 1962: COMMONWEALTH—  
BY LATEST YEAR OF MATURITY

Particulars	Currency in which repayable							Total— Aus- tralian currency equiva- lents (a)
	Aus- tralian currency	Sterling	United States dollars	Can- adian dollars	Swiss francs	Nether- lands guilders	German Deutsche marks	
	£A.'000	£Stg.'000	U.S. \$ '000	Can. \$ '000	Sw. fr. '000	f.'000	D.M. '000	£A.'000
1962-63 .. ..	512,431	..	1,300	..	..	..	..	513,011
1963-64 .. ..	92,404	5,655	8,970	..	..	..	..	103,478
1964-65 .. ..	58,461	..	5,200	..	..	..	..	60,783
1965-66 .. ..	12,086	..	1,400	..	..	..	..	12,711
1966-67 .. ..	51,201	5,652	14,194	..	..	..	..	64,603
1967-68 .. ..	49,617	..	..	..	..	..	..	49,617
1968-69 .. ..	66,531	..	52,267	8,988	60,000	..	..	99,702
1969-70 .. ..	9,113	17,007	44,492	4,259	70,109	..	..	59,151
1970-71 .. ..	31,359	..	1,067	12,386	..	..	..	36,950
1971-72 .. ..	13,576	..	42,276	2,243	..	..	6,355	34,084
1972-73 .. ..	26,602	6,951	20,937	19,175	451	..	..	52,602
1974-75 .. ..	63,171	122	..	..	60,000	..	..	69,449
1975-76 .. ..	52,681	7,826	71,508	1,341	19,098	..	..	96,891
1977-78 .. ..	..	9,769	..	..	..	..	..	12,211
1978-79 .. ..	..	2,480	3,643	..	..	..	..	4,726
1979-80 .. ..	67,318	11,910	28,314	..	..	..	..	94,845
1980-81 .. ..	9,110	..	4,044	3,235	..	..	..	12,251
1981-82 .. ..	62,219	..	16,005	..	..	7,150	..	70,246
1982-83 .. ..	33,174	..	..	..	..	..	..	33,174
1983-84 .. ..	..	7,816	..	..	..	..	..	9,770
1984-85 .. ..	18,674	..	..	..	..	..	..	18,674
1985-86 .. ..	2,156	..	..	..	..	..	..	2,156
War (1939-45) Savings and Savings Certificates—								
Seven Years Series ..	1,575	..	..	..	..	..	..	1,575
Five Years Series ..	957	..	..	..	..	..	..	957
War (1914-18) Savings Stamps .. ..	14	..	..	..	..	..	..	14
National Savings Stamps ..	16	..	..	..	..	..	..	16
War (1939-45) Savings Stamps .. ..	140	..	..	..	..	..	..	140
Peace Savings Certificates ..	33	..	..	..	..	..	..	33
Overdue .. ..	1,683	..	..	..	..	..	..	1,683
Half-yearly instalments ..	46	..	..	..	..	..	..	46
Special bonds .. ..	44,126	..	..	..	..	..	..	44,126
Total—								
Currencies in which Repayable ..	1,280,474	75,188	315,617	51,627	209,658	7,150	6,355	..
Australian Currency Equivalents(a) ..	1,280,474	93,986	140,901	21,320	21,403	882	709	1,559,675

(a) For rates of exchange to £A. ruling at 30th June, 1962, see p. 955.

(ii) *States.* Particulars of government securities on issue on account of the States at 30th June, 1962, are classified in the following tables according to the earliest and latest years of maturity.

**GOVERNMENT SECURITIES ON ISSUE, 30th JUNE, 1962: STATES—  
BY EARLIEST YEAR OF MATURITY**

Particulars	Currency in which repayable						Total— Aus- tralian currency equiva- lent(a)
	Aus- tralian currency	Sterling	United States dollars	Can- adian dollars	Swiss francs	Nether- lands guilders	
	£A.'000	£Stg.'000	U.S. \$ '000	Can. \$ '000	Sw.fr. '000	f.'000	£A.'000
Before 30th June, 1962 .. ..	277,531	46,055	58,406	..	..	..	361,174
1962-63 .. ..	414,002	12,655	..	..	..	..	429,821
1963-64 .. ..	210,502	9,590	..	..	..	..	222,490
1964-65 .. ..	118,106	12,616	..	..	..	..	133,876
1965-66 .. ..	62,972	64,044	..	..	..	..	143,027
1966-67 .. ..	129,380	..	12,504	..	..	..	134,962
1967-68 .. ..	168,271	15,795	18,788	..	..	32,850	200,454
1968-69 .. ..	205,786	..	17,716	..	..	..	213,695
1969-70 .. ..	71,288	20,282	20,336	..	..	..	105,719
1970-71 .. ..	103,116	..	20,956	16,765	50,296	..	124,529
1971-72 .. ..	42,265	12,175	38,995	..	..	..	74,892
1972-73 .. ..	75,761	10,000	..	..	..	..	88,261
1973-74 .. ..	3,337	..	..	..	..	..	3,337
1974-75 .. ..	55,867	18,174	..	..	..	..	78,585
1975-76 .. ..	90,424	26,356	..	..	..	..	123,369
1976-77 .. ..	6,002	..	..	..	..	..	6,002
1977-78 .. ..	7,088	13,885	..	..	..	..	24,444
1978-79 .. ..	8,359	..	..	..	..	..	8,359
1979-80 .. ..	106,736	..	..	..	..	..	106,736
1980-81 .. ..	86,567	..	..	..	..	..	86,567
1981-82 .. ..	104,597	2,134	..	..	..	..	107,264
1982-83 .. ..	37,455	..	..	..	..	..	37,455
1983-84 .. ..	1,615	..	..	..	..	..	1,615
1984-85 .. ..	53,617	..	..	..	..	..	53,617
1985-86 .. ..	2,761	..	..	..	..	..	2,761
1986-87 .. ..	1,834	..	..	..	..	..	1,834
Overdue .. ..	..	2	..	..	..	..	2
Interminable .. ..	..	1	..	..	..	..	1
Treasurer's option .. ..	..	2,397	..	..	..	..	2,996
Half-yearly drawings .. ..	14,106	..	..	..	..	..	14,106
Indefinite .. ..	9,645	..	..	..	..	..	9,645
Special bonds .. ..	79,710	..	..	..	..	..	79,710
<b>Total—</b>							
Currencies in which Repayable	2,548,700	266,161	187,701	16,765	50,296	32,850	..
Australian Currency Equiva- lents(a) .. ..	2,548,700	332,701	83,795	6,923	5,135	4,051	2,981,305

(a) For rates of exchange to £A. ruling at 30th June, 1962, see p. 955.

