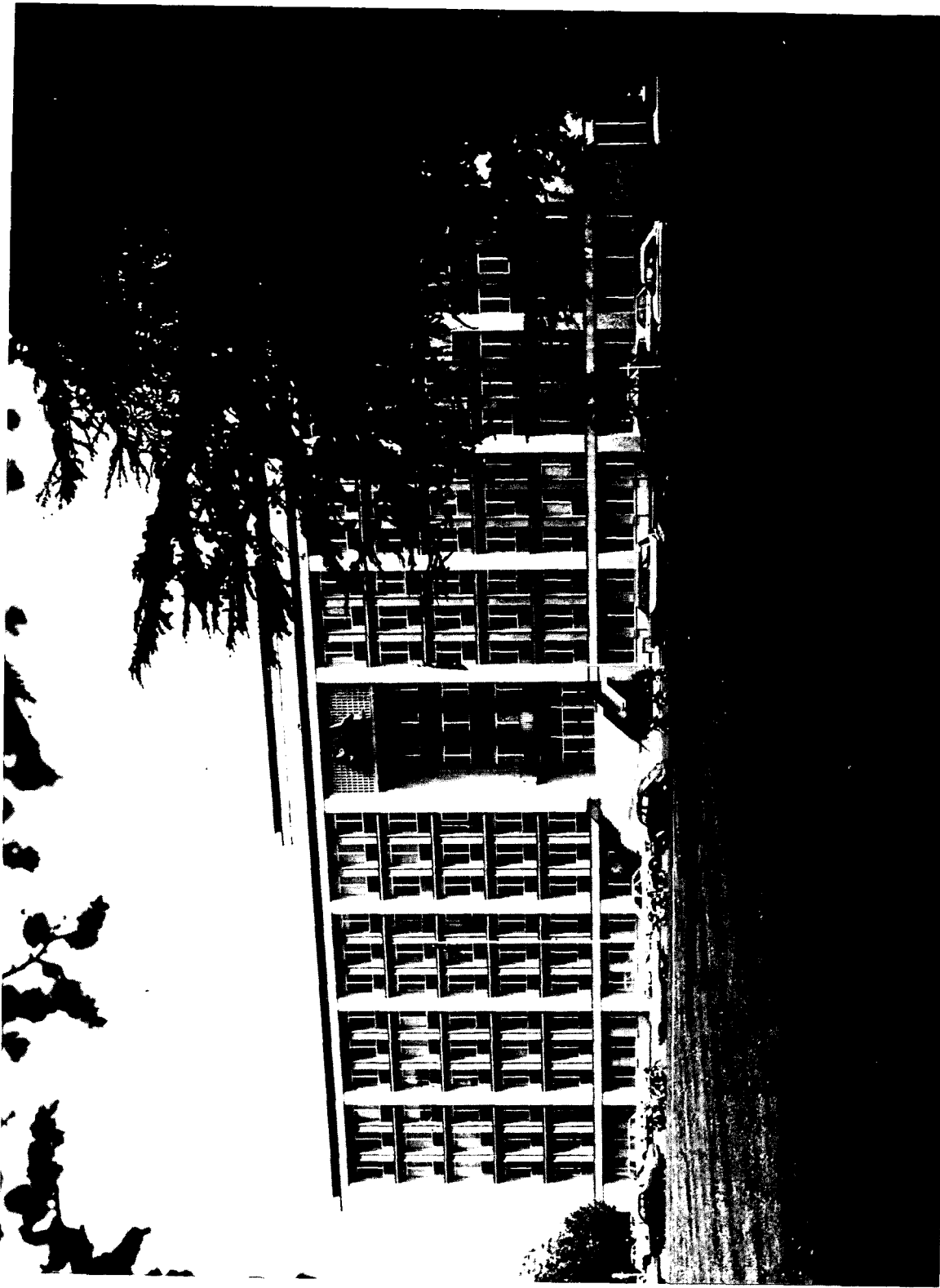


CHAPTER 22

PUBLIC FINANCE



Treasury Building - Canberra A.C.T.

CHAPTER 22

PUBLIC FINANCE

This chapter deals with the financial activities of the organisations which make up the three levels of government in the Australian political system—Commonwealth, State and Local—and which collectively constitute the public sector. An account is given of the activities of each level of government, with particular emphasis being given to Commonwealth authorities. Tables are then presented which bring together the transactions of all public authorities to highlight the role in the Australian economy of the public sector as a whole. Then follows a section on government borrowing activities at all levels.

COMMONWEALTH GOVERNMENT FINANCE

Financial provisions of the Constitution

The main provisions of the Constitution relating to the initiation and development of the financial system of the Commonwealth of Australia are contained in Sections 81 to 105A of the Commonwealth Constitution (*see* pages 18–21 of Year Book No. 62).

Two other sections which have a most important bearing on questions of Commonwealth finance are Sections 69 and 51. Section 69 provides for the transfer from the States to the Commonwealth of certain specified departments, and Section 51, in outlining the powers of the Commonwealth Parliament, implies the transfer or creation of other departments.

Sections 87 and 96 of the Constitution deal with the financial relations between the Commonwealth and the States. The full text of the Financial Agreement of 1927 was given in Year Book No. 31, page 21; accounts of this Agreement as affected by subsequent Agreements were included in later issues of the Year Book up to No. 37 (*see* pages 685–90); details of the main provisions appeared in further issues of the Year Book up to No. 50 (*see* pages 952–3); and details of current provisions for financial assistance to the States are given on pages 592–7 of this Year Book.

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

Commonwealth Government Budget

The Commonwealth Government Budget records the transactions of those authorities of the Commonwealth Government whose receipts and payments are summarised in the statements of Public Account balances. In 1978–79 the change in cash balances was represented by the following—

	\$'000
Cash receipts of the Consolidated Revenue Fund	25,483,991
<i>plus</i> cash receipts of Loan Fund	18,733,219
<i>plus</i> cash receipts of Trust Fund	9,988,088
<i>Total</i>	54,205,298
<i>less</i> cash payments from Consolidated Revenue Fund	25,483,991
<i>less</i> cash payments from Loan Fund	18,411,176
<i>less</i> cash payments from Trust Fund (including increase in investments of the Trust Fund)	9,833,651
<i>Total</i>	53,728,818
<i>equals</i> decrease in cash balances	476,480

Revenues from taxation and other sources are paid into the Consolidated Revenue Fund, from which the main expenditures are for defence, social services, payments to the States and general

administration. The Trust Fund covers special transactions outside the ordinary operations of departmental expenditures, such as pension funds and moneys held for expenditure by the Commonwealth Government at some future time. The Loan Fund receives its funds from the sale of Commonwealth Government securities, and the expenditures from the Fund are made in accordance with the purpose of issue of each loan. The main disbursements from the Loan Fund are to the States by way of distribution of the proceeds of loans raised by the Commonwealth Government on their behalf and by capital assistance grants, the remaining disbursements being mainly for Commonwealth Government purposes.

The receipts and outlay of the Budget for 1979-80 are set out in the table which follows, together with figures for the years 1974-75 to 1978-79. The national accounting presentation of the Budget is shown in order to be consistent with other transactions figures given in this chapter.

It should be noted that some transactions undertaken by authorities covered by the Budget are not reflected in the change in cash balances, usually because they are not cash transactions or because a receipt and a payment are offset against each other so that only a net amount is included in published totals. The national accounting presentation of the Budget includes these additional transactions, further details of which may be found in Budget Paper No. 10, *National Accounting Estimates of Receipts and Outlays of Commonwealth Government Authorities*.

OUTLAYS AND RECEIPTS OF THE COMMONWEALTH BUDGET

(\$ million)

(Source: 1979-80 Budget Paper No. 10 National Accounting Estimates of Receipts and Outlays of Commonwealth Government Authorities)

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80 Budget Estimates
Outlay—						
Net expenditure on goods and services—						
Current	3,474	4,058	4,635	5,177	5,630	6,077
Capital(a)	404	564	520	451	331	329
Total	3,878	4,622	5,155	5,628	5,961	6,405
Transfer payments—						
Cash benefits to persons	4,320	6,089	7,388	8,277	9,105	9,968
Unfunded employee retirement benefits	88	106	121	139	162	180
Grants to States and local government authorities	5,178	7,091	7,661	8,738	9,349	10,351
Grants to the Northern Territory	—	—	—	53	290	362
Interest paid	888	968	1,412	1,649	1,971	2,180
Transfers overseas	349	370	388	417	477	500
Subsidies	228	254	220	322	363	559
Grants for private capital purposes	121	173	101	124	116	174
Purchase of existing assets	121	26	16	15	22	16
Total	11,293	15,077	17,307	19,735	21,856	24,289
Total expenditure	15,171	19,699	22,462	25,363	27,816	30,694
Net advances—						
States	1,225	1,372	1,278	1,261	1,129	817
Northern Territory	—	—	—	—	-2	79
Commonwealth authorities	1,165	708	303	101	66	117
Other sectors	278	81	79	76	35	-16
Total	2,669	2,161	1,660	1,438	1,228	998
Total outlay	17,839	21,861	24,123	26,802	29,045	31,692
Receipts—						
Taxation—						
Indirect taxes	3,792	4,877	5,523	5,834	7,172	8,457
Income tax on companies	2,447	2,618	2,921	3,213	3,151	3,400
Income tax on persons	7,714	9,220	11,054	12,129	12,804	15,128
Estate and gift duties	80	86	87	102	83	41
Other direct taxes, fees, fines, etc.	23	11	14	15	24	30
Unfunded employee retirement contributions	35	40	52	61	63	63
Less remissions	7	8	8	8	8	1
Total	14,085	16,843	19,642	21,346	23,288	27,119
Other receipts—						
Interest, rent and dividends	1,175	1,405	1,627	1,812	1,922	2,048
Gross income of public enterprises	-5	-3	85	225	299	266
Net sales of existing assets(b)	18	30	30	86	58	66
Total	1,188	1,433	1,741	2,122	2,279	2,380
Total receipts	15,273	18,276	21,383	23,468	25,567	29,499
Deficit	2,567	3,585	2,740	3,333	3,478	2,193

(a) Expenditure on new fixed assets plus increase in stocks less sales of previously rented houses. (b) Excludes sales of previously rented houses. Includes sales from the Commonwealth's uranium stockpile in 1977-78 (\$63.6m), 1978-79 (\$33.2m) and 1979-80 (\$37.5m).

Financing of the Commonwealth Government deficit

The deficit shown in the last line of the preceding table represents the net excess of Budget outlay over receipts. In other words, the estimated deficit shown for 1979-80 represents the Commonwealth Government budget sector's 'financing requirements'. Most such transactions involve the issue, re-purchase, redemption or acquisition of Commonwealth Government securities, but some involve or are represented by changes in other assets or liabilities of the Commonwealth Government.

Specifically the deficit is financed as follows:

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

A table summarising the financial transactions of the Commonwealth Government budget sector for recent years is given on page 251 of Statement No. 6 attached to the *Budget Speech* 1979-80.

COMMONWEALTH AUTHORITIES

In addition to the group of authorities of the Commonwealth Government whose transactions are covered by the Budget (i.e. itemised in the Consolidated Revenue Fund, the Loan Fund, or recorded in a Trust Fund), there are a number of organisations owned or controlled by the Commonwealth Government whose transactions do not, for the most part, pass through the Public Account. This category includes public enterprises such as the Australian Postal Commission, Australian Telecommunications Commission, Overseas Telecommunications Commission, Qantas, Trans-Australia Airlines, the Australian Shipping Commission, the Snowy Mountains Hydro-electric Authority, the Reserve Bank and the Commonwealth Banking Corporation. Public enterprises, it should be noted, are bodies which aim at covering the bulk of their expenses by revenue either from sales of goods and services (trading enterprises), or by charges for services and net interest receipts (financial enterprises). As well as these enterprises, there are other public authorities which record most of their transactions outside the Public Account but have only minor independent sources of revenue and are financed almost entirely from funds voted to them each year from the Consolidated Revenue Fund. In order that the national accounting presentation may indicate as completely as possible the direct effect of the budget on demand, appropriations to this last group of authorities are treated as final expenditure in the Budget. Authorities in this category include the Australian Broadcasting Commission, Australian National University, National Capital Development Commission, and the Australian Atomic Energy Commission.

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

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

COMMONWEALTH AUTHORITIES
1977-78

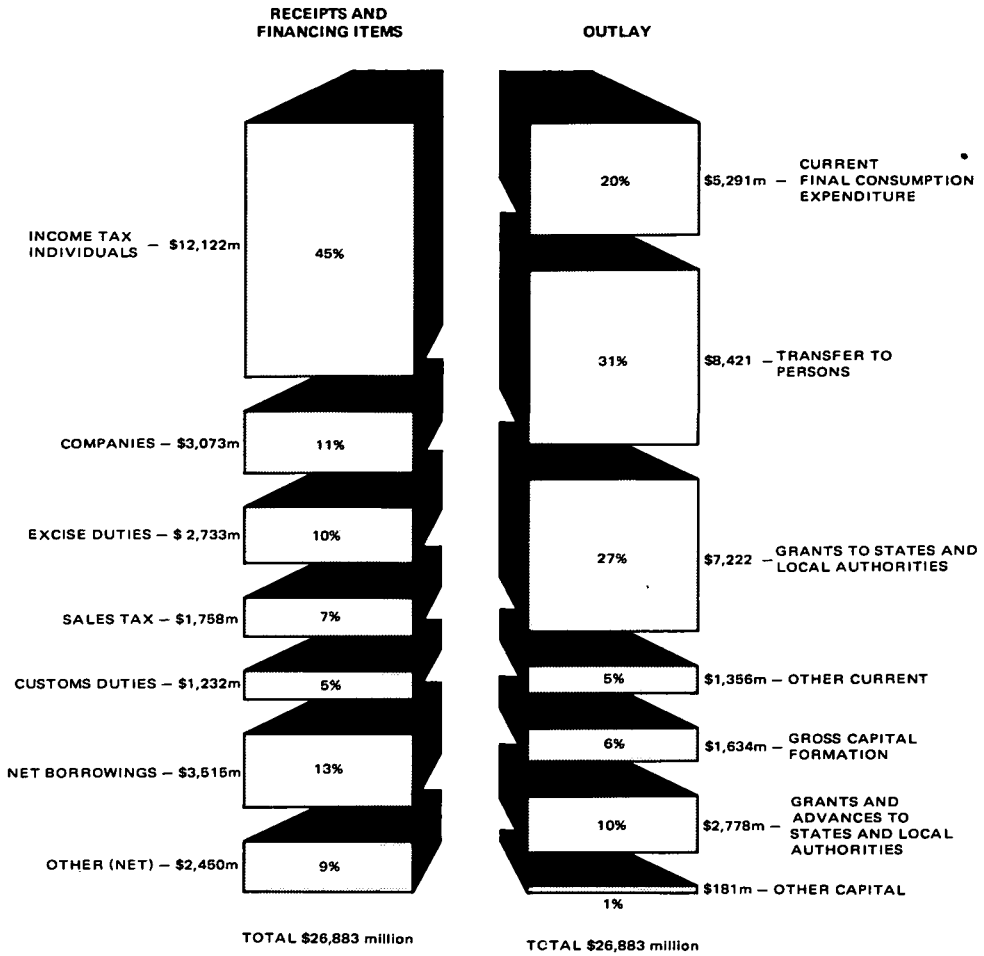


PLATE 43

Summary of receipts and outlay

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

COMMONWEALTH AUTHORITIES(a): RECEIPTS AND OUTLAY

(\$ million)

	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78
RECEIPTS AND FINANCING ITEMS						
Receipts—						
Taxes, fees, fines, etc.	8,471	10,917	14,212	16,938	19,806	21,501
Income from public enterprises	308	284	246	432	657	819
Interest, etc., received	77	87	88	119	156	200
<i>Total receipts</i>	<i>8,856</i>	<i>11,288</i>	<i>14,545</i>	<i>17,489</i>	<i>20,618</i>	<i>22,520</i>
Financing items—						
Depreciation allowances	230	255	279	406	442	494
Net sale of securities—						
Treasury bills and notes	165	-38	1,689	-770	363	194
Commonwealth government securities	666	801	554	3,166	2,098	2,979
Public corporations securities	27	26	22	22	453	342
Net receipts of private trust funds	116	-90	83	217	60	152
Reduction in cash and bank balances	-265	-529	579	264	-301	210
Reduction in securities holdings	-87	-69	-511	568	169	-234
Other funds available (including errors and omissions)	35	263	118	79	208	227
<i>Total financing items</i>	<i>886</i>	<i>619</i>	<i>2,814</i>	<i>3,952</i>	<i>3,492</i>	<i>4,362</i>
Total funds available	9,742	11,907	17,359	21,440	24,110	26,883
OUTLAY						
Current outlay—						
Final consumption expenditure	2,370	2,736	3,552	4,155	4,736	5,291
Interest, etc., paid	15	7	108	117	408	559
Transfers to persons—						
Cash benefits	2,533	3,078	4,322	6,091	7,390	8,281
Unfunded employee retirement benefits . . . . .	..	65	88	106	121	139
Subsidies	323	300	284	271	287	380
Transfers overseas	252	288	349	370	388	417
Grants to States and local government authorities	2,077	2,534	3,780	5,524	6,115	7,222
<i>Total current outlay</i>	<i>7,568</i>	<i>9,008</i>	<i>12,484</i>	<i>16,634</i>	<i>19,445</i>	<i>22,289</i>
Capital outlay—						
Expenditure on new fixed assets	808	1,002	1,353	1,577	1,666	1,770
Expenditure on existing assets	-19	18	110	9	5	-16
Increase in stocks	-45	38	315	-75	-50	-119
Grants for private capital purposes	59	69	122	179	110	130
Grants to States and local government authorities	707	900	1,414	1,567	1,546	1,517
Advances to States and local government authorities	668	749	1,225	1,372	1,278	1,261
Advances to other sectors	-5	123	337	179	110	51
<i>Total capital outlay</i>	<i>2,174</i>	<i>2,899</i>	<i>4,875</i>	<i>4,806</i>	<i>4,665</i>	<i>4,594</i>
Total outlay	9,742	11,907	17,359	21,440	24,110	26,883

(a) Excludes financial enterprises.