GOVERNMENT SECURITIES ON ISSUE, 30th JUNE, 1962: STATES—  
BY LATEST YEAR OF MATURITY

Particulars				Currency in which repayable					Total— Aus- tralian currency equiva- lent(a)
				Aus- tralian currency	Sterling	United States dollars	Can- adian dollars	Swiss francs	
				£A. '000	£ Stg. '000	U.S. \$ '000	Can. \$ '000	Sw. Fr. '000	£A. '000
1962-63	..	..	..	414,002	11,789	..	..	..	428,738
1963-64	..	..	..	210,736	..	..	..	..	210,736
1964-65	..	..	..	293,216	12,655	..	..	..	309,035
1965-66	..	..	..	165,159	9,590	..	..	..	177,147
1966-67	..	..	..	129,380	23,294	32,019	..	..	172,792
1967-68	..	..	..	168,271	25,384	..	..	..	200,001
1968-69	..	..	..	205,786	..	..	..	..	205,786
1969-70	..	..	..	71,288	40,501	6,447	..	..	124,792
1970-71	..	..	..	103,116	10,971	19,940	..	..	125,732
1971-72	..	..	..	42,265	15,795	12,504	..	..	67,591
1972-73	..	..	..	75,761	10,000	18,788	..	..	96,648
1973-74	..	..	..	3,337	12,175	..	..	..	18,556
1974-75	..	..	..	55,867	33,232	..	..	..	97,407
1975-76	..	..	..	90,424	..	..	..	50,296	95,559
1976-77	..	..	..	6,002	16,000	..	..	..	26,002
1977-78	..	..	..	7,088	4,276	..	..	..	12,433
1978-79	..	..	..	8,359	22,080	17,716	..	..	43,868
1979-80	..	..	..	106,736	..	20,336	..	..	115,815
1980-81	..	..	..	86,567	13,885	20,956	16,765	..	120,201
1981-82	..	..	..	104,597	..	38,995	..	..	126,057
1982-83	..	..	..	37,455	..	..	..	..	37,455
1983-84	..	..	..	1,615	2,134	..	..	..	4,282
1984-85	..	..	..	53,617	..	..	..	..	53,617
1985-86	..	..	..	2,761	..	..	..	..	2,761
1986-87	..	..	..	1,834	..	..	..	..	1,834
Overdue	..	..	..	..	2	..	..	..	2
Interminable	..	..	..	..	1	..	..	..	1
Treasurer's option	..	..	..	..	2,397	..	..	..	2,996
Half-yearly drawings	..	..	..	14,106	..	..	..	..	14,106
Indefinite	..	..	..	9,645	..	..	..	..	9,645
Special bonds	..	..	..	79,710	..	..	..	..	79,710
Total—									
Currencies in which Repayable				2,548,700	266,161	187,701	16,765	50,296	32,850
Australian Currency Equiva-									
lents(a)				2,548,700	332,701	83,795	6,923	5,135	4,051
									2,981,305

(a) For rates of exchange to £A. ruling at 30th June, 1962, see p. 955.

7. **Short-term Securities on Issue.**—Particulars of the short-term securities (Treasury bills and seasonal securities) of the Commonwealth and States in Australia at intervals from 30th June, 1958, to 30th June, 1962, are shown in the following table. These securities are included in the government securities on issue as shown elsewhere. No short-term securities have been raised overseas since September, 1956, when all such securities held in London were expatriated to Australia.

**GOVERNMENT SHORT-TERM SECURITIES ON ISSUE(a): COMMONWEALTH AND STATES**

**MATURING IN AUSTRALIA**

(£A.'000)

Date	Commonwealth		States(c)	Total
	Treasury bills	Seasonal securities(b)		
30th June, 1958 .. ..	140,000	..	..	140,000
" " 1959 .. ..	171,000	..	..	171,000
" " 1960 .. ..	201,000	..	..	201,000
30th September, 1960 .. ..	254,000	..	..	254,000
31st December, 1960 .. ..	320,000	30,227	..	350,227
31st March, 1961 .. ..	282,000	47,513	..	329,513
30th June, 1961 .. ..	186,000	..	..	186,000
30th September, 1961 .. ..	236,000	25,099	2,000	263,099
31st December, 1961 .. ..	303,000	49,350	11,000	363,350
31st March, 1962 .. ..	213,000	86,125	5,500	304,625
30th June, 1962 .. ..	208,000	..	..	208,000

(a) Excludes overdrafts and internal Treasury bills.  
(c) Treasury bills.

(b) Seasonal Treasury notes and seasonal inscribed stock.

The Treasury bill discount rate in Australia has remained at 1 per cent. since 29th July, 1952.

The 1961–62 issues of seasonal securities, which were readily cashable, transferable and interchangeable at any time, were redeemable at par on maturity at the end of three months, and all such securities were redeemed and cancelled before 30th June, 1962. Seasonal securities were issued in multiples of £1,000 over the minimum subscription of £5,000 at a price of £99 0s. 6d. per cent., and yielded a return of approximately 3.7 per cent. if held for three months. Such increases in value were taxable, but carried the right of rebate of two shillings in the pound as with Commonwealth loan interest.

8. **Government Securities on Issue on Account of the States; Local Government and Semi-governmental Authority Securities on Issue.**—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 borrowing on their own behalf, while in other States these services are controlled by the central government. Direct comparisons between States of the securities on issue on account of the several States should therefore be made with caution. The table following shows for 1956–57 to 1960–61 particulars of the securities on issue on account of the States, the securities on issue by local government and semi-governmental authorities, and the aggregates of these.



**GOVERNMENT SECURITIES ON ISSUE ON ACCOUNT OF THE STATES;  
LOCAL GOVERNMENT AND SEMI-GOVERNMENTAL AUTHORITY SECURITIES  
ON ISSUE**

Particulars	State	Local government (a)	Semi-gov- ernmental (a)	Total
SECURITIES ON ISSUE (£A.'000)(b) 30th June, 1961				
New South Wales .. .. .	976,284	78,927	292,614	1,347,825
Victoria .. .. .	653,756	45,338	459,966	1,159,060
Queensland .. .. .	361,154	99,291	82,786	543,231
South Australia .. .. .	369,749	6,319	36,592	412,660
Western Australia .. .. .	272,878	13,274	20,513	306,665
Tasmania .. .. .	181,419	14,796	16,111	212,326
<b>Total, 30th June, 1961 .. .. .</b>	<b>2,815,240</b>	<b>257,945</b>	<b>908,582</b>	<b>3,981,767</b>
1960 .. .. .	2,650,601	235,852	844,912	3,731,365
1959 .. .. .	2,493,766	214,182	771,354	3,479,302
1958 .. .. .	2,342,869	197,691	703,810	3,244,370
1957 .. .. .	2,198,164	185,621	633,174	3,016,959

**PER HEAD OF POPULATION  
(£A.)(b)**

30th June, 1961

New South Wales .. .. .	249.2	20.1	74.7	344.0
Victoria .. .. .	223.1	15.5	157.0	395.6
Queensland .. .. .	237.8	65.4	54.5	357.7
South Australia .. .. .	381.4	6.5	37.8	425.7
Western Australia .. .. .	370.4	18.0	27.9	416.3
Tasmania .. .. .	517.8	42.3	46.0	606.1
<b>Total, 30th June, 1961 .. .. .</b>	<b>270.1</b>	<b>24.7</b>	<b>87.2</b>	<b>382.0</b>
1960 .. .. .	260.1	23.1	82.8	366.0
1959 .. .. .	249.8	21.4	77.2	348.4
1958 .. .. .	239.6	20.2	72.0	331.8
1957 .. .. .	229.4	19.4	66.1	314.9

(a) Excludes amounts due to the central government. Includes bank overdrafts. (b) Oversea holdings have been converted to Australian currency at the rates of exchange current at 30th June of each year shown.

#### § 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, 1959-60 to 1961-62.—(i) *Australia.* The following table shows details of new loans raised in Australia by the Commonwealth during the three years 1959-60 to 1961-62.

## COMMONWEALTH NEW LOANS(a) RAISED IN AUSTRALIA

Month of raising	Amount invited	Amount sub- scribed	Rate of interest per annum	Year of maturity	Price of issue per £100	Allocation of proceeds		
						Commonwealth		States
						War (1939- 45) etc.	Other pur- poses	
	£'000	£'000	Per cent.		£	£'000	£'000	£'000
1959-60—								
September (Loan No. 118) ..	50,000	{ 12,993 6,698 38,878	{ 4 4½ 5	{ 1962 1968 1979	{ 100 99½ 100	{ .. .. ..	{ 12 .. ..	{ 58,557 .. ..
February (Loan No. 120) ..	45,000	{ 5,989 16,799 17,528	{ 4 4½ 5	{ 1963 1969 1981	{ 99½ 99½ 100	{ .. .. ..	{ 25 .. ..	{ 40,291 .. ..
May (Loan No. 121) ..	25,000	{ 1,794 10,563 9,258	{ 4 4½ 5	{ 1963 1969 1981	{ 99½ 99½ 100	{ .. .. ..	{ 9 .. ..	{ 21,606 .. ..
June (Loan No. 123) (b) ..	55,000	{ 6,000 9,000 40,000	{ 4 4½ 5	{ 1963 1969 1981	{ 99½ 99½ 100	{ 4,418 .. ..	{ 20,331 .. ..	{ 30,251 .. ..
July-June (Special Bonds) (c) ..	..	26,177	4-5	{ 1966 1967	{ 100 ..	{ 1,408 ..	{ 4,077 ..	{ 20,692 ..
1960-61—								
September (Loan No. 124) ..	30,000	{ 12,568 6,847 13,542	{ 4½ 4½ 5	{ 1962 1969 1982	{ 100 98½ 100	{ .. .. ..	{ 24 .. ..	{ 32,933 .. ..
February (Loan No. 126) ..	35,000	{ 23,638 3,692 7,584	{ 5½ 5½ 5½	{ 1963 1970 1981	{ 99½ 98½ 100	{ .. .. ..	{ 4 .. ..	{ 34,910 .. ..
May (Loan No. 127) ..	25,000	{ 24,747 1,338 8,425	{ 5½ 5½ 5½	{ 1963 1970 1981	{ 99½ 98½ 100	{ .. .. ..	{ 9 .. ..	{ 34,501 .. ..
June (Loan No. 129) (b) ..	90,000	{ 55,000 10,000 25,000	{ 5½ 5½ 5½	{ 1963 1970 1981	{ 99½ 98½ 100	{ 1,304 .. ..	{ 31,614 .. ..	{ 57,082 .. ..
July-June (Special Bonds) (c) ..	..	11,501	4-5	{ 1967 1968	{ 100 ..	{ 2,216 ..	{ 1,502 ..	{ 7,783 ..
1961-62—								
September (Loan No. 130) ..	40,000	{ 28,376 9,438 35,685	{ 4½ 5½ 5½	{ 1964 1970 1982	{ 100 100 100	{ .. .. ..	{ 5 .. ..	{ 73,494 .. ..
February (Loan No. 132) ..	55,000	{ 47,787 17,404 25,495	{ 4½ 4½ 5	{ 1964 1971 1984	{ 99½ 99½ 100	{ .. .. ..	{ 27,758 .. ..	{ 62,928 .. ..
May (Loan No. 134) ..	40,000	{ 14,824 2,750 21,004	{ 4½ 4½ 5	{ 1965 1971 1984	{ 99½ 99½ 100	{ .. .. ..	{ 6,131 .. ..	{ 32,447 .. ..
June (Loan No. 136) (b) ..	7,000	{ 2,000 5,000	{ 4½ 5	{ 1971 1984	{ 98½ 100	{ .. ..	{ 7,000 ..	{ .. ..
July-June (Special Bonds) (c) ..	..	20,312	4½-5½	{ 1968 1969	{ 100 ..	{ 385 ..	{ 7,325 ..	{ 12,602 ..

(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 p. 971).  
 (b) Special issue. For details see following paragraph. (c) Special Bonds open for continuous subscription, redeemable at prices commencing at par and increasing to a premium of £3 per cent. if held until maturity in 1966-69. Interest increases from 4 per cent. to 5 per cent. over period of currency.

The loans of £55,000,000, £90,000,000 and £7,000,000 raised in June, 1960, 1961 and 1962, 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 £220,000,000 in 1959-60, £230,000,000 in 1960-61 and £247,500,000 in 1961-62. Subscriptions to these special loans for the three years covered came from the Loan Consolidation and Investment Reserve Trust Account.

Finance for the approved Loan Council programmes from 1959-60 to 1961-62 was provided from the following sources.

**LOAN COUNCIL PROGRAMME: SOURCE OF FINANCE**  
(£'000)

Source	1959-60(a)	1960-61	1961-62
Public loans, domestic raisings, etc. . . . .	148,300	117,900	225,100
Oversea loans and special Commonwealth assistance	71,700	112,100	22,400
<b>Total . . . . .</b>	<b>220,000</b>	<b>230,000</b>	<b>247,500</b>

(a) Excludes amounts provided for emergency wheat storage, £6,937,000 and for rehabilitation of the Mount Isa-Townsville-Collinsville railway line, £20,000,000.

In addition to the new loans raised as shown in the foregoing tables and the redemption and conversion loans shown in the following paragraph, there were other miscellaneous loan operations during 1961-62, namely:—Savings Certificates and War Savings Certificates (Five and Seven Years' Series), a decrease of £3,456,000, and "over the counter sales" (small amounts borrowed by the States by virtue of certain statutory rights), £3,089,000. Advance loan subscriptions in hand increased from £781,000 at the end of 1960-61 to £2,156,000 at the end of 1961-62.

(ii) *London.* The only new loan raised in London during the three years ended 1961-62 was for £Stg.12,000,000, 5½ per cent. interest, price of issue £Stg.99 per £Stg.100, maturing 1980, raised during 1959-60.

(iii) *New York.* The following table gives details of the loans raised during the period 1958-59 to 1961-62.

**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	Per cent.	\$		\$'000	\$'000
<b>1959-60—</b>						
September . .	25,000	5½	97	1979	25,000	..
April . .	25,000	5½	97½	1980	4,100	20,900
July-June . .	4,160	4½	100	(a) 1960-65 (c)	4,160	..
July-June . .	6,240	4½	100	(a) 1960-65 (c)	6,240	..
<b>1960-61—</b>						
September . .	25,000	5½	98	1980	4,044	20,956
July-June . .	3,517	5½	100	(a) 1962-68 (c)	3,517	..
July-June . .	2,000	5½	100	(b) 1961-65 (d)	2,000	..
<b>1961-62—</b>						
July . .	25,000	5½	97	1981	4,469	20,531
July-June . .	26,483	5½	100	1962-68 (c)	26,483	..