COMMONWEALTH AUTHORITIES: OUTLAY, CLASSIFIED BY PURPOSE

(\$ million)

Purpose	1975-76	1976-77	1977-78
General public services—			
General administration, n.e.c.	732.0	787.0	893.0
External affairs	470.3	517.4	565.1
Law, order and public safety	110.2	125.2	154.0
General research	169.4	188.0	199.2
<i>Total general public services</i>	<i>1,481.8</i>	<i>1,617.6</i>	<i>1,811.4</i>
Defence	1,852.4	2,181.3	2,375.3
Education—			
General administration, regulation and research	25.8	28.3	30.0
Transportation of students	2.3	2.7	3.1
Primary and secondary education	615.7	708.7	787.7
Vocational training	101.5	123.2	143.4
University education	597.9	719.2	781.0
Other higher education	436.0	519.5	526.3
Other education programs	126.8	128.8	141.4
<i>Total education</i>	<i>1,906.1</i>	<i>2,230.4</i>	<i>2,412.9</i>
Health—			
General administration, regulation and research	106.8	118.7	106.6
Hospital and clinical services	1,658.5	1,446.4	1,760.9
Other health services	1,178.5	974.3	825.9
<i>Total health</i>	<i>2,943.7</i>	<i>2,539.5</i>	<i>2,693.5</i>
Social security and welfare—			
General administration regulation and research	107.6	115.7	132.4
Care of and assistance to—			
Aged persons	2,247.4	2,575.8	3,041.6
Incapacitated and handicapped persons	473.8	589.9	689.0
Unemployed and sick persons	776.0	745.8	942.0
Ex-servicemen	598.6	694.4	834.8
Widowed and deserted spouses	335.0	383.6	459.6
Families and children	406.6	1,196.5	1,244.8
Other social security and welfare services	67.4	55.6	64.2
<i>Total social security, etc.</i>	<i>5,012.4</i>	<i>6,357.3</i>	<i>7,408.4</i>
Housing and community amenities—			
Housing	538.7	501.0	485.2
Community and regional development	244.8	158.2	134.8
Protection of the environment	155.0	87.2	20.4
Community amenities, n.e.c.	0.3	0.4	0.4
<i>Total housing, etc.</i>	<i>938.7</i>	<i>746.7</i>	<i>640.9</i>
Recreation and culture—			
General administration, regulation and research	0.2	0.2	0.1
Cultural facilities	24.0	27.7	32.3
Support of the creative and performing arts	20.9	21.7	23.0
Broadcasting services and film production	174.7	174.2	176.1
Recreational facilities and services	23.9	25.8	24.5
Other programs	8.3	6.5	7.5
<i>Total recreation, etc.</i>	<i>252.0</i>	<i>256.1</i>	<i>263.5</i>
Economic services—			
General administration, regulation and research	294.0	331.7	382.3
Agriculture, forestry and fishing	209.2	256.3	374.9
Mining, manufacturing and construction	192.7	121.5	51.7
Electricity and water supply	76.6	82.0	55.3
Transport and communication	1,699.3	1,804.4	1,941.2
Other economic services	28.1	54.7	51.1
<i>Total economic services</i>	<i>2,499.9</i>	<i>2,650.6</i>	<i>2,856.4</i>
Other purposes—			
General purpose inter-authority transfers	4,377.8	5,096.1	5,808.5
Natural disaster relief	58.7	26.5	53.1
Interest	116.9	408.2	558.9
<i>Total other purposes</i>	<i>4,553.4</i>	<i>5,530.8</i>	<i>6,420.4</i>
Total outlay, all purposes	21,440.4	24,110.2	26,882.6
Of which—			
Current outlay	16,634.0	19,445.4	22,289.2
Capital outlay	4,806.4	4,664.8	4,593.4

Main components of outlay

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

Final consumption expenditure and expenditure on new fixed assets

Final consumption expenditure consists of current expenditure on goods and services by public authorities other than those classified as enterprises, *less* any charges made for goods and services which they themselves provide. Expenditure on new fixed assets consists of purchases of new durable assets *less* sales of previously rented dwellings. Purchases of defence equipment are treated as current expenditure and expenditure on new construction and maintenance of roads is treated as capital. The following tables show dissections by purpose of final consumption expenditure and expenditure on new fixed assets for the six years ended 1977-78.

COMMONWEALTH AUTHORITIES: FINAL CONSUMPTION EXPENDITURE CLASSIFIED BY PURPOSE

(\$ million)

Purpose	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78
General public services—						
General administration	333	431	556	665	728	844
External affairs	50	58	84	92	98	106
Law, order and public safety	36	48	73	98	112	138
General research	75	90	112	131	152	170
<i>Total general public services</i>	<i>494</i>	<i>628</i>	<i>825</i>	<i>986</i>	<i>1,090</i>	<i>1,258</i>
Defence	1,178	1,222	1,444	1,680	1,999	2,183
Education	79	109	167	199	240	264
Health	157	206	303	416	466	504
Social security and welfare	72	99	153	202	219	255
Housing and community amenities	16	27	43	54	40	34
Recreation and culture	99	135	180	203	213	226
Economic services—						
General administration, regulation and research	102	122	166	167	206	284
Agriculture, forestry, fishing	82	83	101	114	125	135
Mining, manufacturing and construction	12	14	18	17	21	29
Transport and communication	62	75	90	93	95	96
Other	16	15	19	19	21	22
<i>Total economic services</i>	<i>273</i>	<i>309</i>	<i>393</i>	<i>410</i>	<i>469</i>	<i>566</i>
Other purposes	—	1	43	5	—	—
Grand total	2,370	2,736	3,552	4,155	4,736	5,291

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

I. GENERAL GOVERNMENT

(\$ million)

Purpose	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78
General public services—						
General administration	35.8	43.7	56.9	62.2	60.0	49.9
External affairs	15.4	12.3	15.9	20.3	25.5	24.4
Law, order and public safety	2.9	3.2	7.2	9.4	10.9	14.6
General research	9.4	15.1	20.6	32.1	23.6	18.0
<i>Total general public services</i>	<i>63.5</i>	<i>74.2</i>	<i>100.5</i>	<i>124.0</i>	<i>120.1</i>	<i>107.0</i>
Education	30.1	32.1	45.1	73.4	62.2	54.2
Health	19.4	22.0	40.3	57.7	58.3	53.4
Social Security and welfare	2.5	10.7	8.7	12.9	8.5	6.7
Housing and community amenities	26.4	38.9	68.8	131.1	112.1	61.3
Recreation and culture	13.6	21.8	31.3	32.1	29.7	25.9
Economic services—						
General administration, regulation and research	4.6	3.3	3.9	6.4	8.8	6.1
Agriculture, forestry, fishing	16.4	9.3	12.6	10.6	8.1	16.0
Mining, manufacturing and construction	0.5	0.8	1.9	1.8	1.0	1.2
Transport and communication	45.2	43.9	56.7	57.5	46.0	73.6
Other economic services	0.1	0.1	-	0.1	-	0.4
<i>Total economic services</i>	<i>66.9</i>	<i>57.4</i>	<i>75.2</i>	<i>76.3</i>	<i>63.8</i>	<i>97.3</i>
Other purposes	-	-	6.5	5.1	-	-
<i>Total general government</i>	<i>222.3</i>	<i>257.2</i>	<i>376.5</i>	<i>512.7</i>	<i>454.6</i>	<i>405.7</i>

II. PUBLIC ENTERPRISES

(\$ million)

Purpose	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78
Public trading enterprises—						
General public services	1.6	0.7	1.5	1.5	0.9	-0.2
Housing and community amenities—Housing	3.9	0.1	8.6	16.8	22.4	15.8
Sewerage and drainage	5.4	8.0	15.6	24.8	28.8	14.8
Economic services—						
Technical services, n.e.c.	0.4	0.4	0.6	0.2	0.2	0.5
Manufacturing activities	1.9	1.6	4.9	11.6	5.8	5.5
Electricity, water supply	26.9	28.8	26.2	31.6	48.5	52.0
Transport and communication—						
Air transport	41.8	69.5	70.5	67.5	41.0	145.8
Rail transport	10.6	7.5	13.6	45.5	35.9	40.2
Sea transport	20.9	10.5	55.9	46.7	137.3	139.0
Urban transit systems	2.0	2.7	3.3	5.7	1.6	7.2
Pipelines	10.4	56.0	56.5	51.3	18.2	2.1
Communications services	460.1	558.8	717.7	756.3	855.1	913.4
<i>Total</i>	<i>545.7</i>	<i>704.9</i>	<i>917.5</i>	<i>973.1</i>	<i>1,089.3</i>	<i>1,247.8</i>
Other economic services	0.3	0.1	1.8	4.5	15.3	27.6
<i>Total public trading enterprises</i>	<i>586.0</i>	<i>744.6</i>	<i>976.7</i>	<i>1,064.0</i>	<i>1,211.2</i>	<i>1,363.8</i>

Cash benefits to persons

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

COMMONWEALTH AUTHORITIES: CASH BENEFITS TO PERSONS
(S'000)

	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78
General public services—						
General research—						
Queen Elizabeth fellowships	330	451	473	584	528	567
Assistance to inventors	-	-	-	20	32	33
Defence—						
Special pensions to ex-servicemen	2	2	-	-	-	-
Education	74,036	93,764	124,273	162,455	193,970	212,647
Health	581,283	659,003	817,015	1,369,405	1,140,399	1,010,432
Social security and welfare	1,869,973	2,316,407	3,354,893	4,506,592	6,031,946	7,031,002
Recreation—						
Overseas study fellowships	-	-	-	193	190	102
Economic services—						
General administration, regulation and research—						
Hostel tariffs of unemployed migrants	252	290	289	148	195	728
Maintenance of migrant families	4,385	4,425	6,029	6,498	6,035	5,510
Stevedoring industry—attendance money, etc.	1,362	1,606	2,126	2,692	2,305	988
Widows' training scheme	516	875	863	47	21	-
Tertiary education assistance to ex-servicemen	814	820	421	-	-	-
National employment training scheme	-	-	10,590	31,056	12,809	16,163
Apprenticeship training	-	-	-	8,662	1,738	2,966
Other	10	12	3	-	-	-
Total	7,338	8,027	20,321	49,103	23,103	26,355
Agriculture, forestry, fishing—						
War service land settlement—rent remissions, etc.	50	13	12	6	1	-
Allowances to agricultural trainees	-	66	49	-	-	-
Total	50	79	61	6	1	-
Mining, manufacturing and construction—						
Joint Coal Board—Welfare fund	40	36	5	4	4	3
Total economic services	7,428	8,142	20,387	49,113	23,108	26,358
Other purposes	-	-	5,217	2,882	201	2
Total	2,533,052	3,077,769	4,322,258	6,091,244	7,390,374	8,281,143

Subsidies

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

COMMONWEALTH AUTHORITIES: SUBSIDIES
(S'000)

	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78
General public services—						
Departmental cafeteria compensation	-	189	179	125	-	10
Health—						
Serum laboratories	607	681	1,542	1,242	250	1,200
Health insurance organisations subsidy	-	-	-	-	1,748	9,064
Total	607	681	1,542	1,242	1,998	10,264
Housing and community amenities—						
N.T. Housing Commission assistance	113	76	64	50	96	429
Recreation and related cultural services—						
Canberra Theatre Trust subsidy	38	67	120	143	167	199
Economic services—						
Assistance to employers—						
Stevedoring industry assistance	12,792	14,480	22,330	28,571	27,066	21,953
Apprenticeship training	1,209	6,130	16,551	26,215	37,750	24,312
Adjustment assistance for tariff reduction	-	131	-	-	-	-
Total	14,001	20,741	38,881	54,786	64,816	46,265

COMMONWEALTH AUTHORITIES: SUBSIDIES—*continued*
(\$'000)

	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78
Assistance to agricultural and pastoral enterprises—						
Dairy products subsidy	28,500	18,000	9,000	1,275	-	5,250
Dairy industry stabilization	-	-	-	-	-	52,399
Wheat prices stabilisation payments	41,371	12,360	-	-	41,103	6,971
Reimbursement by wheat board	-	-	-	-	810	-
Phosphate fertilisers bounty	56,568	66,962	29,508	20,133	38,733	42,057
Nitrogenous fertilisers bounty	13,138	13,573	13,983	13,044	15,180	13,329
Processed milk products bounty	884	476	633	167	-	-
Poultry industry assistance	12,910	11,522	12,735	11,401	11,128	10,625
Dried vine fruits stabilisation payments	856	389	-	-	658	768
Wool marketing assistance	2,481	404	-	-	-	-
Apple and pear stabilisation payments	3,119	2,758	3,119	2,705	4,168	595
Apple, pear and canning fruit emergency assistance	679	2,590	14	-	-	-
Beef industry assistance	-	-	-	-	-	84,953
Meat exports to U.S.S.R.	-	-	-	1,240	-	-
Beef cattle freight subsidy	-	-	-	-	296	807
N.T. transport of stud stock	69	108	-	7	-	-
Other	-258	57	1	1	-	-
<i>Total</i>	<i>160,317</i>	<i>129,199</i>	<i>68,993</i>	<i>49,973</i>	<i>112,076</i>	<i>217,754</i>
Assistance to mining enterprises—						
Oil search subsidy	8,084	10,000	5,858	186	-	-
Gold mining industry assistance	248	17	-	-	-	-
Australian National Railways—transport iron ore in N.T.	-	1,000	-	-	-	-
Revaluation adjustment assistance, etc.	-	470	84	-	-	-
Mary Kathleen Uranium Ltd—Costs concerning borrowing of uranium	-	-	-	-	168	102
Pyrites bounty	273	-	-	-	-	-
<i>Total</i>	<i>8,605</i>	<i>11,487</i>	<i>5,942</i>	<i>186</i>	<i>168</i>	<i>102</i>
Assistance to manufacturing enterprises—						
Agricultural tractor bounty	2,800	3,707	4,442	3,628	4,880	5,700
Cellulose acetate flake bounty	171	206	136	109	-	-
Book bounty	2,984	3,409	5,936	6,749	8,034	9,538
Printed sheeting subsidy	-	-	-	-	300	451
Industrial research and development grants	14,000	15,000	17,500	19,300	15,400	13,649
Ship construction subsidy	30,633	20,925	31,153	40,966	21,301	7,605
Shipbuilding bounty	-	-	-	1,553	7,674	7,800
Export incentive grants	58,340	68,142	93,151	62,825	973	1,303
Export market development grants	-	-	-	17,076	24,079	30,000
Metal-working machine tools bounty	657	974	1,711	1,585	2,350	3,977
Structural adjustment assistance	-	109	5,304	1,120	637	-
Refrigeration compressors bounty	-	-	3,877	1,367	-	-
Electronic components assistance	-	-	385	973	776	293
ADP equipment bounty	-	-	-	-	-	600
Other	1,577	-	368	26	-	149
<i>Total</i>	<i>111,163</i>	<i>112,472</i>	<i>163,963</i>	<i>157,277</i>	<i>86,404</i>	<i>81,065</i>
Assistance to air transport services—						
Air services subsidy	2,000	1,870	926	768	675	842
Assistance to sea transport services—						
Tasmania shipping service subsidy	-	1,000	1,000	5,488	4,109	2,000
Tasmanian freight equalisation scheme	-	-	-	-	16,409	20,927
Other	24	24	40	48	48	50
<i>Total</i>	<i>24</i>	<i>1,024</i>	<i>1,040</i>	<i>5,536</i>	<i>20,566</i>	<i>22,977</i>
Assistance to communications services—						
Newspaper postage subsidy	-	-	-	1,000	-	-
Other assistance to enterprises—						
Petrol prices equalisation	23,305	19,336	1,708	-	-	-
N.T. petrol prices equalisation	2,393	2,483	626	-	-	72
Export finance insurance subsidy	-	-	-	70	298	354
<i>Total</i>	<i>25,698</i>	<i>21,819</i>	<i>2,334</i>	<i>70</i>	<i>298</i>	<i>426</i>
Natural disaster relief—						
N.T. freight subsidies	27	69	48	-	15	-
<i>Total</i>	<i>322,593</i>	<i>299,694</i>	<i>284,032</i>	<i>271,156</i>	<i>287,279</i>	<i>380,333</i>

Grants and advances to the States

Commonwealth Government financial assistance to the States takes two main forms: (i) grants for general and specific purposes, and (ii) assistance for developmental and other specific purposes in the form of repayable advances. Some information about these forms of financial assistance is given below, but for more complete information reference should be made to the Commonwealth Government Budget Paper No. 7 *Payments to or for the States, the Northern Territory and Local Government Authorities*. Further information also appears in chapters of this Year Book dealing with the specific function which the payments are designed to serve.