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

3. Conversion and Redemption Loans, 1959-60 to 1961-62.—(i) *Australia.* Particulars of conversion loans raised in Australia during the three years 1959-60 to 1961-62 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	Per cent.	£A.'000	Per cent.	£		£A.'000
1959-60—			{ 35,487	4	100	1962	819
September ..	194,750	3½	{ 35,531	4½	99½	1968	
		3½	{ 69,072	5	100	1979	
			{ (a)8,605	4-5	100	1966	
			{ 36,418	4	99½	1963	
May ..	100,848	4	{ 15,030	4½	99½	1969	- 567
			{ 24,105	5	100	1981	
			{ (a)2,270	4-5	100	1967	
July-June (Special Bonds) ..	3,214	4-5	{ 3,214	4-5	100	1966	
						1967	
1960-61—			{ 19,286	4½	100	1962	195
September ..	{ 39,561	3½	{ 31,724	4½	98½	1969	
	{ 118,431	3½	{ 52,954	5	100	1982	
			{ (a)7,172	4½-5	100	1968	
			{ 5,000	5½	99½	1963	
May ..	5,000	4	{ 82,274	5½	99½	1963	62
			{ 26,214	5½	98½	1970	
May ..	179,210	4	{ 48,178	5½	100	1981	
			{ (a) 989	4½-5½	100	1968	
						1967	
July-June (Special Bonds) ..	7,596	4-5	{ 7,596	4-5½	100	1968	..
						1964	
1961-62—			{ 34,205	4½	100	1970	
September ..	{ 123,517	3½	{ 26,783	5½	100	1982	
	{ 24,397	4½	{ 37,616	5½	100	1968	
			{ (a)5,743	4½-5½	99½	1964	- 4
			{ 35,036	4½	99½	1971	
February ..	60,594	4	{ 9,447	4½	99½	1984	
			{ 8,343	5	100	1969	
			{ (a)1,440	4½-5½	100	1965	
May ..	{ 48,484	4	{ 31,552	4½	99½	1971	- 341
	{ 29,831	4½	{ 21,676	4½	99½	1984	
			{ 8,994	5	100	1969	
			{ (a)1,052	4½-5	100	1968	
						1969	
July-June (Special Bonds) ..	7,057	4-5½	{ 7,057	4½-5½	100	1968	18
						1969	

(a) Special Bonds.

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

(ii) *London.* The following table shows particulars of loans raised in London during the years 1958-59 and 1960-61 for the purpose of redeeming and converting London loans. None was raised during 1961-62.

## 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	Per cent.	£A.'000	£Stg.'000	Per cent.	£	£A.'000
1958-59—							470
March ..	20,675	3½	..	20,000	5½	99 {	
						1973	
1960-61—							522
July ..	13,925	3	..	13,925	6	98 {	
						1977-80	
January ..	20,579	3½	..	20,000	6	97½ {	664
						1975	
						1981-83	

(a) No account has been taken of the cost of issuing the conversion loans at a discount. Exchange calculated at £A.125 = £Stg.100.

(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 loan raised in New York for this purpose in March, 1957, amounted to \$17,114,000, at 5 per cent. interest, issued at par, maturing in 1972. No loans were raised for the purpose of redeeming loans which became due for redemption or which the Commonwealth had the option of redeeming during 1958-59 and 1960-61. In 1961-62, a re-financing loan of \$30,000,000 was raised at 5½ per cent. interest, issued at par, maturing in 1982.

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 arranged six loans from the International Bank for Reconstruction and Development between August, 1950, and December, 1956, amounting to \$317,730,000, repayable over periods of from 10 to 25 years, at rates of interest of from 4½ to 4¾ per cent. The proceeds of the latest of these loans were finally drawn in March, 1959.

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. The goods are imported and distributed through normal channels and payment made through the Australian banking system.

5. *Swiss Loans*.—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, February, 1955, March, 1960, and March, 1961, of four 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 loans 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 Commonwealth 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 loan was for a period of 15 years with an option to redeem after 10 years. The rate of interest was 3¾ per cent. and the issue price £99 10s. Bonds and interest are payable only in Swiss francs. The third loan was for a period of fifteen years with an option to redeem after 10 years. The rate of interest was 4½ per cent. and the issue price £99. The fourth loan was issued at par in March, 1961, at the rate of 4½ per cent. maturing in April, 1976. Payments of interest and repayments of principal are to be made only in Swiss francs.

The loans were 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.

6. *Canadian Loans*.—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 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. A second loan, of 20,000,000 Canadian dollars, was raised in March, 1961, on the security of the Commonwealth of Australia, 5½ per cent. twenty-year Wonds being issued at the rate of \$98½ per cent. Bonds and interest are payable in Canadian dollars in each case.

The loans were fully subscribed, and the net Canadian dollar proceeds were sold to the Commonwealth Bank for Australian currency.

7. **Dutch Guilders Loan.**—In 1961, the Commonwealth arranged for a public flora on in the Netherlands of a loan of 40,000,000 Dutch guilders at par, with an interest rate of 5 per cent. per annum. The proceeds were used to assist the loan programmes of the Commonwealth and States.

The loan is to be repaid in fifteen annual instalments from 1967 to 1981, but, at the Commonwealth's option, an earlier redemption date may be negotiated on and after 15th December, 1971.

8. **Summary of Loan Transactions, 1957-58 to 1961-62.**—The following table contains a summary of loan transactions on behalf of the Commonwealth and State Governments during the five years 1957-58 to 1961-62.

#### COMMONWEALTH LOAN TRANSACTIONS: SUMMARY

Details	1957-58	1958-59	1959-60	1960-61	1961-62
<b>New loans(a) raised in—</b>					
Australia .. .. £A.'000	195,238	184,683	198,462	203,881	230,075
London .. .. £Stg.'000	..	15,000	12,000	..	..
New York(b) .. .. \$'000	65,091	58,351	60,400	30,517	51,483
Switzerland .. .. francs '000	..	..	60,000	60,000	..
Canada .. .. \$'000	..	..	..	20,000	..
Netherlands .. .. guilders '000	..	..	..	..	40,000
 <b>Miscellaneous debt in Australia(c)</b> £A.'000	 1,229	 3,230	 5,224	 3,676	 4,465
 <b>Net increase in short-term debt—</b>					
Australia—Public .. £A.'000	—10,000	31,000	30,000	—15,000	22,000
Internal .. £A.'000	12,500	5,300	—36,100	17,600	—10,200
 <b>Loans raised for conversion or redemption of existing securities maturing in—</b>					
Australia .. .. £A.'000	344,417	259,249	229,732	281,387	228,944
London .. .. £Stg.'000	16,000	20,000	..	33,925	..
New York .. .. \$'000	..	..	..	..	30,000

(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.

9. **Government Securities on Issue maturing in Australia, Classified by Holder.**—The following table shows details of government securities maturing in Australia classified according to holder as at the 30th June, 1961 and 1962.

GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATE—  
MATURING IN AUSTRALIA, BY HOLDER(a)

(Source: Reserve Bank of Australia Statistical Bulletin)

Holder	30th June—			
	1961		1962	
	Amount	Proportion of total	Amount	Proportion of total
	£ million	Per cent.	£ million	Per cent.
Reserve Bank of Australia .. ..	487	13.1	463	12.1
Trading banks .. ..	288	7.7	385	10.1
Savings banks .. ..	794	21.4	837	21.9
Life insurance offices .. ..	227	6.1	259	6.8
Fire, marine and general insurance offices	42	1.1	42	1.1
Other private financial institutions—				
Pension and provident funds .. ..	29	0.8	37	1.0
Friendly societies, hospitals and medical funds .. ..	8	0.2	9	0.2
Trustee companies .. ..	78	2.1	74	1.9
Pastoral finance companies .. ..	9	0.2	7	0.2
Money market dealers .. ..	102	2.7	123	3.2
Miscellaneous .. ..	7	0.2	7	0.2
Government financial institutions—				
Insurance offices and funds .. ..	36	1.0	39	1.0
Pension and provident funds .. ..	60	1.6	64	1.7
Public trustees .. ..	17	0.5	18	0.5
Stabilization funds .. ..	3	0.1	..	..
All other(b) .. ..	8	0.2	10	0.3
Public authorities (excluding finance)—				
Commonwealth government (including Commonwealth semi-government) ..	762	20.5	706	18.4
State government .. ..	22	0.6	19	0.5
Local government and State semi-government .. ..	72	1.9	75	1.9
Companies (excluding finance) .. ..	66	1.8	70	1.8
Other holders—				
Marketing boards .. ..	4	0.1	4	0.1
Farmers .. ..	80	2.2	74	1.9
Non-profit organizations .. ..	28	0.8	28	0.7
All other .. ..	487	13.1	479	12.5
<b>Total .. ..</b>	<b>3,716</b>	<b>100.0</b>	<b>3,829</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) Includes securities held by Commonwealth Development Bank of Australia.

## § 5. National Debt Sinking Fund

1. *Securities on Issue on behalf of the Commonwealth.*—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 1957–58 to 1961–62 were as follows.

## NATIONAL DEBT SINKING FUND: COMMONWEALTH ACCOUNT

(£'000)

Particulars	1957-58	1958-59	1959-60	1960-61	1961-62
<b>Receipts—</b>					
From Consolidated Revenue .. ..	14,301	14,376	19,533	23,092	25,161
Loans and advances repaid .. ..	2,881	3,213	3,398	3,751	3,834
War service homes money repaid ..	6,566	7,560	9,589	9,808	9,422
Half net profit Commonwealth Bank ..	4,961	5,749	2,808	(a)	(a)
Reparation moneys .. ..	63	20	43	16	8
Interest on investments .. ..	(b) 9,413	(b) 9,015	(b) 8,303	(b) 7,830	(b) 6,617
<i>Loan (International Bank for Reconstruction and Development) Act</i> ..	14,564	7,492	..	..	..
Other contributions .. ..	1	..	..	..	..
<b>Total, Receipts .. ..</b>	<b>52,750</b>	<b>47,425</b>	<b>43,674</b>	<b>44,497</b>	<b>45,042</b>
<b>Expenditure—</b>					
Securities repurchased and redeemed in—					
Australia .. ..	60,001	64,799	59,357	58,539	52,525
London .. ..	318	189	218	594	170
New York .. ..	(c) 5,172	(c) 6,029	(c) 7,969	(c) 8,062	(c) 10,331
<b>Total, Expenditure .. ..</b>	<b>65,491</b>	<b>71,017</b>	<b>67,544</b>	<b>67,195</b>	<b>63,026</b>
Balance at 30th June .. ..	230,344	206,752	182,882	160,184	142,200
Face value of securities repurchased and redeemed in—					
Australia .. ..	61,017	65,421	59,556	59,354	52,686
London .. ..	305	185	220	481	150
New York .. ..	(c) 2,387	(c) 2,783	(c) 3,681	(c) 3,720	(c) 4,767
<b>Total, Face Value .. ..</b>	<b>63,709</b>	<b>68,389</b>	<b>63,457</b>	<b>63,555</b>	<b>57,603</b>

(a) Amounts of £3,352,000 in 1960-61, and £4,487,000 in 1961-62 were transferred to the Commonwealth Consolidated Revenue Fund from the profits of the central banking business of the Reserve Bank.  
(b) Includes interest received under *National Debt Sinking Fund (Special Payment) Act 1951*:—£3,936,000 in 1957-58, £3,382,000 in 1958-59, £3,082,000 in 1959-60, £2,799,000 in 1960-61 and £1,906,000 in 1961-62.  
(c) Includes instalment repayments of loans from International Bank for Reconstruction and Development:—1957-58, net cost, £4,733,000, face value, £2,173,000; 1958-59, net cost, £5,688,000, face value, £2,618,000; 1959-60, net cost, £7,235,000, face value, £3,326,000; 1960-61, net cost, £7,563,000, face value, £3,481,000; 1961-62, net cost, £7,910,000, face value, £3,643,000.

2. **Securities on Issue on behalf of States.**—(i) *States, 1961-62.* A sinking fund for the redemption of the securities on issue on behalf of States was established under the Financial Agreement. Details of contributions to be made to this fund are given on page 956. Particulars of the transactions of the National Debt Sinking Fund (States' Account) for each State during the year 1961-62 are shown below.

## NATIONAL DEBT SINKING FUND: STATES' ACCOUNT, 1961-62

(£'000)

Particulars	N.S.W.	Vic.	Q'land	S. Aust.	W. Aust.	Tas.	Total
<b>Receipts—</b>							
Contributions under Financial Agreement—							
Commonwealth .. ..	2,330	1,565	844	899	653	448	6,739
States .. ..	7,975	6,172	3,033	3,670	2,489	1,319	24,658
Interest from States on cancelled securities .. ..	7	3	2	1	1	1	15
Special contributions by States ..	47	54	35	53	4	1	194
Interest on investments, etc. ..	9	—1	—3	—2	..	1	4
<b>Total, Receipts .. ..</b>	<b>10,368</b>	<b>7,793</b>	<b>3,911</b>	<b>4,621</b>	<b>3,147</b>	<b>1,770</b>	<b>31,610</b>
<b>Expenditure—</b>							
Securities repurchased and redeemed in—							
Australia .. ..	7,679	6,894	3,082	3,709	2,860	1,667	25,891
London .. ..	183	74	74	265	22	6	624
New York .. ..	2,483	827	742	692	201	112	5,057
<b>Total, Expenditure .. ..</b>	<b>10,345</b>	<b>7,795</b>	<b>3,898</b>	<b>4,666</b>	<b>3,083</b>	<b>1,785</b>	<b>31,572</b>
Balance at 30th June, 1962 ..	382	212	164	104	111	66	1,039
Face value of securities repurchased and redeemed in—							
Australia .. ..	7,706	6,897	2,975	3,621	2,860	1,667	25,726
London .. ..	160	65	65	215	20	5	530
New York .. ..	1,104	376	332	320	94	52	2,278
<b>Total, Face Value .. ..</b>	<b>8,970</b>	<b>7,338</b>	<b>3,372</b>	<b>4,156</b>	<b>2,974</b>	<b>1,724</b>	<b>28,534</b>



(ii) *All States, 1957-58 to 1961-62.* The following table is a summary of the transactions of the National Debt Sinking Fund (States' Account) for the years 1957-58 to 1961-62.