Grants to the States

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

COMMONWEALTH AUTHORITIES: GRANTS TO THE STATES, 1977-78
(S'000)

	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Tas.</i>	<i>Total</i>
FOR CURRENT PURPOSES							
General public services	3,904	2,580	1,108	1,905	1,777	176	11,450
Defence	455	303	379	-	162	63	1,362
Education	523,079	458,923	207,523	149,449	142,319	42,107	1,523,400
Health	381,781	247,156	138,210	111,296	124,027	35,853	1,038,323
Social security and welfare	8,336	7,028	6,677	5,008	2,560	1,253	30,862
Housing and community amenities	1,848	1,446	482	1,039	703	314	5,833
Recreation and culture	45	42	34	32	30	24	207
Economic services	14,715	10,882	11,666	2,830	3,611	1,845	45,548
Other purposes—							
Financial assistance grants	1,319,609	984,691	770,539	507,761	519,891	214,150	4,316,641
Special grants	-	-	24,800	-	-	-	24,800
Interest on State debt	5,835	4,254	2,192	1,408	947	534	15,170
Sinking fund on State debt	11,168	8,540	4,447	4,191	3,175	2,225	33,747
Natural disaster relief	1,237	99	231	218	526	-	2,311
Local government assistance	60,341	42,078	27,875	14,220	15,524	5,290	165,328
<i>Total other purposes</i>	<i>1,398,190</i>	<i>1,039,662</i>	<i>830,084</i>	<i>527,798</i>	<i>540,063</i>	<i>222,199</i>	<i>4,557,997</i>
Total grants for current purposes	2,332,354	1,768,023	1,196,163	799,357	815,252	303,834	7,214,983
FOR CAPITAL PURPOSES							
Education	106,588	99,014	58,317	37,078	32,718	10,763	344,476
Health	20,364	17,682	12,304	7,499	7,275	3,776	68,902
Social security and welfare	5,134	4,146	1,929	1,272	1,078	1,338	14,898
Housing and community amenities	2,815	465	3,247	1,698	3,700	385	12,310
Recreation and culture	943	820	712	2,248	522	577	5,822
Economic services—							
General administration, regulation and research	-	-	-	-	68	-	68
Soil and water resources management	3,630	1,136	2,718	773	2,000	250	10,508
Assistance to agricultural and pastoral industries	1,713	2,259	1,114	1,194	983	150	7,413
Electricity, gas, water supply	-	-	-	2,125	-	-	2,125
Rail transport	-	-	-	-	14	-	14
Sea transport	-305	-	-	-	-	-	-305
Road systems and regulation	159,106	101,311	101,381	41,098	62,045	28,283	493,224
Urban transit systems	20,395	9,830	15,648	3,790	605	732	51,000
Other	-	-	-	-	-	-	-
<i>Total economic services</i>	<i>184,539</i>	<i>114,536</i>	<i>120,861</i>	<i>48,980</i>	<i>65,715</i>	<i>29,415</i>	<i>564,047</i>
Other purposes—							
Capital assistance	154,489	120,071	63,370	62,284	44,220	33,496	477,930
Natural disaster relief	6,945	522	11,080	15	2,258	-	20,820
Total grants for capital purposes	481,817	357,256	271,820	161,074	157,486	79,750	1,509,205
TOTAL GRANTS							
Total grants to the States	2,814,171	2,125,279	1,467,983	960,431	972,738	383,584	8,724,188

COMMONWEALTH AUTHORITIES: GRANTS TO THE STATES
(S'000)

	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78
FOR CURRENT PURPOSES						
General public services	5,917	8,051	8,955	7,910	13,140	11,450
Defence	-	-	325	897	1,199	1,362
Education	153,858	433,470	910,814	1,135,547	1,393,876	1,523,400
Health	13,836	26,731	47,281	942,673	720,325	1,038,323
Social security and welfare	118,686	22,258	60,785	62,395	21,726	30,862
Housing and community amenities	6,892	7,437	9,494	9,863	7,425	5,833
Recreation and culture	-	218	70	600	600	207
Economic services	13,076	16,952	22,713	28,008	40,539	45,548
Other purposes—						
States' Personal Income Tax sharing entitlements(a)	1,647,293	1,859,905	2,373,811	3,072,780	3,695,594	4,316,641
Special grants	38,600	38,550	64,684	38,800	27,000	24,800
Special revenue assistance	-	25,000	75,000	-	-	-
Interest on State debt	15,170	15,053	15,287	15,170	15,170	15,170
Sinking fund on State debt	27,979	29,509	30,805	30,200	31,635	33,747
Debt charges assistance	34,512	46,016	57,520	-	-	-
Natural disaster payments	72	4,031	1,090	807	1,925	2,311
Local government assistance	-	-	56,345	79,908	140,000	165,328
Other	-	-	-	1,968	-	-
<i>Total other purposes</i>	<i>1,763,626</i>	<i>2,018,064</i>	<i>2,674,542</i>	<i>3,239,633</i>	<i>3,911,324</i>	<i>4,557,997</i>
Total grants for current purposes	2,075,891	2,533,181	3,734,979	5,427,526	6,110,154	7,214,983
FOR CAPITAL PURPOSES						
Education	105,569	189,064	415,473	319,246	327,763	344,476
Health	7,150	25,100	60,735	140,239	132,455	68,902
Social security and welfare	7,683	7,261	7,795	17,080	15,233	14,898
Housing and community amenities	11,651	25,010	70,182	79,402	37,171	12,310
Recreation and culture	-	1,562	12,623	11,036	8,976	5,822
Economic services—						
General administration, regulation and research	24	24	180	60	-	68
Soil and water resources management	17,646	13,572	15,193	14,343	11,636	10,508
Assistance to agricultural and pastoral industries	14,523	11,205	10,317	12,585	8,550	7,413
Electricity, gas, water supply	1,500	-	-	4,081	3,910	2,125
Rail transport	1,416	468	734	3,472	490	14
Sea transport	3,056	1,000	2,018	1,285	15	-305
Road systems and regulation	287,439	325,657	373,860	458,439	456,215	493,224
Urban transit systems	-	-	45,258	34,096	58,403	51,000
Other	50	98	1,081	1,829	832	-
<i>Total economic services</i>	<i>325,654</i>	<i>352,024</i>	<i>448,641</i>	<i>530,190</i>	<i>540,051</i>	<i>564,047</i>
Other purposes—						
Natural disaster relief	-77	20,275	48,446	29,150	23,697	20,820
Capital assistance	248,539	278,307	345,878	430,333	452,000	477,930
Total grants for capital purposes	706,169	898,603	1,409,773	1,556,676	1,537,346	1,509,205
TOTAL GRANTS						
Total grants to the States	2,782,060	3,431,784	5,144,752	6,984,202	7,647,500	8,724,188

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

General purpose grants

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

Arrangements for the years 1973-74 to 1975-76 are embodied in the *States Grants Act 1973*. Under these arrangements the financial assistance grants increase each year in proportion to the increase in average wages in Australia as a whole in the year ending 31 March in the year of payment and to the increase in each State's population in the year ending 31 December in the year of payment, and by a betterment factor of 1.8 per cent. Adjustments were made to these arrangements to reduce the grants when the Commonwealth assumed full responsibility for financing tertiary edu-

cation from 1 January 1974 and on account of transfers of railways from South Australia and Tasmania to the Commonwealth. Financial assistance grants additional to the grants determined by the formula were paid to Western Australia in 1973-74 and 1974-75, and to Tasmania in 1974-75. In 1975-76, \$220 million was paid to the States in addition to the amounts otherwise payable in that year and in the same proportion.

These arrangements were replaced by the *Personal Income Tax Sharing Entitlements* between the Commonwealth and the State and local governments which came into operation in 1976-77. A comprehensive description of this scheme is given in the Commonwealth Budget Paper *Payments to or for the States, the Northern Territory and Local Government Authorities 1978-79*.

The following table shows the calculations underlying the States' tax sharing entitlements in 1977-78 together with amounts actually paid in that year.

**DISTRIBUTION OF STATES' PERSONAL INCOME TAX SHARING
ENTITLEMENTS IN 1977-78**

	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Tas.</i>	<i>Total</i>
<i>Data relating to 1976-77</i>							
(1) Financial Assistance Grants \$'000(a)	1,125,866	840,724	653,131	432,455	437,515	186,294	3,675,985
(2) Population as at 31 December 1976 ('000 persons)(b)	4,933.0	3,764.9	2,121.6	1,268.8	1,183.7	409.3	13,681.3
(3) Financial Assistance Grants per head of population \$(c)	228.232	223.306	307.848	340.838	369.616	455.153	268.687
(4) Row (3) expressed as Multiple of Figure for Victoria(d)	1.02740	1.00000	1.39085	1.52676	1.66516	2.00188	—
<i>Data relating to 1977-78</i>							
(5) Population as at 31 December 1977 ('000 persons)(e)	4,979.3	3,799.4	2,155.0	1,283.8	1,211.1	412.1	13,840.8
(6) Row (5) Weighted by Row (4) ('000 persons)	5,115.7	3,799.4	2,997.4	1,960.1	2,016.7	824.9	16,714.2
(7) Percentage Distribution of Row (6) between States (per cent)	30.60684	22.73164	17.93335	11.72726	12.06559	4.93532	100.00000
(8) States' share of \$4,336.1 million(f)—Distributed According to Row (7) \$'000	1,327,143	985,667	777,608	508,506	523,176	214,000	4,336,100
(9) Amount Guaranteed under Section 8 of the Act (Financial Assistance Grants formula) \$'000(g)	1,297,454	968,656	742,557	499,589	511,070	214,150	4,233,477
(10) States' Entitlements under the Act (\$'000)(h)	1,327,143	985,667	777,608	508,506	523,176	214,150	4,336,250
(11) Actual Payments made in 1977-78 (\$'000)	1,319,609	984,690	770,539	507,761	519,891	214,150	4,316,641
(12) Overpayments (\$'000)(i)	7,534	976	7,069	745	3,285	—	19,609

(a) As calculated by the Statistician in accordance with the provisions of the *States Grants Act 1973*. (b) Estimates of population used by the Australian Statistician in calculating the financial assistance grants for 1976-77. (c) (1) divided by (2). (d) These are the relativities specified in Section 4 (1) of the *States (Personal Income Tax Sharing) Act 1976*. (e) Determined by the Australian Statistician in accordance with Section 9 of the Act. (f) Net personal income tax collections in 1977-78 excluding revenue from Medibank levy; determined by Commissioner of Taxation in accordance with Section 6 of the Act. (g) Determined by the Australian Statistician in accordance with Section 8 of the Act. Calculated by applying to the 1976-77 financial assistance grants the estimated increases in State populations in the year ended 31 December 1977 (New South Wales 0.94 per cent, Victoria 0.92 per cent, Queensland 1.53 per cent, South Australia 1.19 per cent, Western Australia 2.32 per cent and Tasmania 0.69 per cent), the estimated increase in average wages for Australia as a whole in the year ended 31 March 1978 of 10.84 per cent and the betterment factor of 3.0 per cent. (h) For all States except Queensland, amounts in row (9); for Queensland, amount in row (8). (i) Difference between rows (10) and (11); 1978-79 payments will be reduced by these amounts.

Special Grants. These grants are paid to the financially weaker States as supplements to the financial assistance grants. They are paid on the recommendation of the Grants Commission. The recommendation by the Commission for payment of a special grant consists of two parts: one part is based on an estimate of the claimant State's financial need in the current financial year, and is treated as an advance payment subject to adjustment two years later when the Commission has compared in

detail the audited budget results and standards of effort and of services provided in that year for both the claimant State and the States which the Commission takes as 'standard' (New South Wales and Victoria at present); and the other part represents the final adjustment to the advance payment made two years earlier and is known as the completion payment. The following table shows special grants paid in recent years.

GRANTS COMMISSION: SPECIAL GRANTS
(S'000)

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79
Queensland—						
Advance payment	10,000	15,000	25,000	18,000	14,000	16,000
Completion payment (a)	11,300	9,000	10,800	5,700	1,400	(b)
<i>Total</i>	<i>21,300</i>	<i>24,000</i>	<i>35,800</i>	<i>23,700</i>	<i>15,400</i>	<i>(b)</i>
South Australia—						
Advance payment	15,000	15,000	-	-	-	-
Completion payment (a)	2,500	(c)10,000	-	-	-	-
<i>Total</i>	<i>17,500</i>	<i>25,000</i>	-	-	-	-
Tasmania—						
Advance payment	10,000	-	-	-	-	-
Completion payment (a)	-	-	-	-	-	-
<i>Total</i>	<i>10,000</i>	-	-	-	-	-
Grand total	48,800	49,000	35,800	23,700	15,400	(b)

(a) Actually paid two years subsequent to year shown. (b) Not yet determined. (c) Represents agreed estimate of completion grant which could have been expected to be recommended by the Grants Commission if the State had remained claimant.

Capital assistance grants. Since 1970-71 the Commonwealth Government has provided a portion of the State's Loan Council programs in the form of interest-free capital grants. The grants replace State borrowings and thereby relieve them of debt charges they would otherwise have had to pay. These grants, which were authorised by the *States Grants (Capital Assistance) Acts*, totalled \$278.3 million in 1973-74, \$345.9 million in 1974-75, \$430.3 million in 1975-76, \$452.0 million in 1976-77, \$477.9 million in 1977-78 and 1978-79.

Specific purpose grants

The Commonwealth Government has provided financial assistance for certain specific types of expenditure by the States for many years. Unlike the general purpose grants, these current and capital grants are 'tied', that is, they are subject to conditions as to the purposes for which they may be spent. Purposes for which such grants have been made include educational programs, hospital development programs, welfare services for the aged, road construction, natural disaster relief and, since 1974-75, assistance to local government authorities. Specific purpose grants amounted to \$3,442.2 million in 1975-76, \$3,472.9 million in 1976-77, \$3,904.9 million in 1977-78 and \$4,053.5 million in 1978-79.