## NATIONAL DEBT SINKING FUND: STATES' ACCOUNT

(£'000)

Particulars	1957-58	1958-59	1959-60	1960-61	1961-62
<b>Receipts—</b>					
Contributions under Financial Agreement—					
Commonwealth .. .. .	5,065	5,386	5,942	6,274	6,739
States .. .. .	17,758	19,161	21,280	22,808	24,658
Interest from States on cancelled securities .. .. .	11	8	14	17	15
Special contributions by States .. .. .	193	239	227	238	194
Interest on investments, etc. .. .. .	36	47	..	19	4
<b>Total, Receipts .. .. .</b>	<b>23,063</b>	<b>24,841</b>	<b>27,463</b>	<b>29,356</b>	<b>31,610</b>
<b>Expenditure—</b>					
Securities repurchased and redeemed in—					
Australia .. .. .	16,567	21,359	24,570	26,291	25,891
London .. .. .	6,043	1,799	797	944	624
New York .. .. .	1,011	1,024	2,342	1,840	5,057
<b>Total, Expenditure .. .. .</b>	<b>23,621</b>	<b>24,182</b>	<b>27,709</b>	<b>29,075</b>	<b>31,572</b>
<b>Balance at 30th June .. .. .</b>	<b>308</b>	<b>967</b>	<b>721</b>	<b>1,002</b>	<b>1,039</b>
<b>Face values of securities Repurchased and Redeemed in—</b>					
Australia .. .. .	16,102	21,435	24,617	26,420	25,726
London .. .. .	4,866	1,330	761	414	530
New York .. .. .	476	481	1,103	871	2,278
<b>Total, Face Value .. .. .</b>	<b>21,444</b>	<b>23,246</b>	<b>26,481</b>	<b>27,705</b>	<b>28,534</b>

## TAXES ON INCOME

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 1936-1962* and the *Income Tax and Social Services Contribution Act 1962*. 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 1962-63 is levied on the income of individuals in 1962-63 and on the income of companies in 1961-62.

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* 1947–1962 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. The boundaries of Zones A and B are as defined in the Second Schedule, *Income Tax and Social Services Assessment Act* 1936–1962.

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 insurance and superannuation contribution, 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 1962–63, 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 1962-63 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, 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 (resident and non-resident) 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 1962-63, 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 1962-63
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 1962-63 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 £455. A married couple both of whom qualify by age for the concession are exempt from tax if their combined net incomes do not exceed £1,293.

**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 1962-63.

**INCOME TAX AND SOCIAL SERVICES CONTRIBUTION—INDIVIDUALS: RATES  
OF INCOME TAX AND SOCIAL SERVICES CONTRIBUTION, 1953-54 TO 1962-63**

Total taxable income		1953-54		1954-55 to 1962-63(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, 1961-62 and 1962-63 financial years, 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 1954-55 to 1962-63.

## COMMONWEALTH TAXES ON INCOME

(£ )

Income	Income Tax and Social Services Contribution				
	1954-55 to 1956-57	1957-58 and 1958-59	1959-60 (a)	1960-61	1961-62 and 1962-63 (a)
INCOME FROM PERSONAL EXERTION—TAXPAYER WITH NO DEPENDANTS					
150 .. .. .	1.05	1.05	1.00	1.05	1.00
200 .. .. .	2.50	2.50	2.40	2.50	2.40
250 .. .. .	4.80	4.80	4.55	4.80	4.55
300 .. .. .	7.90	7.90	7.50	7.90	7.50
350 .. .. .	12.10	12.10	11.50	12.10	11.50
400 .. .. .	16.25	16.25	15.45	16.25	15.45
500 .. .. .	27.10	27.10	25.75	27.10	25.75
600 .. .. .	39.60	39.60	37.60	39.60	37.60
800 .. .. .	69.60	69.60	66.10	69.60	66.10
1,000 .. .. .	106.25	106.25	100.95	106.25	100.95
1,500 .. .. .	225.85	225.85	214.55	225.85	214.55
2,000 .. .. .	376.25	376.25	357.45	376.25	357.45
3,000 .. .. .	753.75	753.75	716.05	753.75	716.05
5,000 .. .. .	1,701.25	1,701.25	1,616.20	1,701.25	1,616.20

(a) Provision was made for a rebate to reduce by 5 per cent. the amount of income tax and social services contribution otherwise payable.

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

Income	Income Tax and Social Services Contribution				
	1954-55 to 1956-57	1957-58 and 1958-59	1959-60 (a)	1960-61	1961-62 and 1962-63 (a)
<b>INCOME FROM PERSONAL EXERTION—TAXPAYER WITH DEPENDENT WIFE</b>					
150 .. .. .	..	..	..	..	..
200 .. .. .	..	..	..	..	..
250 .. .. .	0.65	0.50	0.50	0.50	0.50
300 .. .. .	1.60	1.25	1.20	1.25	1.20
350 .. .. .	3.60	2.80	2.65	2.80	2.65
400 .. .. .	6.05	5.25	5.00	5.25	5.00
500 .. .. .	13.75	12.65	12.00	12.65	12.00
600 .. .. .	23.85	22.40	21.30	22.40	21.30
800 .. .. .	49.50	47.65	45.25	47.65	45.25
1,000 .. .. .	81.85	79.55	75.55	79.55	75.55
1,500 .. .. .	191.35	188.20	178.80	188.20	178.80
2,000 .. .. .	334.55	330.35	313.85	330.35	313.85
3,000 .. .. .	700.10	694.75	660.00	694.75	660.00
5,000 .. .. .	1,634.10	1,627.35	1,546.00	1,627.35	1,546.00
<b>INCOME FROM PERSONAL EXERTION—TAXPAYER WITH DEPENDENT WIFE AND ONE CHILD</b>					
150 .. .. .	..	..	..	..	..
200 .. .. .	..	..	..	..	..
250 .. .. .	..	..	..	..	..
300 .. .. .	..	..	..	..	..
350 .. .. .	0.95	0.60	0.55	0.60	0.55
400 .. .. .	2.25	1.50	1.45	1.50	1.45
500 .. .. .	7.40	5.80	5.50	5.80	5.50
600 .. .. .	15.60	13.40	12.75	13.40	12.75
800 .. .. .	38.60	35.35	33.60	35.35	33.60
1,000 .. .. .	68.30	64.20	61.00	64.20	61.00
1,500 .. .. .	172.20	165.80	157.50	165.80	157.50
2,000 .. .. .	309.70	302.00	286.90	302.00	286.90
3,000 .. .. .	668.20	658.20	625.30	658.20	625.30
5,000 .. .. .	1,593.80	1,580.35	1,501.35	1,580.35	1,501.35
<b>INCOME FROM PERSONAL EXERTION—TAXPAYER WITH DEPENDENT WIFE AND TWO CHILDREN</b>					
150 .. .. .	..	..	..	..	..
200 .. .. .	..	..	..	..	..
250 .. .. .	..	..	..	..	..
300 .. .. .	..	..	..	..	..
350 .. .. .	..	..	..	..	..
400 .. .. .	0.90	..	..	..	..
500 .. .. .	4.35	2.55	2.40	2.55	2.40
600 .. .. .	11.25	8.00	7.60	8.00	7.60
800 .. .. .	32.10	27.20	25.85	27.20	25.85
1,000 .. .. .	60.10	53.90	51.20	53.90	51.20
1,500 .. .. .	159.40	149.85	142.35	149.85	142.35
2,000 .. .. .	294.35	282.80	268.65	282.80	268.65
3,000 .. .. .	648.25	633.30	601.65	633.30	601.65
5,000 .. .. .	1,566.90	1,546.75	1,469.40	1,546.75	1,469.40