For details of the various specific purpose programs reference should be made to the Commonwealth Budget Paper *Payments to or for the States, the Northern Territory and Local Government Authorities* 1979-80.

Advances to the States

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

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

COMMONWEALTH AUTHORITIES: NET ADVANCES TO THE STATES 1977-78
(S'000)

	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Tas.</i>	<i>Total</i>
Defence	7,654	517	12,308	1,300	-46	-3	21,730
Housing and community amenities	137,707	107,839	37,242	67,381	39,234	23,911	413,314
Economic services—							
Soil and water resources management	-2,113	-182	-529	-	20	-	-2,803
Forest resources management	374	73	-8	-91	-	-	348
Assistance to agricultural and pastoral industries	6,305	6,946	4,281	5,663	3,290	-68	26,415
Mining	-	-	-	-	-	3,383	3,383
Electricity, gas, water supply	-	-	111	4,154	-244	-2,989	1,032
Rail transport	-183	-96	-1,969	-2	-2,299	-	-4,549
Sea transport	-	-	-94	-	-151	-132	-377
Other transport	-	-	-570	-1,875	-	-	-2,445
<i>Total economic services</i>	<i>4,383</i>	<i>6,741</i>	<i>1,222</i>	<i>7,849</i>	<i>616</i>	<i>194</i>	<i>21,004</i>
Other purposes—							
State works programs	250,760	197,971	103,945	103,370	71,607	57,182	784,835
Special resource assistance	-10,000	-	-	-	-	-	-10,000
Natural disaster relief	-403	1,206	1,712	12,117	15,714	-320	30,026
Other	-	-	-	-	-	-	-
<i>Total other purposes</i>	<i>240,357</i>	<i>199,177</i>	<i>105,657</i>	<i>115,487</i>	<i>87,321</i>	<i>56,862</i>	<i>804,861</i>
Total net advances	390,102	314,272	156,430	192,017	127,125	80,964	1,260,909

Minus sign (-) denotes excess of repayments.

COMMONWEALTH AUTHORITIES: ADVANCES TO THE STATES
(S'000)

	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78
GROSS						
Defence	6,163	7,766	26,805	34,170	35,114	22,519
Housing and community amenities	(a)6,610	263,633	565,506	558,810	474,741	441,646
Economic services—						
Assistance to agricultural and pastoral industries	41,501	27,363	28,478	50,328	31,981	37,489
Other	29,636	37,316	57,118	65,606	48,900	8,174
Other purposes—						
State works programs	(a)733,461	588,693	741,541	860,667	904,000	955,867
Other	15,000	3,872	3,663	1,098	4,828	34,369
Total gross advances	832,371	928,644	1,423,111	1,570,679	1,499,564	1,500,064
REPAYMENTS						
Defence	553	593	631	681	734	789
Housing and community amenities	16,735	17,380	19,172	22,061	25,191	28,332
Economic services—						
Assistance to agricultural and pastoral industries	2,052	3,970	3,391	5,451	8,548	11,074
Other	7,904	11,088	9,372	11,997	13,116	13,585
Other purposes—						
State works programs	132,195	140,783	149,400	151,999	159,323	171,032
Other	5,319	6,276	16,245	6,096	14,589	14,343
Total repayments	164,758	180,090	198,211	198,237	221,501	239,155
NET						
Defence	5,610	7,173	26,174	33,490	34,380	21,730
Housing and community amenities	(a)-10,125	246,254	546,334	536,749	449,550	413,314
Economic services—						
Assistance to agricultural and pastoral industries	39,449	23,393	25,087	44,877	23,433	26,415
Other	21,732	26,228	47,746	53,609	35,784	-5,411
Other purposes—						
State works programs	601,266	447,910	592,141	708,668	744,677	784,835
Other	9,681	-2,404	-12,582	-4,999	-9,761	20,026
Total net advances	667,613	748,554	1,224,900	1,372,393	1,278,051	1,260,909

(a) In 1972-73 funds for housing were provided under the State loan works program.

Minus sign (-) denotes excess of repayments.

Main components of receipts

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

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

Commonwealth Government taxation—summary

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

COMMONWEALTH AUTHORITIES: TAXATION BY TYPE OF TAX (a)
(\$'000)

Type of tax	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79
Taxes—						
Income taxes—						
Individuals(b)	5,485,143	7,708,552	9,212,652	11,046,664	12,122,158	12,797,174
Companies(c)	1,933,870	2,343,943	2,505,173	2,803,079	3,072,827	3,002,118
Dividend (withholding)	56,648	59,818	62,674	71,969	87,700	88,094
Interest (withholding)	22,588	28,298	32,344	24,408	30,153	25,975
<i>Total income taxes</i>	<i>7,498,249</i>	<i>10,140,611</i>	<i>11,812,843</i>	<i>13,946,120</i>	<i>15,312,838</i>	<i>15,913,361</i>
Estate duty	66,018	63,787	76,391	76,189	95,823	82,061
Gift duty	9,725	16,204	10,454	11,486	6,574	1,445
Rates on land	7,657	9,207	12,993	15,503	17,010	15,012
Customs duty on coal exports	—	—	111,640	121,329	100,165	93,524
Customs duties on imports	604,443	840,515	932,066	1,152,016	1,131,817	1,363,041
Excise duties	1,554,581	1,728,620	2,331,325	2,485,420	2,733,490	3,844,686
Sales tax	968,724	1,154,266	1,408,286	1,650,256	1,757,702	1,769,840
Primary production taxes	64,442	143,428	115,594	189,006	179,368	283,092
Broadcasting listeners' and television viewers' licences(d)	68,458	18,816	—	—	—	—
Broadcast station licences	591	713	827	1,200	1,508	1,843
Television station licences	2,410	2,819	3,393	6,028	10,469	12,724
Stevedoring industry charge	19,389	21,921	37,150	46,884	28,955	19,003
Payroll tax	6,950	14,351	17,347	18,644	19,583	13,030
Other taxes	9,312	10,153	13,087	14,970	18,031	29,045
<i>Total taxes</i>	<i>10,880,950</i>	<i>14,165,411</i>	<i>16,883,396</i>	<i>19,735,051</i>	<i>21,413,333</i>	<i>23,441,707</i>
Fees from regulatory services	5,195	8,199	11,821	15,264	22,407	24,775
Fines	2,712	2,620	2,515	3,121	3,838	3,304
Unfunded employee retirement contribution	27,248	34,513	39,889	51,680	61,087	63,129
Other current transfers n.e.c.	761	785	209	678	554	588
<i>Total taxation</i>	<i>10,916,866</i>	<i>14,211,528</i>	<i>16,937,830</i>	<i>19,805,794</i>	<i>21,501,219</i>	<i>23,533,503</i>

(a) From 1978-79 excluded taxes collected by Northern Territory Government authorities. (b) Includes Medibank levy payable from 1 October 1976 to 31 October 1978. (c) Excludes income tax paid by public enterprises: 1973-74, \$20.1m; 1974-75, \$14.9m; 1975-76, \$17.7m; 1976-77, \$21.4m; 1977-78, \$23.1m; 1978-79, \$34.6m. (d) Abolished in September 1974.

Taxes on income

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

The laws dealing with the assessment and imposition of income tax at 30 November 1979 were—*Income Tax Assessment Act 1936* (later referred to as 'the Assessment Act'); Acts declaring rates of tax—*Income Tax (Rates) Act 1976*, *Income Tax (Individuals) Act 1978*, *Income Tax (Companies and Superannuation Funds) Act 1978*, *Income Tax (Non-resident Companies Act) 1978*, *Income Tax (Dividends and Interest Withholding Tax) Act 1974*, *Income Tax (Drought Bonds) Act 1969*, *Income Tax (Withholding Tax Recoupment) Act 1971*, *Income Tax (Bearer Debentures) Act 1971*, *Income Tax (Mining Withholding Tax) Act 1979*, *Income Tax (Film Royalties) Act 1977*, *Income Tax Regulations and Income Tax (Indexation) Regulations*.

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

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

- (a) *Taxation Administration Act 1953*, which provides for the administration of certain Acts relating to taxation and the screening for taxation purposes of applications for exchange control approval.

- (b) *Income Tax (International Agreements) Act 1953*, which gives the force of law to agreements with other countries for the avoidance of double taxation. Australia has concluded comprehensive agreements for the avoidance of double taxation with the United Kingdom, the United States of America, Canada, New Zealand, Singapore, Japan, the Federal Republic of Germany, the Netherlands, France and Belgium, and limited agreements dealing with airline profits have been concluded with France, Italy and Greece. The agreements with Belgium and Greece have not yet entered into force.
- (c) *The States (Personal Income Tax Sharing) Act 1976*, which provides for the States to receive a specified proportion of net personal income tax collections.
- (d) *Income Tax (Arrangements with the States) Act 1978*, which enables each State to increase or reduce personal income tax levied on residents of the State.
- (e) *International Organizations (Privileges and Immunities) Act 1963*, and Regulations made under that Act, which provide for the exemption from income tax of certain income of international organizations and their officials.
- (f) *Diplomatic Privileges and Immunities Act 1967*, which provides for the exemption from income tax of certain income of diplomatic representatives, their staff and families.
- (g) *The Loan (Income Equalization Deposits) Act 1976*, which provides for the making of interest bearing income equalization deposits by primary producers with the Commissioner of Taxation.
- (h) *Consular Privileges and Immunities Act 1972*, which provides for the exemption from income tax of certain income of consular representatives, their staff and families.
- (i) *Loan (Drought Bonds) Act 1969*, which authorizes the issue of drought bonds and empowers the Commissioner of Taxation to declare when drought bonds have become redeemable.

An individual is required to lodge a return of income when his total income (other than dividends or interest upon which withholding tax has been paid) from all sources in Australia is in excess of \$3,893 in 1979-80.

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

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

Taxes on income—individuals

Pay-as-you-earn-system

Salary and wage earners are subject to tax instalment deductions by employers according to prescribed scales which show the amount to be deducted according to income. Under the group employer scheme (covering employers of more than ten persons), the amount deducted is required to be regularly remitted to the Australian Taxation Office.

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

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

Individuals with taxable income other than salary or wages of \$1000 or more in 1979-80 may be required to pay provisional tax in respect of that income. The provisional amount is intended as an approximation to the tax which will be assessed after the return of income for the current year has been lodged. The amount of provisional tax for any year is, in the first place, determined by the tax assessed on income of the previous year. The assessment notice shows the tax assessed on income from the previous year less any provisional tax already paid for that year and provisional tax payable for the current year. Provision exists for a person to apply to vary the amount of provisional tax imposed if his or her circumstances change during the year.

Assessable income—individuals

Assessable income (from which deductions are made to arrive at taxable income) basically includes all receipts within the ordinary meaning of the word 'income', but excludes items of income

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

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

Deductions

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

General Deductions. Deductions from assessable income are authorised for all losses and outgoings incurred in gaining or producing assessable income or necessarily incurred in carrying on a business for that purpose, except to the extent that they are of a capital, private or domestic nature, or are incurred in gaining or producing exempt income.

In addition, certain other deductions are specifically authorised by the Assessment Act. Deductions allowable include trading losses incurred in previous years, bad debts, depreciation, rates and land taxes paid and gifts to various institutions. Expenditure of a capital nature incurred in relation to mining operations is generally deductible over the lesser of 5 years or the life of the mine or oil field or, in the case of plant, over the life of the plant. Exploration or prospecting expenses incurred by mining companies are generally allowable as a deduction against income of a mining business in the year in which the expenditure is incurred, while exploration and prospecting expenses incurred on petroleum mining is deductible against any income calculated by reference to the life of the field with a minimum deduction of one-fifth of the undeducted expenditure. Certain expenditure of a capital nature incurred by primary producers in carrying out improvements to their land is deductible over 10 years.

Deductions may also be allowed in respect of expenditure on certain plant and machinery by way of an investment allowance at a rate of 20 per cent of eligible expenditure for plant ordered between 1 July 1978 and 30 June 1985. Deductions are also allowable in respect of cash deposits made by primary producers (income equalisation deposits) which fall for inclusion in assessable income on withdrawal or conversion.

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

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

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

Subscriptions. When they are paid in respect of membership of any trade, business or professional association or union. (Deductions may be limited to \$42 in respect of subscriptions to any union, association, etc.)

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

Rebates of Tax

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

Dependant, housekeeper and sole parent rebates. A concessional rebate of the relevant amount specified below for each *dependant* is allowable to a resident taxpayer if, during the whole of the year of income, the taxpayer is the sole contributor to the dependant's maintenance and that dependant does not have a separate net income in excess of \$203.

<i>Dependant</i>	<i>Maximum rebate 1979-80</i>
	\$
Spouse, daughter-housekeeper	597
Parent or parent-in-law	539
Invalid relative	270

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

Where a person has a separate net income in excess of \$203 while a dependant of a taxpayer, the rebate otherwise allowable is reduced by \$1 for every complete \$4 by which the separate net income exceeds \$203, irrespective of the period over which the person has derived the income. When two or more people contribute to the maintenance of a person who is a dependant of both of them, the rebate allowable is apportioned between the contributing taxpayers.

A concessional rebate of \$597 is allowable to a resident taxpayer in respect of a *housekeeper* who, during the whole of the Year of income, is wholly engaged in keeping house in Australia for the taxpayer and has the care of (a) a child or step-child of the taxpayer, less than 16 years of age; (b) an invalid relative in respect of whom the taxpayer is entitled to a rebate or any child under 16 years classed as a dependant for this purpose; or (c) the taxpayer's spouse if in receipt of an invalid pension under the *Social Services Act*.

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

A concessional rebate of \$417 is allowable to a *sole parent* i.e., a resident single, widowed or divorced person who has the sole care of a child under sixteen years of age or a student (up to 25 years of age, receiving full-time education at a school, college or university), whose separate net income is ordinarily less than \$1,283. The sole parent rebate is not allowable where the taxpayer is entitled to a rebate for a housekeeper or daughter-housekeeper or is living in a de-facto relationship.

Concessional rebates

Resident taxpayers may be allowed a concessional rebate in respect of certain expenses listed below amounting in total to more than \$1,590. The amount of the rebate for 1979-80 is 33.07 per cent of the excess of the total expenditure over \$1,590, but the rebate cannot exceed the tax otherwise payable.

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

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

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

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

Payments of life, sickness and accident insurance premiums and payments to a Friendly Society, Superannuation, Sustentation or similar Fund. Amounts subject to rebate are limited to a total of \$1,200 in respect of such payments made on behalf of the taxpayer, his spouse or children. Where policies are taken out on or after 1 January 1973 or where the first premium of a policy was paid on or after that date, rebates for premiums of such policies are *not* allowable if the benefits, other than death benefits, are payable within a period of 10 years of commencement of risk.

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

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

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

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

Other rebates

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

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

The amount in respect of dependants, sole parent and housekeeper that may be the subject of a 25 per cent (Zone A) or 4 per cent (Zone B) increment to the basic zone allowance are:

	1978-79	
		\$
Sole parent	417	
Housekeeper	597	
Spouse, daughter-housekeeper	597	}
Parent or parent-in-law	539	
One child under 16 years, not being a student	270	
Each other child under 16 years, not being a student	203	
Student	270	
Invalid relative	270	

(a) Where one of these persons has a separate net income in excess of \$203 while a dependant of a taxpayer, the amount to be taken into account is reduced by \$1 for every complete \$4 by which that income exceeds \$203, irrespective of the period over which it was derived. Where two or more people contribute to the maintenance of a person who is a dependant of both of them, the amount to be taken into account is apportioned between the contributing taxpayers.

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

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

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

Rebate for government and other loan interest. A rebate of tax may be allowed in respect of certain Government and other loan interest included in an individual's taxable income. Particulars are given on page 604.

Capital subscription rebate. Section 160ACA of the Income Tax Assessment Act provides for a rebate of tax to shareholders in respect of capital subscribed to certain petroleum exploration and mining companies. The rebate allowable is 30 cents for each \$1 of amounts paid on shares after 24 August 1977 by way of application and allotment moneys and calls which are applied by a company towards the paid-up value of its shares. The allowance of the rebate is conditional upon the company lodging a declaration satisfying the Commissioner that the share monies will be, or have been, spent on outgoings for off-shore exploration for petroleum and the development of off-shore petroleum fields and also includes expenditure on facilities located on-shore that are directly related to the off-shore petroleum operations. It is also conditional upon the company forgoing any right to a deduction under Division 10AA for the expenditure. These provisions will be extended to include on-shore petroleum exploration and development for capital subscribed after 21 August 1979.