(a) Provision was made for a rebate to reduce by 5 per cent. the amount of income tax and social services contribution otherwise payable.

**9. Pay-as-you-earn.**—(i) *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.

(ii) *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 are made at the same time as collection and assessment for the previous year are adjusted. The notice of assessment shows an amount of provisional tax 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 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 1956-57 to 1962-63 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, 1956-57 TO 1962-63 FINANCIAL YEARS

(Pence per £)

Type of company	Rate of Income Tax and Social Services Contribution—						Rate of Additional Tax on Undistributed Income
	1956-57		1957-58 to 1959-60		1960-61 to 1962-63		1953-54 to 1962-63
	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 .. .. .	60	84	54	78	60	84	120
Co-operative .. .. .	72	96	66	90	72	96	..
Non-profit(a)—							
Friendly society dispensaries .. .. .	72	96	66	66	72	72	..
Other(b) .. .. .	72	96	66	90	72	96	..
Life insurance—							
Mutual .. .. .	60	84	54	78	60	84	..
Other—							
(1) Mutual income .. .. .	60	84	54	78	60	84	..
(2) Other income(c) .. .. .	(d) 84	96	(d) 78	90	(d) 84	96	..
Other .. .. .	(d) 84	96	(d) 78	90	(d) 84	96	..
Interest paid to a non-resident(e) .. .. .	96	96	90	90	96	96	..

(a) Incomes not exceeding £104 are exempt from tax. (b) Where the taxable income does not exceed £228 (1956-57) or £231 (1957-58 to 1959-60) or £260 (1960-61 to 1962-63) the tax may not exceed eleven-twentieths (1956-57) or one-half (1957-58 to 1962-63) of the amount by which the taxable income exceeds £104. (c) The rate of 84d. (1956-57, 1960-61 to 1962-63) or 78d. (1957-58 to 1959-60) is levied on the amount of £5,000 less the mutual income. (d) For non-resident companies dividends included in this part of taxable income are taxed at 72d. (1956-57, 1960-61 to 1962-63) 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 was 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 10 per cent. of distributable income from property, except dividends from other private companies.



For 1959-60 to 1962-63, 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.; and 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 1962-63, 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 1957-58 to 1961-62.

## INCOME TAX COLLECTIONS

(£'000)

Year	Total		
	Common-wealth	State(a)	Total
1957-58 .. .. .	650,419	33	650,452
1958-59 .. .. .	608,660	15	608,675
1959-60 .. .. .	671,294	8	671,302
1960-61 .. .. .	807,266	7	807,273
1961-62 .. .. .	828,150	..	828,150

(a) Amounts shown are arrears of State income taxes existing prior to the introduction of the uniform tax arrangement.

(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	1956-57	1957-58	1958-59	1959-60	1960-61
Individuals—					
Income Tax and Social Services Contribution .. .. .	(a) 354,168	390,596	355,064	378,219	426,476
Companies—					
Income Tax .. .. .	210,664	212,707	214,683	231,610	292,856
Additional Tax on Undistributed Income of Private Companies .. .. .	2,951	2,512	1,835	1,274	1,460
Total .. .. .	567,783	605,815	571,582	611,103	720,792

(a) Includes assessments issued to 30th June, 1960.

13. **Commonwealth Income Tax and Social Services Contribution Assessments.**—(i) 1960–61 *Assessment Year*. The following tables show, for the 1960–61 assessment year, the number of taxpayers, income, and net income tax and social services contribution assessed for individuals and resident and non-resident companies. For further information of this nature, see the annual bulletin *Finance, Part II.—Commonwealth Taxation* (No. 52) issued by this Bureau.

**COMMONWEALTH INCOME TAX AND SOCIAL SERVICES CONTRIBUTION 1960-61 ASSESSMENT(a): NUMBER OF TAXPAYERS, ACTUAL INCOME(b), TAXABLE INCOME(c) AND NET INCOME TAX AND SOCIAL SERVICES CONTRIBUTION ASSESSED—INDIVIDUALS**

(Incomes derived in the year 1959-60)

Grade of actual income(b) and State or Territory of assessment	Number of taxpayers			Actual income (b)	Taxable income (c)			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 ..	55,031	104,448	159,479	24,762	19,694	3,945	23,639	187
200– 299 ..	61,856	121,819	183,675	45,889	34,515	7,947	42,462	732
300– 399 ..	81,854	133,703	215,557	75,558	56,517	11,831	68,348	1,999
400– 499 ..	93,426	144,438	237,864	106,955	77,568	17,537	95,105	3,818
500– 599 ..	102,220	159,036	261,256	143,824	103,329	23,153	126,482	6,468
600– 699 ..	109,447	178,702	288,149	187,052	135,757	27,056	162,813	9,849
700– 799 ..	143,509	140,790	284,299	213,092	148,447	30,842	179,289	12,187
800– 899 ..	230,494	91,245	321,739	273,925	184,377	34,211	218,588	16,069
900– 999 ..	304,276	56,616	360,892	342,962	228,436	36,076	264,512	20,933
1,000–1,099 ..	321,175	34,646	355,821	373,565	244,860	37,084	281,944	24,046
1,100–1,199 ..	283,567	23,485	307,052	352,544	228,100	36,227	264,327	24,193
1,200–1,299 ..	230,896	16,318	247,214	308,415	195,106	34,712	229,818	22,453
1,300–1,399 ..	178,895	12,502	191,397	257,705	158,658	33,363	192,021	19,921
1,400–1,499 ..	136,861	9,414	146,275	211,786	127,516	31,070	158,586	17,480
1,500–1,999 ..	336,068	28,667	364,735	619,352	339,775	128,692	468,467	59,128
2,000–2,999 ..	152,587	19,319	171,906	407,195	164,299	158,044	322,343	53,831
3,000–3,999 ..	41,309	6,691	48,000	164,144	45,631	91,091	136,722	30,186
4,000–4,999 ..	18,264	2,941	21,205	94,184	22,028	58,630	80,658	21,464
5,000–9,999 ..	20,947	3,494	24,441	159,398	30,692	109,964	140,656	48,805
10,000–14,999 ..	2,633	467	3,100	36,870	6,423	27,118	33,541	15,038
15,000 and over	1,275	195	1,470	34,728	4,983	26,240	31,223	16,627
Central Office ..	8,296	5,938	14,234	41,891	8,076	27,974	36,050	11,161
New South Wales	1,090,003	491,374	1,581,377	1,706,867	1,021,080	338,853	1,359,933	164,905
Victoria ..	824,112	399,761	1,223,873	1,302,791	770,204	280,227	1,050,431	128,624
Queensland ..	402,724	153,260	555,984	558,849	286,401	142,658	429,059	49,371
South Australia	268,118	115,218	383,336	380,307	222,373	79,530	301,903	33,222
Western Australia	197,342	77,586	274,928	274,507	147,779	66,034	213,813	23,452
Tasmania ..	93,454	36,823	130,277	129,281	75,676	24,577	100,253	10,740
Nor. Territory ..	6,258	1,907	8,165	10,834	5,789	1,349	7,138	861
Aust. Cap. Ter.	16,283	7,069	23,352	28,578	19,333	3,631	22,964	3,078
<b>Total, Residents</b>	<b>2,906,590</b>	<b>1,288,936</b>	<b>4,195,526</b>	<b>4,433,905</b>	<b>2,556,711</b>	<b>964,833</b>	<b>3,521,544</b>	<b>425,414</b>
<b>Total, Non-residents ..</b>	<b>2,021</b>	<b>1,827</b>	<b>3,848</b>	<b>5,319</b>	<b>914</b>	<b>4,029</b>	<b>4,943</b>	<b>1,062</b>
<b>Total, Residents and Non-residents ..</b>	<b>2,908,611</b>	<b>1,290,763</b>	<b>4,199,374</b>	<b>4,439,224</b>	<b>2,557,625</b>	<b>968,862</b>	<b>3,526,487</b>	<b>426,476</b>