Effective exemption from tax

For the income years from 1963-64 to 1971-72 inclusive, the income of a taxpayer without dependants was exempt from income tax if it did not exceed \$416. For years 1972-73 to 1974-75 inclusive the income of a taxpayer without dependants was exempt from income tax if it did not exceed \$1,040. In 1975-76 and 1976-77 after the application of the general concessional rebate of \$540 and \$610 respectively to resident taxpayers, the corresponding figures were \$2,518 and \$2,845. In 1977-78, with the composite tax scale applying, the figure was \$3,402. For 1978-79 no tax was payable unless taxable income exceeded \$3,893 and this also applies in respect of the 1979-80 income year. The effect of deductions or rebates for dependants was to exempt resident taxpayers up to the incomes shown in the samples hereunder.

RESIDENT TAXPAYERS: EFFECTIVE EXEMPTIONS FROM INCOME TAX

(\$)

Income years ended June—	Taxpayer with—					
	No dependants	Wife only	Wife and—			Sole parent
			one child	two children	three children	
1975	1,040	2,468	3,148	3,564	3,980	..
1976	2,518	4,000	4,740	(a)5,228	(b)5,800	2,740
1977	2,845	4,697	4,697	4,697	4,697	4,141
1978	3,402	5,335	5,335	5,335	5,335	4,761
1979	3,893	5,675	5,675	5,675	5,675	5,137
1980	3,893	5,698	5,698	5,698	5,698	5,153

(a) Neither of whom is a student child. (b) Including one student child.

Rates of income tax on individuals

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

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

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

Interest derived from bonds, etc.

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

Rates of tax—individuals

The rates of tax on taxable incomes derived by individuals during the year ending 30 June 1980 (or substituted accounting period) are set out below. The standard rate of 33.07 per cent shown in the scale is derived as an average of the 34.57 per cent standard rate effective for pay-as-you-earn purposes to 30 November 1979 and 32 per cent standard rate to apply from 1 December 1979 with weights of 5/12ths and 7/12ths respectively.

GENERAL RATES OF TAX—INDIVIDUALS
1979–80 FINANCIAL YEAR, 1979–80 INCOME YEAR

<i>Total taxable income</i>			
<i>Not less than—</i>	<i>Not more than—</i>	<i>Tax at general rates on total taxable income</i>	
\$	\$	\$	\$
0	3,893	Nil	
3,893	16,608	Nil	+ 33.07c for each \$1 in excess of 3,893
16,608	33,216	4204.8505	+ 47.07c for each \$1 in excess of 16,608
33,216	..	12022.2361	+ 61.07c for each \$1 in excess of 33,216

Income tax payable on specified incomes

The following table shows, for the income years 1974–75 to 1979–80, the actual income tax payable by taxpayers with various incomes and numbers of dependants. For 1974–75 allowance has been made for the low income family rebate, and in 1975–76 and 1976–77, the general concessional rebates of \$540 and \$610 respectively have been applied. For 1977–78 the composite rate scale has been used, which incorporates the general concessional rebate. Prior to 1975–76 a concessional deduction system operated for dependants; this was replaced by a system of rebates.

COMMONWEALTH INCOME TAX PAYABLE ON SPECIFIED INDIVIDUAL INCOMES 1974-75 TO
1979-80 INCOME YEARS

(\$)

<i>Net Income(a)</i>	1974-75	1975-76	1976-77(c)	1977-78(c)	1978-79(c)	1979-80(c)
TAXPAYER WITH NO DEPENDANTS						
\$						
1,000	..	..	41.80	..	..	..
3,000	220.00	130.00	81.80	..	..	..
5,000	680.00	670.00	581.80	457.52	370.84	366.08
7,000	1,380.00	1,370.00	1,229.80	1,073.45	1,040.84	1027.48
10,000	2,780.00	2,420.00	2,279.80	2,085.92	2,045.84	2019.58
15,000	5,470.00	4,670.00	4,399.80	3,917.26	3,720.84	3673.08
20,000	8,420.00	7,420.00	6,954.80	6,199.80	5,870.72	5801.46
TAXPAYER WITH DEPENDANT WIFE						
1,000	..	..	..	..	..	..
3,000	74.40	..	..	..	..	..
5,000	534.40	270.00	81.80	..	..	..
7,000	1,234.40	970.00	729.80	518.45	443.84	430.48
10,000	2,605.28	2,020.00	1,779.80	1,530.92	1,448.84	1422.58
15,000	5,269.80	4,270.00	3,899.80	3,362.26	3,123.84	3076.08
20,000	8,201.60	7,020.00	6,454.80	5,644.80	5,273.72	5204.46
TAXPAYER WITH DEPENDANT WIFE AND ONE CHILD						
1,000	..	..	..	..	..	..
3,000	..	..	..	..	..	..
5,000	430.40	70.00	81.80	..	..	..
7,000	1,130.40	770.00	729.80	518.45	443.84	430.48
10,000	2,480.48	1,820.00	1,779.80	1,530.92	1,448.84	1422.58
15,000	5,126.80	4,070.00	3,899.80	3,362.26	3,123.84	3076.08
20,000	8,045.60	6,820.00	6,454.80	5,644.80	5,273.72	5204.46
TAXPAYER WITH DEPENDANT WIFE AND TWO CHILDREN(b)						
1,000	..	..	..	..	..	..
3,000	..	..	..	..	..	..
5,000	347.20	..	81.80	..	..	..
7,000	1,047.20	620.00	729.80	518.45	443.84	430.48
10,000	2,380.64	1,670.00	1,779.80	1,530.92	1,448.84	1422.58
15,000	5,012.40	3,920.00	3,899.80	3,362.26	3,123.84	3076.08
20,000	7,920.80	6,670.00	6,454.80	5,644.80	5,273.72	5204.46

(a) Income remaining after allowing all deductions other than concessional deductions and deductions for dependants. (b) Neither of whom is a student. (c) For 1976-77, 1977-78, 1978-79 and 1979-80 rebates for children and students are replaced by family allowances (formerly child endowment).

Income tax assessments—Individuals

The following table shows for the 1976-77 income year the number of taxpayers, income, and net income tax assessed for individuals.

COMMONWEALTH INCOME TAX ASSESSMENTS(a): TAXABLE INDIVIDUALS BY GRADE OF NET INCOME AND BY STATE OR TERRITORY OF RESIDENCE
(Income derived in the year 1976-77)

Grade of net income (b)	Taxpayers			Net income (b)	Total taxable income (c)	Net income tax assessed
	Males	Females	Total			
\$ \$	No.	No.	No.	\$'000	\$'000	\$'000
Under 3,000	39,299	41,262	80,561	209,827	209,117	7,385
3,000-3,999	195,856	295,359	491,215	1,716,815	1,700,114	93,722
4,000-4,999	198,741	267,128	465,869	2,095,633	2,068,064	207,208
5,000-5,499	108,951	128,090	237,041	1,244,170	1,226,569	147,658
5,500-5,999	113,587	129,711	243,298	1,399,236	1,378,517	184,348
6,000-6,499	121,251	134,614	255,865	1,599,093	1,574,351	233,815
6,500-6,999	137,081	135,321	272,402	1,840,444	1,811,692	293,012
7,000-7,499	162,532	147,636	310,168	2,249,930	2,214,560	382,905
7,500-7,999	185,565	138,412	323,977	2,510,890	2,469,992	449,926
8,000-8,499	199,938	111,178	311,116	2,565,590	2,520,765	479,114
8,500-8,999	206,797	84,815	291,612	2,550,484	2,502,012	491,924
9,000-9,499	203,045	65,148	268,193	2,479,957	2,429,574	492,885
9,500-9,999	192,441	51,753	244,194	2,379,560	2,327,932	485,726
10,000-10,499	175,735	43,724	219,459	2,248,083	2,198,402	471,842
10,500-10,999	155,429	34,906	190,335	2,044,922	1,998,592	438,756
11,000-11,999	261,515	51,389	312,904	3,590,117	3,509,368	796,404
12,000-12,999	201,942	38,673	240,615	3,001,407	2,934,568	707,661
13,000-13,999	150,269	24,140	174,409	2,349,523	2,296,458	583,563
14,000-14,999	111,798	17,850	129,648	1,876,337	1,833,559	487,768
15,000-15,999	86,627	13,524	100,151	1,550,722	1,514,767	418,208
16,000-16,999	67,149	10,327	77,476	1,276,542	1,246,215	356,171
17,000-17,999	48,804	6,805	55,609	972,060	947,721	280,880
18,000-18,999	37,448	4,964	42,412	783,593	762,681	235,136
19,000-19,999	28,685	3,849	32,534	633,798	616,178	197,140
20,000-24,999	72,083	10,308	82,391	1,816,149	1,761,967	611,522
25,000-29,999	28,091	4,149	32,240	876,065	848,866	334,010
30,000-49,999	28,876	3,994	32,870	1,201,546	1,164,836	531,851
50,000-99,999	6,980	794	7,774	499,879	492,246	266,493
100,000 and over	873	98	971	139,168	138,073	83,087
State or Territory of Residence—						
New South Wales	1,241,337	710,274	1,951,611	17,734,629	17,376,195	3,861,348
Victoria	983,350	585,605	1,568,955	14,129,261	13,826,753	3,079,586
Queensland	460,936	241,637	702,573	6,186,085	6,052,458	1,311,788
South Australia	342,176	193,673	535,849	4,610,954	4,527,295	960,780
Western Australia	319,516	171,430	490,946	4,367,315	4,286,836	932,140
Tasmania	105,481	52,757	158,238	1,398,779	1,376,389	296,948
Northern Territory	19,530	10,330	29,860	301,938	297,151	64,427
Australian Capital Territory	55,062	34,215	89,277	972,576	954,682	243,106
Total	3,527,388	1,999,921	5,527,309	49,701,538	48,697,757	10,750,124

(a) Assessments in respect of 1976-77 income year issued during the period 1 July 1977 to 30 June 1978. (b) Net income is 'Total assessable income less total deductions for expenses incurred in gaining assessable income'. (c) Taxable income is the income remaining after deducting from assessable income all allowable deductions.

Details of the number of individual taxpayers and net income tax assessed by grades of income for the income years 1975-76 and 1976-77 are shown in the following table.

COMMONWEALTH INCOME TAX ASSESSMENTS: TAXABLE INDIVIDUALS, BY GRADE OF INCOME^(a) (INCOME YEARS 1975-76 AND 1976-77)

Grade of net income ^(a)	1975-76		1976-77		
	Tax-payers	Net income tax assessed	Tax-payers	Net income tax assessed	
\$ \$	No.	\$'000	\$ \$	No.	\$'000
Under 3,000	226,374	17,358	Under 3,000	80,561	7,385
3,000- 3,499	238,391	43,414	3,000- 3,999	491,215	93,722
3,500- 3,999	236,886	70,784	4,000- 4,999	465,869	207,208
4,000- 4,499	243,383	99,705	5,000- 5,499	237,041	147,658
4,500- 4,999	246,440	130,038	5,500- 5,999	243,298	184,348
5,000- 5,499	262,673	172,643	6,000- 6,499	255,865	233,815
5,500- 5,999	280,124	224,332	6,500- 6,999	272,402	293,012
6,000- 6,499	325,174	307,163	7,000- 7,499	310,168	382,905
6,500- 6,999	353,505	381,303	7,500- 7,999	323,977	449,926
7,000- 7,499	346,419	416,483	8,000- 8,499	311,116	479,114
7,500- 7,999	326,429	432,951	8,500- 8,999	291,612	491,924
8,000- 8,499	302,120	438,836	9,000- 9,499	268,193	492,885
8,500- 8,999	268,248	427,614	9,500- 9,999	244,194	485,726
9,000- 9,499	235,830	408,911	10,000-10,499	219,459	471,842
9,500- 9,999	200,693	377,081	10,500-10,999	190,335	438,756
10,000-10,999	322,073	681,577	11,000-11,999	312,904	796,404
11,000-11,999	232,846	583,361	12,000-12,999	240,615	707,661
12,000-12,999	166,388	482,868	13,000-13,999	174,409	583,563
13,000-13,999	119,169	394,491	14,000-14,999	129,648	487,768
14,000-14,999	90,438	336,801	15,000-15,999	100,151	418,208
15,000-19,999	198,857	972,319	16,000-16,999	77,476	356,171
20,000-24,999	57,463	442,294	17,000-17,999	55,609	280,880
25,000-29,999	24,632	265,242	18,000-18,999	42,412	235,136
30,000-49,999	23,620	398,194	19,000-19,999	32,534	197,140
50,000 and over	6,643	262,215	20,000-24,999	82,391	611,522
			25,000-29,999	32,240	334,010
Total	5,334,818	8,767,981	30,000-49,999	32,870	531,851
			50,000-99,999	7,774	266,493
			100,000 and over	971	83,087
			Total	5,527,309	10,750,124

(a) Net income is 'Total assessable income less total deductions for expenses incurred in gaining that income'.

Partnerships and trusts

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

The following table shows for the 1976-77 income year numbers, total business income and net income of partnerships and trusts. Greater detail is published in the statistical supplement to the annual report of the Commissioner of Taxation and in the report itself.

PARTNERSHIPS AND TRUSTS—INCOME YEAR 1976-77

Item	Partnerships	Trusts	Total
Number	479,198	130,036	609,234
Total business income	\$'000 14,748,282	1,545,122	16,293,404
Net income ^(a)	\$'000 4,602,847	765,845	5,368,692

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

Taxes on income—companies

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

Dividends received are assessable income; however, while 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.

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

Rates of tax. The rates of primary income tax for all companies and additional tax for private companies applicable to income years 1969–70 to 1978–79 are shown in the following table.

RATES OF INCOME TAX: COMPANIES, 1969–70 TO 1978–79 INCOME YEARS
(Cents per \$)

<i>Income years ended 30 June</i>	<i>Resident private company</i>			<i>Resident public company (a)</i>		<i>Non resident company</i>			
	<i>On taxable income</i>		<i>Additional tax on undistributed income</i>	<i>On taxable income</i>		<i>On dividends income</i>		<i>On other income</i>	
	<i>Up to \$10,000</i>	<i>On remainder</i>		<i>Up to \$10,000</i>	<i>On remainder</i>	<i>Up to \$10,000</i>	<i>On remainder</i>	<i>Up to \$10,000</i>	<i>On remainder</i>
1970	32.5	42.5	50	42.5	47.5	37.5	47.5	42.5	47.5
1971 and 1972	37.5	42.5	50	47.5	47.5	42.5	47.5	47.5	47.5
1973	45.0	45.0	50	47.5	47.5	47.5	47.5	47.5	47.5
1974	45.0	45.0	50	45.0	45.0	45.0	45.0	45.0	45.0
1975 and 1976	42.5	42.5	50	42.5	42.5	42.5	42.5	42.5	42.5
1977, 1978 and 1979	46.0	46.0	50	46.0	46.0	46.0	46.0	46.0	46.0

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

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

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

For the income years ended 30 June 1977, 1978 and 1979 the rates were 46 per cent and 41 per cent respectively. Tax exemption levels for these years are set out below.

A non-profit company is not liable to income tax unless the taxable income exceeds \$416. Where the non-profit company is a friendly society dispensary and the taxable income does not exceed \$2,311 the maximum amount payable is 50 per cent of the excess over \$416 less any rebate or credit to which the company is entitled. Where the taxable income of a non-profit company other than a friendly society dispensary does not exceed \$2,542, the tax payable by the company is limited to 55 per cent of the amount by which the taxable income exceeds \$416 less any rebate or credit to which the company is entitled. Other companies are assessed for income tax if the taxable income is \$1 or more.

Details in respect of company income tax assessments for the 1976–77 income year are shown in the following table.

**COMMONWEALTH INCOME TAX ASSESSMENTS: RESIDENT AND NON-RESIDENT COMPANIES
BY GRADE OF INCOME AND OFFICE OF ASSESSMENT**

(Income derived in the year 1976-77)

Grades of taxable income (a) (\$) and office of assessment	Taxable			Non-taxable		
	Companies	Taxable income (a)	Net income tax assessed (b)	Companies	Taxable income (a) (c)	Loss (d)
Loss for year	-	-	-	73,090	-	973,803
Nil	-	-	-	44,111	-	-
1- 1,999	32,535	17,983	7,726	4,919	3,659	-
2,000- 9,999	23,071	120,286	49,675	5,662	28,859	-
10,000- 19,999	10,701	152,837	62,194	2,134	30,078	-
20,000- 39,999	8,599	243,458	98,931	1,386	38,496	-
40,000- 99,999	7,248	449,077	183,633	891	53,896	-
100,000- 199,999	2,922	408,411	165,763	301	42,003	-
200,000- 399,999	1,692	475,489	190,759	162	43,914	-
400,000- 999,999	1,228	764,772	288,594	96	60,222	-
1,000,000-1,999,999	488	683,735	252,892	37	50,911	-
2,000,000 and over	570	5,290,531	1,783,647	21	120,308	-
Total	89,054	8,606,578	3,083,816	132,810	472,346	973,803
New South Wales	39,823	2,853,805	1,001,862	61,724	209,002	468,325
Victoria	22,354	3,888,447	1,345,911	32,080	154,066	316,488
Queensland	8,682	995,253	389,108	12,284	23,782	60,852
South Australia	8,136	366,149	142,692	11,414	46,199	50,679
Western Australia	6,133	357,551	149,977	8,624	15,386	50,135
Tasmania	1,685	82,881	31,252	2,330	5,886	9,880
Northern Territory	509	14,363	6,293	707	1,351	6,225
Australian Capital Territory	1,732	48,128	16,720	3,647	16,675	11,218

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

Yield of income taxes

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

COMMONWEALTH INCOME TAXES COLLECTED: COLLECTION YEARS 1973-74 TO 1978-79

Source of income tax	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79
NET AMOUNTS COLLECTED (\$'000)						
Individuals—						
Instalments—salaries and wages	4,238,391	6,071,293	7,019,706	8,528,863	9,638,786	10,397,606
Other payments	1,251,872	1,642,726	2,199,685	2,524,781	2,490,216	2,406,212
Companies	1,953,927	2,358,809	2,522,837	2,824,459	3,095,321	3,036,520
Withholding tax	79,236	88,116	95,018	96,377	117,852	114,069
Total	7,523,426	10,160,944	11,837,246	13,974,480	15,342,175	15,954,407
PERCENTAGES						
Individuals—						
Instalments—salaries and wages	56.34	59.75	59.30	61.03	62.83	65.17
Other payments	16.64	16.17	18.58	18.07	16.23	15.08
Companies	25.97	23.21	21.31	20.21	20.18	19.03
Withholding tax	1.05	0.87	0.80	0.69	0.76	0.72
Total	100.00	100.00	100.00	100.00	100.00	100.00

Refunds of revenue. Income tax collections, as previously shown are net amounts after refunds of revenue made in the course of the year. Refunds are of two types: those charged to special appropriations under authority of the Income Tax Assessment Act and those charged to special appropriations under authority of the Audit Act. Income tax instalment refunds, by far the greatest part of income tax refunds, are made when the instalments deducted during the year exceed the tax assessed

on incomes for that year. Refunds made from special appropriations under section 37A of the Audit Act include refunds of moneys paid to the revenue in error, refunds of tax overpaid, refunds due to the amendment of assessments, etc. Refunds of income tax to individuals during the collection years 1974-75 to 1978-79 were: 1974-75, \$967,924,000; 1975-76, \$1,535,935,000; 1976-77, \$1,501,555,000; 1977-78, \$1,218,225,000 and 1978-79, \$1,407,257,225.

Estate duty

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

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

-for other estates—\$20,000

decreasing by \$2 for every \$8 by which the value of the estate exceeds \$24,000 or \$20,000 as the case may be.

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

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

Particulars of the number and value of dutiable estates and duty assessed for recent assessment years are given in the following table.

COMMONWEALTH ESTATE DUTY ASSESSMENTS

		1973-74	1974-75	1975-76	1976-77	1977-78
Estates	No.	12,052	13,621	13,447	13,793	15,154
Gross value as assessed	\$'000	964,804	1,183,913	1,223,732	1,208,236	1,443,967
Deductions(a)	"	194,159	242,912	274,953	296,738	356,792
Statutory exemptions	"	238,212	318,706	317,087	335,596	344,482
Dutiable value	"	532,433	622,295	631,693	611,702	742,693
Net duty assessed	"	65,981	80,560	83,663	73,512	99,050
Average dutiable value	\$	44,178	45,686	46,976	44,349	95,286
Average duty assessed per estate	\$	5,475	5,914	6,222	5,330	6,536

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

Gift duty

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

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

The rate of gift duty applicable to any particular gifts was fixed by reference to the total value of all gifts made by the same donor within the period of eighteen months before and eighteen months after the time of making that gift. Where the total value of all gifts as defined did not exceed \$10,000 no duty was payable. The rates of duty that applied to 30 June 1979 were (a) \$10,001 to \$20,000, 3 per cent provided that the gift duty payable did not exceed one half of the amount by which the gift exceeded \$10,000 or a proportionate amount where more than one gift is involved; (b) \$20,001 to \$40,000, 3 per cent to 6 per cent; (c) \$40,001 to \$240,000, 6 per cent to 26 per cent; (d) \$240,001 to \$1,000,000 and over, 26 per cent to 27.9 per cent.

Particulars of the number of gift duty assessments, value of gifts as assessed and duty assessed for recent assessment years are given in the following table.

COMMONWEALTH GIFT DUTY ASSESSMENTS

		1972-73	1973-74	1974-75	1975-76	1976-77	1977-78
Assessments	No.	7,199	6,976	7,514	6,564	7,480	4,352
Value as assessed	\$'000	130,875	199,454	297,020	164,259	187,085	103,058
Duty assessed	"	7,158	18,037	36,077	10,344	11,711	5,934

Customs duties

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

GROSS CUSTOMS DUTIES ON IMPORTS ACCORDING TO BRUSSELS TARIFF DIVISIONS

(\$'000)

<i>Brussels Tariff Division</i>	<i>Source of receipts</i>	1976-77	1977-78	1978-79
1	Live animals; animal products	1,091	1,002	968
2	Vegetable products	1,430	1,167	1,252
3	Animal and vegetable fats and oils and their cleavage products; prepared edible fats; animal and vegetable waxes	2,723	3,137	2,130
4	Prepared foodstuffs; beverages, spirits and vinegar; tobacco	176,125	182,297	217,377
5	Mineral products	13,103	5,581	2,941
6	Products of the chemical industry and allied industries	19,729	20,054	24,663
7	Artificial resins and plastic materials, cellulose esters and ethers, and articles thereof; rubber, synthetic rubbers, factice and articles thereof	53,513	62,693	72,159
8	Raw hides and skins, leather, furskins and articles thereof; saddlery and harness; travel goods, handbags and similar containers; articles of gut (other than silkworm gut)	12,882	13,826	17,242
9	Wood and articles of wood; wood charcoal; cork and articles of cork; manufactures of straw, of esparto and of other plaiting materials; basketware and wickerwork	18,936	16,156	17,628
10	Paper-making material; paper and paperboard and articles thereof	18,426	21,955	28,589
11	Textiles and textile articles	143,320	146,226	189,838
12	Footwear, headgear, umbrellas, sunshades, whips, riding-crops and parts thereof; prepared feathers and articles made therewith; artificial flowers; articles of human hair; fans	26,491	30,926	39,710
13	Articles of stone, of plaster, of cement, of asbestos, of mica and of similar materials; ceramic products; glass and glassware	23,152	22,584	25,313
14	Pearls, precious and semi-precious stones, precious metals, rolled precious metals, and articles thereof; imitation jewellery; coin	8,721	9,275	10,872
15	Base metals and articles of base metal	59,740	60,242	68,897
16	Machinery and mechanical appliances; electrical equipment; parts therefor	243,851	223,344	257,921
17	Vehicles, aircraft, and parts therefor; vessels and certain associated transport equipment	281,690	259,041	330,316
18	Optical, photographic, cinematographic measuring, checking, precision, medical and surgical instruments and apparatus; clocks and watches, musical instruments; sound recorders and reproducers; television image and sound recorders and reproducers, magnetic; parts therefor	28,677	25,742	24,787
19	Arms and ammunition; parts therefor	489	505	472
20	Miscellaneous manufactured articles	37,722	39,094	45,314
21	Works of art, collectors' pieces and antiques	442	336	467
	Primage	9,506	10,426	10,681
	Total customs duties and primage	1,181,758	1,155,607	1,389,538

The net customs duties on imports for these years are 1976-77, \$1,152,016,000; 1977-78, \$1,131,817,000; and 1978-79, \$1,363,041,000.

Excise duties

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

COMMONWEALTH EXCISE REVENUE: CLASSIFICATION OF GROSS RECEIPTS
(**\$'000**)

<i>Source of revenue</i>	<i>1976-77</i>	<i>1977-78</i>	<i>1978-79</i>
Beer	745,170	757,815	947,627
Spirits, including liqueurs, etc.	71,670	75,951	100,058
Tobacco (manufactured), snuff	20,665	19,149	22,186
Cigars and cigarettes	540,645	540,866	631,995
Aviation gasoline—by-law	2,427	2,902	3,486
Aviation gasoline—other	5	—	337
Other gasoline	675,651	727,579	762,630
Mineral turpentine	—	—	—
Coal tar and coke oven distillates, etc.	1	1	—
Aviation turbine kerosene	37,140	42,376	45,659
Kerosene, n.e.i.	197	—	—
Diesel fuel—by-law	76,133	85,533	98,732
Playing cards	127	132	140
Cigarette tubes, paper and papers	896	761	803
Matches	1,999	1,930	1,762
Wine—other than table wine (excise item 16)	1	—	1
Petroleum and liquid petroleum gas (excise item 17)	344,359	476,048	1,226,574
Coal	2,751	8,426	10,422
Canned fruit	277	294	285
Other and undistributed excise revenue	—	—	5
<i>Total Gross Excise Duties</i>	<i>2,520,118</i>	<i>2,739,766</i>	<i>3,852,702</i>
Total Gross Customs, Primage and Excise Duties	3,701,876	3,895,373	5,242,240
Total Customs, Primage and Excise Refunds and Drawbacks	57,082	52,556	59,610

Statistics of the value of duty included in the price of petroleum products purchased by Commonwealth Government departments and subsequently credited to those departments by the Department of Finance are not available. The net Commonwealth excise revenue for these years is: 1976-77, \$2,485,420,000; 1977-78, \$2,733,490,000; 1978-79, \$3,844,686,000. The quantities of commodities on which excise duty was paid are given in Chapter 24, Overseas Transactions, page 682.

Sales tax

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

Particulars of the sales of taxable goods in each rate class in each State for 1977-78 are given in the following table. The figures relate to sales during the period 1 July to 30 June.

COMMONWEALTH SALES TAX: SALE VALUE OF TAXABLE GOODS INCLUDED IN RETURNS IN EACH RATE CLASS, 1977-78

<i>State</i>	<i>Gross sales of goods taxable at various rates (a)</i>					<i>Total</i>
	<i>2½%</i>	<i>15%</i>	<i>27½%</i>	<i>Other</i>		
	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>
New South Wales and A.C.T.	961,109	2,405,278	1,215,547	61,105	4,643,039	
Victoria	837,102	1,914,686	859,386	32,275	3,643,449	
Queensland	205,244	785,323	298,037	3,479	1,292,067	
South Australia	191,511	449,846	196,454	4,356	842,168	
Western Australia	130,608	418,257	193,169	4,081	746,111	
Tasmania	30,983	90,332	53,827	191	175,329	
Northern Territory	2,430	18,259	3,983	328	25,000	
Australia—1977-78	2,358,989	6,081,979	2,820,401	105,818	11,367,172	
1976-77	2,209,131	5,603,039	2,861,956	78,257	10,752,372	
1975-76	2,012,769	4,512,942	2,297,963	228,387	9,052,061	

(a) Estimated

Sales of taxable goods and sales tax payable for Australia are shown in the following table for recent years. The figures for sales tax payable differ from those for net collections shown on page 598 because the latter include some adjustments in respect of earlier tax years and relate to tax payable on returns lodged during the year, which, in general, cover sales for the period June to May.

COMMONWEALTH SALES TAX: SALE VALUE OF GOODS INCLUDED IN RETURNS AND COLLECTIONS
(S'000)

Year of sale	Gross taxable sales	Estimated net taxable sales(a)	Net collections		
			Taxation Office	Bureau of Customs	Total
	(b)	(b)			
1972-73	4,996	4,798	741	24	765
1973-74	(d)6,606	6,293	935	34	969
1974-75	(d)7,739	7,345	1,103	51	1,154
1975-76	(d)9,044	8,586	1,360	49	1,408
1976-77	(d)10,752	10,220	(c)1,589	61	(c)1,650
1977-78	(d)10,841	10,252	1,695	63	1,758
1978-79	(d)12,306	11,567	1,699	71	1,770

(a) Represents gross taxable sales less discounts, goods returned, bad debts and other adjustments. (b) Statistics obtained from returns lodged at Taxation Office. (c) Adjusted. (d) Estimated.

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

Primary production taxes and charges

The following section shows current rates of charges and levies on primary production. Further information is given in Chapter 13, Agricultural Industries.

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

Grain—Export Inspection Charge. Under the *Grain (Export Inspection Charge) Act 1979* a levy is imposed on exports of wheat, oats, barley and sorghum to recoup half the cost of export grain inspection. The levy is 4.5 cents per tonne on bulk grain, 25 cents per tonne on bagged grain and 29 cents per tonne on grain in containers.

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

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

Wool Levy. During 1979-80 a levy of 52c per test is payable by wool brokers and private buyers on all wool samples tested in Australia. The levy, collected under the *Wool Industry Act 1972* (Amendment 49 of 1979), provides 50 per cent of the cost of operating the Australian Wool Measurement Standards Authority.

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

- (a) in respect of leaf grown in Australia and sold to a manufacturer:
 - (i) 1.1 cents per kilogram of leaf, payable by the grower or other persons who own the leaf immediately before sale and
 - (ii) 2.2 cents per kilogram of leaf, payable by the manufacturer.
- (b) in respect of leaf grown and used by grower-manufacturers:
 - (i) 1.1 cents per kilogram of leaf where the manufacturer grows nine-tenths of the Australian tobacco leaf used by him and
 - (ii) 2.2 cents per kilogram of leaf in other cases.

(See also Chapter 13, Agricultural Industries).

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

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

Dairying Research and Promotion Levy. The Dairying Industry Research and Promotion Levy Act 1972 provides for the imposition of a levy on all milk produced in Australia. The Act provides for the levy to be payable by dairy farmers either on a whole milk or butterfat basis. Monies collected from the levy finance the administration and promotional activities of the Australian Dairy Corporation and the industry contribution to the research programme recommended by the Dairying Research Committee. The Dairying Industry Research and Promotion Levy Regulations prescribe levies of either 10.4 cents per 100 litres of whole milk or 260 cents per 100 kilograms of butterfat.

Canned Fruits Levy. The *Canned Fruits Levy Act* 1979 imposes a levy on the production of canned fruits in Australia with effect from 1 January 1980.

The operative rates from that date are:

Containers not exceeding 150 grams—0.625/doz. containers.

Containers exceeding 150 grams but not exceeding 320 grams—1.25 cents/doz. containers.

Containers exceeding 320 grams but not exceeding 490 grams—2.5 cents/doz. containers.

Containers exceeding 490 grams but not exceeding 680 grams—3.75 cents/doz. containers.

Containers exceeding 680 grams—5 cents/doz. containers plus 3 cents/doz. containers for each 450 grams by which the gross weight of the container exceeds 900 grams.

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

Canning Fruit Charge. The *Canning Fruit Charge Act* 1959 imposes a charge on the intake of canning apricots, peaches and pears by fruit canneries. The rate proposed for the 1980 canning fruit season is \$0.50 per tonne. The revenue collected by way of the charge funds the operations of the Australian Canned Fruit Sales Promotion Committee.

Honey Levy and Honey Export Charge. The *Honey Levy Acts* (Nos 1 & 2) 1962 impose a levy of 1.8 cents per kilogram on honey sold for domestic consumption.