(a) Assessments in respect of 1959–60 incomes issued to 30th September, 1961. 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".

(c) Taxable income is the income remaining after deducting from assessable income all allowable deductions.

**COMMONWEALTH INCOME TAX AND SOCIAL SERVICES CONTRIBUTION  
1960-61 ASSESSMENT(a): NUMBER OF TAXPAYERS, ACTUAL INCOME(b),  
TAXABLE INCOME(c) AND NET TAX ASSESSED—RESIDENT AND NON-  
RESIDENT COMPANIES**

(Income derived in the year 1959-60)

Grade of taxable income(c) and State or Territory of assessment				Number of taxpayers	Actual income(b)	Taxable income(c)	Net tax assessed(d)
£	£			No.	£'000	£'000	£'000
1- 999	..	..	..	15,192	7,462	5,351	1,326
1,000- 4,999	..	..	..	18,479	57,522	49,783	11,901
5,000- 9,999	..	..	..	7,699	55,168	53,355	14,074
10,000- 19,999	..	..	..	4,203	62,263	58,852	17,144
20,000- 49,999	..	..	..	3,009	95,578	93,435	29,107
50,000- 99,999	..	..	..	1,100	78,758	76,649	24,004
100,000-199,999	..	..	..	685	96,240	94,535	30,383
200,000-499,999	..	..	..	399	121,795	119,025	38,281
500,000-999,999	..	..	..	121	88,129	85,914	26,246
1,000,000 and over	..	..	..	109	349,039	299,464	100,390
Central Office	..	..	..	3,397	505,562	444,998	146,638
New South Wales	..	..	..	21,035	219,775	213,493	63,160
Victoria	..	..	..	14,536	151,312	148,457	43,434
Queensland	..	..	..	3,944	48,431	46,569	15,247
South Australia	..	..	..	4,572	43,775	42,888	12,598
Western Australia	..	..	..	1,775	22,807	20,348	6,713
Tasmania	..	..	..	953	11,886	11,694	3,674
Northern Territory	..	..	..	105	933	863	260
Australian Capital Territory	..	..	..	679	7,473	7,053	1,132
<b>Total</b>	..	..	..	<b>50,996</b>	<b>1,011,954</b>	<b>936,363</b>	<b>292,856</b>

(a) Assessments in respect of 1959-60 incomes issued to 31st December, 1961. 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".

(c) Taxable income is the income remaining after deducting from assessable income all allowable deductions.

(d) Excludes additional tax levied on the undistributed income of private companies, £1,460,000.

(ii) *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:  
RESIDENT INDIVIDUALS, BY GRADES OF ACTUAL INCOME<sup>(a)</sup>**

Grade of actual income		1957-58		1958-59		1959-60		1960-61	
		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 ..		153,674	192	158,213	202	157,786	194	159,479	187
200-299 ..		191,438	828	188,743	827	185,069	786	183,675	732
300-399 ..		232,726	2,323	228,533	2,285	225,492	2,208	215,557	1,999
400-499 ..		262,023	4,540	256,931	4,427	250,645	4,245	237,864	3,818
500-599 ..		311,057	8,233	306,044	8,090	296,189	7,774	261,256	6,468
600-699 ..		295,767	10,376	295,996	10,366	297,370	10,500	288,149	9,849
700-799 ..		332,640	14,207	318,592	13,413	303,738	13,066	284,299	12,187
800-899 ..		396,438	20,317	388,292	18,856	376,967	18,902	321,739	16,069
900-999 ..		383,557	23,162	391,561	22,865	395,366	23,259	360,892	20,933
1,000-1,099 ..		313,847	22,607	327,691	22,593	346,733	23,456	355,821	24,046
1,100-1,199 ..		230,074	19,673	244,267	19,903	266,226	21,424	307,052	24,193
1,200-1,299 ..		167,944	16,777	177,799	16,857	198,622	18,526	247,214	22,453
1,300-1,399 ..		124,992	14,401	133,529	14,750	149,980	16,100	191,397	19,921
1,400-1,499 ..		89,650	11,874	94,540	12,148	110,477	13,701	146,275	17,480
1,500-1,999 ..		211,992	38,724	224,489	39,708	265,013	45,733	364,735	59,128
2,000-2,999 ..		113,643	40,897	109,571	38,476	127,985	43,667	171,906	53,831
3,000-3,999 ..		38,205	26,869	34,297	23,975	38,367	26,194	48,000	30,186
4,000-4,999 ..		18,037	20,084	15,512	17,199	17,297	18,706	21,205	21,464
5,000-9,999 ..		22,772	50,833	18,403	40,127	19,669	41,973	24,441	48,805
10,000-14,999 ..		3,643	19,101	2,553	13,114	2,487	12,721	3,100	15,038
15,000-29,000 ..		1,668	16,008	988	9,319	971	9,337	1,269	11,424
30,000-49,999 ..		215	4,227	130	2,522	123	2,384	144	2,808
50,000 and over		72	2,862	44	1,947	43	2,020	57	2,395
<b>Total ..</b>		<b>3,896,074</b>	<b>389,115</b>	<b>3,916,718</b>	<b>353,969</b>	<b>4,032,615</b>	<b>376,876</b>	<b>4,195,526</b>	<b>425,414</b>

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