The *Honey Export Charge Act* 1973 imposes a charge of 0.5 cents per kilogram on honey exports.

The funds are used to finance the operations of the Australian Honey Board.

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

The levies from 1 July 1979 are:

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

Livestock Slaughter Export Inspection Charge. An export inspection charge introduced on livestock slaughtered at export works from 1 July 1979, to recoup part of the cost of meat inspection incurred by the Commonwealth Government. The charges imposed under the *Livestock Slaughter (Export Inspection Charge) Act* 1979 are:

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

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

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

The charges from 1 July 1979 are:

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

Export Inspection Charges—Miscellaneous. By arrangement, Commonwealth inspectors are provided to (i) abattoirs that are not registered export establishments to inspect meat for domestic consumption and to (ii) State Dried Fruit Boards to inspect dried fruit for domestic use.

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

Pig Slaughter Levy. A slaughter levy under the *Pig Slaughter Levy Act 1971* is payable on all pigs slaughtered for human consumption. The funds are used by the Australian Pig Industry Research Committee for production and marketing research and by the Pigmeat Promotion Advisory Committee for promotional activities within Australia. The present operative levy is 21 cents per pig. Of this amount 13 cents is for promotion and 8 cents for research.

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

Poultry Industry Levy. The *Poultry Industry Levy Act 1965* imposes a levy at a maximum rate of \$2.00 per hen per annum on domesticated fowls kept for commercial purposes. The operative rate of levy is 7 cents per bird per fortnight on the number of hens kept. The levy is payable on each prescribed day which is every second Thursday. The levy is designed to provide assistance to the poultry industry.

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

Dried Vine Fruits Levy. In order to meet the objectives of the Dried Vine Fruits Stabilization Scheme the *Dried Vine Fruits Levy Act 1971* imposes a levy on dried vine fruit where the average return for a season exceeds by more than \$10 the amount per tonne that constitutes the base price for that season with a maximum levy of \$20 per tonne provided the quantity received for packing in a season exceeds 50,000 tonnes. When average returns fall more than \$10 below the base price, the Government guarantees to growers a pay-out from the fund to a maximum of \$25 per tonne to a total of \$1.5 million.

Dried Fruit Export Charges. The *Dried Fruit Export Charges Act 1924-78* imposes a levy of \$4.50 per tonne on the export of dried currants, sultanas and raisins. The funds are used to finance the Australian Dried Fruits Corporation.

Dried Vine Fruits Equalisation Levy. The *Dried Vine Fruits Equalisation Levy Act 1978* imposes a levy on domestic sales of dried vine fruit which is equal to the difference between the assessed returns per tonne from the domestic market and the assessed average returns per tonne from export. The purpose of the levy is to facilitate the equalisation of returns to producers from all markets.

Dried Fruits Levy. The *Dried Fruits Levy Act 1971* imposes a levy on dried fruits of a season received for packing in order to extend industry research programmes. In 1978-79 the rate of levy was for dried vine fruits \$1.00 per tonne, dried tree fruits \$5.00 per tonne and prunes \$2.50 per tonne. These rates will also apply in 1979-80.

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

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

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

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

Fishing Licences and Charges. Under the *Fisheries Act 1952*, domestic and foreign boats are licensed to fish in the Australian Fishing Zone. Other charges such as access fees for foreign countries are also levied under this Act. The rate of licence fees is set out in the Fisheries Regulations.

COMMONWEALTH PRIMARY PRODUCTION TAXES
(S'000)

	1976-77	1977-78	1978-79
Apple and pear export charge	121	162	212
Apple and pear export duty	—	—	129
Apple and pear levy	159	621	565
Butterfat levy	85	—	—
Canned fruit export charge	195	131	176
Canning fruit charge	107	67	123
Dairy industry stabilization levy	—	53,085	80,255
Dairying research and promotion levy	3,077	3,360	5,674
Dried fruits export charge	197	147	227
Dried fruits levy	49	86	89
Honey export charge	22	13	24
Honey levy	158	158	186
Livestock slaughter levy—			
Cattle	5,389	5,928	5,734
Pigs	360	483	572
Sheep and lambs	1,546	1,377	1,311
Eradication of disease	8,562	10,498	9,710
Meat export charge—			
Cattle meat	69	98	31
Other meat	6	56	289
Oil seeds research levy	—	89	375
Meat chicken levy	160	183	189
Poultry industry levy	11,414	10,807	10,603
Tobacco charge	496	495	514
Wheat export charge	60,065	—	60,000
Wheat tax	1,641	1,286	3,466
Wine grapes charges	1,035	1,109	1,030
Wool tax	94,093	89,129	101,608
Total	189,006	179,368	283,092

Pay-roll tax

Commonwealth pay-roll tax came into operation on 2 May 1941 and provided for the imposition of a tax on wages paid or payable in respect of any period of time occurring after 30 June 1941. The tax was payable by employers on all wages and salaries paid or payable in excess of a general exemption. The rate of tax, 2.5 per cent, was not changed after its inception, but the general exemption was increased over the years from \$173.33 to \$1,733.33 per month (\$2,080 per annum to \$20,800 per annum).

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

From 1 December 1974 the rate of tax payable in the Territories has been 5 per cent with a statutory exemption of wages up to \$1,733.33 per month (\$20,800 per annum) or a proportion of that amount in the case of an employer who is an employer also in a State.

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

The *Pay-roll (Territories) Assessment Amendment Act 1979* increased the maximum exemption level in the Australian Capital Territory to \$66,000 with effect from 1 January 1979. Phasing out remains at \$2 for each \$3 by which the annual wages payable exceed the maximum exemption level.

On vacating the pay-roll tax field in favour of the States the Commonwealth Government introduced an export incentive grant scheme to provide grants in respect of the 1971-72 and 1972-73 financial years equal to the rebates which would have been payable for those years if the pay-roll tax rebate scheme which had operated from the 1960-61 financial year had continued in operation until it expired on 30 June 1974. The export incentive grant scheme has now been replaced by a new system of export incentive grants administered by the Department of Trade and Resources.

Gross collections of pay-roll tax in 1977-78 and 1978-79 amounted to \$22,488,331 and \$16,229,418 respectively. Refunds of pay-roll tax during 1977-78 and 1978-79 under the pay-roll tax rebate scheme amounted to \$103,336 and nil respectively.

Gross operating surplus of public enterprises

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

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

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

(\$ million)

<i>Industry</i>	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78
REVENUE						
Manufacturing	23.4	28.5	34.0	48.9	54.7	58.5
Electricity	61.1	66.8	76.0	84.1	96.2	105.1
Water supply, sewerage and drainage	4.3	5.0	5.0	7.6	9.6	12.5
Transport and communication—						
Air transport	391.1	483.3	592.5	704.7	808.7	929.7
Rail transport	31.2	37.2	41.4	108.2	122.9	121.7
Sea transport	93.0	113.4	145.4	204.3	282.6	319.7
Urban transit systems	7.7	8.9	9.3	14.0	16.8	15.8
Pipelines	—	—	—	—	2.8	11.7
Communication	983.3	1,162.7	1,444.0	2,008.7	2,314.6	2,521.2
<i>Total transport, etc.</i>	<i>1,506.3</i>	<i>1,805.6</i>	<i>2,232.7</i>	<i>3,039.9</i>	<i>3,548.4</i>	<i>3,919.8</i>
Commerce	64.5	52.2	43.4	207.9	149.6	246.4
Property and business services—						
Housing	15.8	20.9	21.9	22.8	22.7	26.6
Other	9.1	11.8	18.7	25.5	25.7	36.5
<i>Total property, etc.</i>	<i>24.9</i>	<i>32.7</i>	<i>40.6</i>	<i>48.3</i>	<i>48.4</i>	<i>63.2</i>
Community, social and personal services	10.4	11.9	16.9	22.8	22.7	28.2
Total revenue	1,695.0	2,002.6	2,448.5	3,459.5	3,929.6	4,433.7
WORKING EXPENSES(a)						
Manufacturing	21.9	28.5	35.0	46.9	52.4	55.6
Electricity	14.3	18.6	29.3	37.3	48.3	56.9
Water supply, sewerage and drainage	2.6	3.1	3.9	4.9	6.1	7.3
Transport and communication—						
Air transport	329.6	413.3	550.7	647.6	722.7	833.8
Rail transport	29.2	38.8	50.6	154.3	170.1	184.9
Sea transport	75.1	95.5	136.8	184.2	231.2	261.7
Urban transit systems	7.0	9.8	12.3	16.7	19.1	19.9
Pipelines	—	—	—	—	1.4	3.4
Communication	608.5	778.0	986.1	1,219.8	1,456.4	1,600.6
<i>Total transport, etc.</i>	<i>1,049.4</i>	<i>1,335.3</i>	<i>1,736.4</i>	<i>2,222.6</i>	<i>2,600.9</i>	<i>2,904.3</i>
Commerce	69.3	54.1	68.6	248.3	160.7	251.1
Property and business services—						
Housing	14.1	19.3	23.9	25.7	24.3	27.7
Other	8.4	11.0	18.2	24.3	23.8	35.0
<i>Total property, etc.</i>	<i>22.5</i>	<i>30.3</i>	<i>42.1</i>	<i>50.0</i>	<i>48.2</i>	<i>62.7</i>
Community, social and personal services	7.8	9.1	14.1	19.7	19.1	24.0
Total working expenses	1,187.9	1,479.1	1,929.3	2,629.6	2,935.7	3,362.0
GROSS OPERATING SURPLUS						
Manufacturing	1.5	-0.1	-1.0	2.0	2.3	2.9
Electricity	46.8	48.2	46.7	46.8	47.9	48.2
Water supply, sewerage and drainage	1.7	1.9	1.1	2.6	3.5	5.2
Transport and communication—						
Air transport	61.5	70.0	41.8	57.1	86.0	95.9
Rail transport	2.1	-1.6	-9.2	-46.1	-47.2	-63.2
Sea transport	17.9	18.0	8.7	20.1	51.4	58.0
Urban transit systems	0.7	-0.8	-3.0	-2.7	-2.4	-4.1
Pipelines	—	—	—	—	1.4	8.3
Communication	374.8	384.7	458.0	788.9	858.2	920.7
<i>Total transport, etc.</i>	<i>456.9</i>	<i>470.3</i>	<i>496.3</i>	<i>817.3</i>	<i>947.5</i>	<i>1,015.5</i>
Commerce	-4.9	-1.9	-25.1	-40.4	-11.1	-4.7
Property and business services—						
Housing	1.8	1.6	-2.1	-2.9	-1.6	-1.0
Other	0.7	0.7	0.5	1.2	1.8	1.5
<i>Total property, etc.</i>	<i>2.5</i>	<i>2.3</i>	<i>-1.6</i>	<i>-1.7</i>	<i>0.2</i>	<i>0.5</i>
Community, social and personal services	2.6	2.8	2.9	3.2	3.6	4.1
Total gross operating surplus	507.1	523.5	519.2	829.8	993.9	1,071.7

(a) Exclude depreciation and interest charges.

STATE AUTHORITIES

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

The transactions of many of the State authorities are itemised in State Consolidated Revenue Funds or in Trust Funds, so that a satisfactory coverage of their transactions can be obtained from a detailed analysis and reclassification of the published accounts whose receipts and payments are summarised in the statement of Treasury balances for each State. The remaining statutory bodies and other publicly owned or controlled organisations maintain accounts entirely, or largely, separate from the public accounts, although there may be transactions between them and State governments (such as advances and capital contributions, interest and dividends, and votes for running expenses and capital works) which would affect the public accounts. The accounting reports of this group of organisations have to be collected and analysed in order to present a complete statement of the transactions of State authorities—or at least methods of analysis need to be adopted which adequately reflect their transactions so that they are, in principle, covered by the statistics.

In the figures which follow in this section, all expenditure by State central government authorities on certain institutions, whether direct (e.g. new building charged to Loan Fund) or indirect by way of current or capital grants to the bodies administering them, has been treated as final expenditure on goods and services by State authorities; fees and gifts from persons or private businesses to these institutions are not included, nor is the expenditure of the institutions from their own resources. Universities and hospitals are particular examples of organisations for which this practice has been adopted.

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

Details of the transactions of State authorities are given in the tables which follow. Reference should be made to the introduction of *State and Local Government Finance, Australia 1978-79* (5504.0) for definitions and descriptions of items appearing in these tables, and also for further details of the organisations covered by the figures. Additional information relating to the activities of the State authorities may also be found in the Year Books of the individual States.

Outlay and receipts

The outlay and receipts of State authorities for the six year period ended 1977-78 are given in the following table.

STATE AUTHORITIES(a): OUTLAY AND RECEIPTS

(\$ million)

	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78
OUTLAY						
Final consumption expenditure	2,837.9	3,642.2	5,245.0	6,824.6	8,143.4	9,280.2
Gross capital formation—						
Increase in stocks	1.6	16.0	55.2	30.8	30.6	49.9
Expenditure on new fixed assets	2,033.1	2,295.2	3,334.4	3,911.0	4,207.9	4,747.7
Expenditure on existing assets (net)	81.7	172.5	224.0	181.9	138.9	102.6
<i>Total gross capital formation</i>	<i>2,116.4</i>	<i>2,483.6</i>	<i>3,613.6</i>	<i>4,123.7</i>	<i>4,377.3</i>	<i>4,900.2</i>
Transfer payments—						
Interest	889.8	951.5	1,056.2	1,198.3	1,428.3	1,693.6
Transfers to persons	154.3	166.1	185.4	220.1	246.9	279.1
Subsidies	28.4	32.1	40.6	44.4	55.6	80.1
Transfers overseas	—	—	0.1	0.1	0.1	0.1
Grants for private capital purposes	20.7	30.7	55.1	61.3	55.0	63.4
Grants to local authorities	173.9	153.1	275.7	338.6	394.6	475.5
<i>Total transfer payments</i>	<i>1,267.2</i>	<i>1,333.5</i>	<i>1,613.0</i>	<i>1,862.8</i>	<i>2,180.6</i>	<i>2,591.8</i>
Net advances—						
To the private sector	54.0	39.2	147.5	166.5	190.8	206.2
To public financial enterprises	50.0	62.0	91.4	84.7	83.4	109.0
To local authorities	5.9	6.0	17.9	18.6	16.0	13.3
<i>Total net advances</i>	<i>109.9</i>	<i>107.2</i>	<i>256.9</i>	<i>269.9</i>	<i>290.2</i>	<i>328.4</i>
Total outlay	6,331.4	7,566.5	10,728.5	13,080.9	14,991.5	17,100.6
of which—						
current outlay	4,084.3	4,945.0	6,802.9	8,626.1	10,268.9	11,808.6
capital outlay	2,247.0	2,621.5	3,925.6	4,454.8	4,722.5	5,292.0
RECEIPTS AND FINANCING ITEMS						
Receipts—						
Taxes, fees, fines, etc.	1,781.0	2,206.6	2,792.2	3,469.7	3,973.1	4,300.7
Income from public enterprises	370.1	297.7	205.1	330.1	354.3	383.0
Interest, etc., received	256.4	318.1	424.7	443.6	589.5	704.5
Grants from the Commonwealth						
Government—						
for current purposes	2,075.9	2,533.4	3,735.0	5,427.5	6,110.2	7,215.3
for capital purposes	706.2	898.6	1,409.8	1,556.6	1,537.3	1,508.9
Grants for local authorities	21.5	22.6	25.9	32.6	32.3	36.8
<i>Total receipts</i>	<i>5,211.0</i>	<i>6,276.9</i>	<i>8,592.6</i>	<i>11,260.1</i>	<i>12,596.7</i>	<i>14,149.1</i>
Financing items—						
Net borrowing—						
Public trading enterprises	302.9	336.5	415.8	558.7	664.8	882.6
General government	39.1	60.8	74.7	113.0	127.4	117.8
Advances from the Commonwealth Government (net)—						
For loan works purposes	601.2	448.0	592.2	708.7	744.7	784.8
Other	66.3	300.7	632.7	663.8	533.4	476.3
Net receipts of private trust funds	93.1	102.6	153.6	33.4	244.7	232.0
Reduction in cash and bank balances	-229.6	-254.2	-30.8	-743.6	-408.3	113.4
Reduction in security holdings—						
Investment of private trust funds	61.5	34.2	51.0	11.8	-61.8	-99.9
Investment of governmental trust funds and public corporations	-15.1	-57.6	1.6	-0.8	-56.4	-240.8
Other funds available (including errors and omissions)—						
Depreciation allowances	269.0	289.1	270.9	311.5	352.6	422.0
Other	54.9	97.7	76.2	164.4	253.7	263.2
<i>Total financing items</i>	<i>1,120.3</i>	<i>1,289.6</i>	<i>2,135.9</i>	<i>1,820.8</i>	<i>2,394.8</i>	<i>2,951.4</i>
Total funds available	6,331.4	7,566.5	10,728.5	13,080.9	14,991.5	17,100.6

(a) Excludes financial enterprises.

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

STATE AUTHORITIES(a): OUTLAY AND RECEIPTS BY STATE, 1977-78
(*\$ million*)

	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Tas.</i>	<i>Total</i>
OUTLAY							
Final consumption expenditure	3,158.4	2,493.1	1,341.2	972.8	960.2	354.5	9,280.2
Gross capital formation—							
Increase in stocks	28.0	4.5	10.6	4.7	0.3	1.7	49.9
Expenditure on new fixed assets	1,545.5	1,306.3	754.7	431.4	498.0	211.9	4,747.7
Expenditure on existing assets (net)	27.9	58.5	-6.8	20.7	0.5	1.6	102.6
<i>Total gross capital formation</i>	<i>1,601.4</i>	<i>1,369.4</i>	<i>758.6</i>	<i>456.8</i>	<i>498.8</i>	<i>215.2</i>	<i>4,900.2</i>
Transfer payments—							
Interest	519.5	529.4	230.9	183.5	148.2	82.0	1,693.6
Transfers to persons	120.9	66.8	37.4	18.2	25.1	10.8	279.1
Subsidies	36.6	21.4	10.5	2.2	3.7	5.7	80.1
Transfers overseas	—	0.1	—	—	—	—	0.1
Grants for private capital purposes	18.6	19.9	9.6	11.3	3.3	0.7	63.4
Grants to local authorities	153.6	127.0	101.8	36.9	45.4	10.8	475.5
<i>Total transfer payments</i>	<i>849.3</i>	<i>764.5</i>	<i>390.1</i>	<i>252.1</i>	<i>225.7</i>	<i>110.0</i>	<i>2,591.8</i>
Net advances—							
To the private sector	-5.2	89.6	57.7	48.0	12.5	3.5	206.2
To public financial enterprises	69.3	5.1	—	34.7	-0.1	—	109.0
To local authorities	1.1	1.8	8.6	-0.1	-2.1	4.0	13.3
<i>Total net advances</i>	<i>65.1</i>	<i>96.5</i>	<i>66.3</i>	<i>82.6</i>	<i>10.4</i>	<i>7.5</i>	<i>328.4</i>
<i>Total outlay</i>	<i>5,674.2</i>	<i>4,723.5</i>	<i>2,556.2</i>	<i>1,764.3</i>	<i>1,695.1</i>	<i>687.3</i>	<i>17,100.6</i>
of which—							
current outlay	3,989.1	3,237.7	1,721.7	1,213.6	1,182.6	463.8	11,808.6
capital outlay	1,685.1	1,485.8	834.4	550.7	512.5	223.5	5,292.0
RECEIPTS AND FINANCING ITEMS							
Receipts—							
Taxes, fees, fines, etc.	1,685.6	1,315.9	504.1	355.3	343.2	96.6	4,300.7
Income from public enterprises	24.4	185.0	60.6	45.9	22.9	44.1	383.0
Interest, etc., received	220.7	149.3	148.6	63.1	101.8	21.0	704.5
Grants from the Commonwealth Government—							
for current purposes	2,332.3	1,767.8	1,196.6	799.6	815.3	303.6	7,215.3
for capital purposes	481.8	357.3	271.9	160.7	157.5	79.7	1,508.9
Grants from local authorities	15.5	8.1	5.1	3.9	2.0	2.2	36.8
<i>Total receipts</i>	<i>4,760.4</i>	<i>3,783.4</i>	<i>2,186.9</i>	<i>1,428.6</i>	<i>1,442.7</i>	<i>547.2</i>	<i>14,149.1</i>
Financing items—							
Net borrowing—							
Public trading enterprises	250.9	416.8	78.0	49.2	60.2	27.5	882.6
General government	30.4	4.2	58.7	17.3	6.3	0.9	117.8
Advances from the Commonwealth Government (net)—							
For loan works purposes	250.8	198.0	103.9	103.4	71.6	57.2	784.8
Other	139.4	116.3	52.5	88.6	55.7	23.8	476.3
Net receipts of private trust funds	16.4	28.1	138.2	10.1	26.7	12.5	232.0
Reduction in cash and bank balances	13.5	228.6	-158.2	30.1	-12.8	12.3	113.4
Reduction in security holdings—							
Investments of private trust funds	-6.1	-49.5	—	-9.8	-22.7	-11.8	-99.9
Investments of governmental trust funds and public corporations	-12.0	-231.1	-2.9	9.7	-9.9	5.5	-240.8
Other funds available (including errors and omissions)—							
Depreciation allowances	155.3	127.8	54.7	32.3	42.2	9.6	422.0
Other	75.2	101.0	44.3	4.8	35.2	2.7	263.2
<i>Total financing items</i>	<i>913.8</i>	<i>940.1</i>	<i>369.2</i>	<i>335.7</i>	<i>252.4</i>	<i>140.1</i>	<i>2,951.4</i>
<i>Total funds available</i>	<i>5,674.2</i>	<i>4,723.5</i>	<i>2,556.2</i>	<i>1,764.3</i>	<i>1,695.1</i>	<i>687.3</i>	<i>17,100.6</i>

(a) Excludes financial enterprises.

PUBLIC FINANCE

STATE AUTHORITIES
1977-78

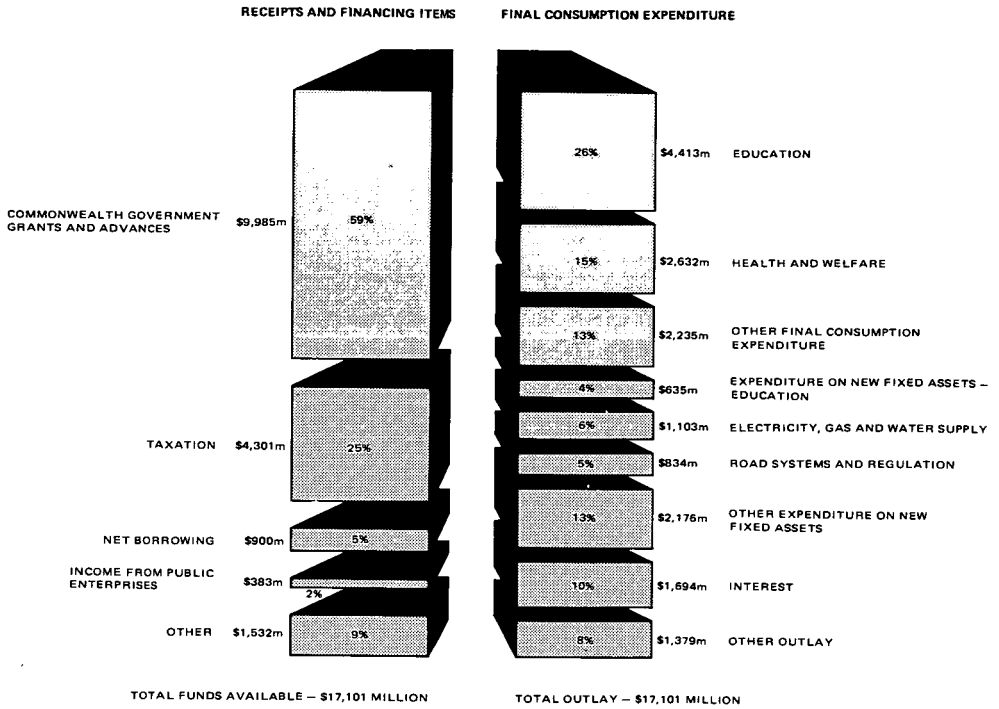


PLATE 44

Main components of outlay

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

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

Purpose	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78
General public services—						
Law, order and public safety	318.5	392.5	541.1	659.0	770.9	883.2
General administration, n.e.c.	204.1	236.8	334.4	414.2	512.7	590.3
Education	1,380.4	1,797.2	2,597.9	3,224.0	3,871.1	4,412.9
Health	581.7	796.6	1,209.3	1,838.1	2,212.6	2,489.9
Social security and welfare	57.5	61.1	87.6	105.8	119.9	142.3
Housing and community amenities—						
Housing	1.7	2.1	2.9	4.1	5.7	5.8
Community and regional development	7.0	9.2	16.4	20.2	22.0	27.2
Protection of the environment, and community amenities	3.9	6.7	11.9	17.6	22.1	25.1
Recreation and culture	34.4	42.5	58.7	79.3	96.5	121.1
Economic services—						
Agriculture, forestry, fishing	152.5	179.7	226.2	267.0	295.9	336.8
Mining, manufacturing and construction	26.1	28.7	37.0	45.2	49.3	53.6
Electricity, gas and water supply	1.7	1.0	4.4	7.6	6.0	7.7
Rail transport (a)	1.5	—	1.1	1.2	0.8	1.0
Sea transport	0.2	3.8	3.9	4.1	4.6	5.6
Road systems and regulation	9.5	10.0	10.6	11.9	15.0	19.1
Other transport services, n.e.c.	1.7	2.3	2.9	5.0	5.0	4.9
Other economic services(b)	54.9	71.3	97.4	119.6	132.1	151.6
Other purposes	0.5	0.9	1.3	0.8	1.3	2.0
Total	2,837.9	3,642.2	5,245.0	6,824.6	8,143.4	9,280.2

(a) Includes suburban rail transport systems.

(b) Includes general administration, regulation and research.

STATE AUTHORITIES: FINAL CONSUMPTION EXPENDITURE CLASSIFIED BY PURPOSE 1977-78 (\$ million)

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
General public services—							
Law, order and public safety	312.0	201.5	150.1	87.0	97.0	35.7	883.2
General administration, n.e.c.	229.2	124.8	110.3	45.9	50.2	29.9	590.3
Education	1,474.8	1,320.6	593.0	473.5	405.2	146.0	4,412.9
Health	894.9	619.5	323.1	267.5	297.8	87.2	2,489.9
Social security and welfare	29.3	45.1	29.1	18.6	16.3	3.9	142.3
Housing and community amenities—							
Housing	1.7	1.5	—	1.0	0.8	0.8	5.8
Community and regional development	10.1	11.3	—	3.9	1.8	0.2	27.2
Protection of the environment, and community amenities	5.8	10.8	2.3	3.4	1.9	0.9	25.1
Recreation and culture	34.9	29.7	15.2	17.5	13.2	10.5	121.1
Economic services—							
Agriculture, forestry, fishing	94.4	73.0	91.5	25.0	29.8	23.2	336.8
Mining, manufacturing and construction	18.1	5.0	6.7	7.7	12.9	3.2	53.6
Electricity, gas and water supply	1.2	-1.4	2.9	0.1	4.4	0.7	7.7
Rail transport(a)	—	0.5	—	—	0.5	—	1.0
Sea transport	6.4	—	-1.8	0.9	—	0.1	5.6
Road systems and regulation	2.8	10.6	2.5	1.2	1.0	0.9	19.1
Other transport services, n.e.c.	1.8	1.6	0.2	0.5	0.5	0.1	4.9
Other economic services(b)	40.8	38.4	15.9	19.3	26.2	10.9	151.6
Other purposes	—	0.7	—	—	0.8	0.3	2.0
Total	3,158.5	2,493.1	1,341.2	972.8	960.2	354.5	9,280.2

(a) Includes suburban rail transport systems.

(b) Includes general administration, regulation and research.

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

	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78
General public services—						
Law, order and public safety	34.6	39.3	47.4	64.0	76.4	96.5
General administration, n.e.c.	28.4	37.9	60.3	82.1	87.3	114.2
Education	297.6	349.0	609.2	618.5	574.8	635.1
Health	97.5	123.8	202.9	320.0	327.3	321.3
Social security and welfare	6.0	8.1	8.3	8.8	12.2	11.0
Housing and community amenities—						
Housing	81.8	122.4	283.0	259.4	247.9	307.6
Community and regional development	1.4	2.4	12.2	35.1	43.9	38.5
Protection of the environment, and community amenities	203.9	236.6	298.2	330.9	343.1	350.4
Recreation and culture	30.0	20.6	18.6	25.2	34.3	48.4
Economic services—						
Agriculture, forestry, fishing	102.8	109.0	147.2	175.3	206.4	221.0
Mining, manufacturing and construction	29.3	42.8	59.7	61.9	63.3	61.6
Electricity and gas	318.6	339.6	437.1	539.0	651.9	828.2
Water supply	141.1	153.3	198.8	238.3	259.9	274.9
Rail transport(b)	139.9	139.5	217.8	276.9	312.9	387.1
Sea transport	60.9	62.9	76.2	84.9	89.5	120.4
Road systems and regulation	424.1	469.1	589.2	697.6	781.5	834.4
Other transport services, n.e.c.	8.2	6.5	18.0	31.2	29.9	38.7
Other economic services(c)	27.2	30.7	50.8	61.7	64.9	57.7
Other purposes	-0.1	1.8	-0.3	0.1	0.5	0.8
Total	2,033.1	2,295.2	3,334.4	3,911.0	4,207.9	4,747.7

(a) Excludes financial enterprises. (b) Includes suburban rail transport systems. (c) Includes general administration, regulation and research.

STATE AUTHORITIES(a): EXPENDITURE ON NEW FIXED ASSETS CLASSIFIED BY PURPOSE
1977-78
(**\$ million**)

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
General public services—							
Law, order and public safety	22.0	28.9	13.7	11.5	13.3	7.1	96.5
General administration, n.e.c.	32.1	20.3	38.6	9.7	7.3	6.3	114.2
Education	209.5	156.2	102.2	75.9	61.1	30.2	635.1
Health	90.0	70.6	56.1	39.5	45.2	20.0	321.3
Social security and welfare	3.6	1.4	3.1	1.4	1.4	0.1	11.0
Housing and community amenities—							
Housing	110.0	39.0	45.2	29.4	54.5	29.7	307.6
Community and regional development	26.0	1.5	-	6.9	4.0	0.2	38.5
Protection of the environment, and community amenities	165.3	118.4	0.3	25.5	41.0	-	350.4
Recreation and culture	5.9	20.7	4.0	9.8	5.3	2.7	48.4
Economic services—							
Agriculture, forestry, fishing	64.6	58.6	44.6	21.5	20.6	10.9	221.0
Mining, manufacturing and construction	21.2	24.8	8.9	4.2	2.3	0.2	61.6
Electricity and gas	165.7	306.8	167.0	52.7	84.1	51.8	828.2
Water supply	57.5	126.4	11.3	35.4	43.0	1.3	274.9
Rail transport(b)	188.8	102.0	76.2	4.3	15.3	0.4	387.1
Sea transport	44.3	20.8	26.8	10.4	12.9	5.2	120.4
Road systems and regulation	308.6	177.1	153.9	71.9	80.7	42.1	834.4
Other transport services, n.e.c.	2.5	14.2	-	16.3	4.4	1.3	38.7
Other economic services(c)	28.3	18.6	2.7	5.2	0.7	2.2	57.7
Other purposes	-0.3	0.1	-	-	1.1	-	0.8
Total	1,545.5	1,306.3	754.7	431.4	498.0	211.9	4,747.7

(a) Excludes financial enterprises. (b) Includes suburban rail transport systems. (c) Includes general administration, regulation and research.

Main components of receipts

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

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

The following tables provide details of the taxes collected by State authorities classified by type of tax. Further information relating to State taxes may be found in *Taxation Revenue, Australia* (5506.0).

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

	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78
Estate, gift, probate and succession duties	163.3	185.6	198.1	226.9	251.5	241.1
Property taxes—						
Land tax	112.9	122.1	168.6	200.1	218.1	236.6
Metropolitan improvement rates	9.6	12.2	12.8	15.1	15.8	16.2
Other	1.1	1.6	1.7	1.7	1.6	1.2
<i>Total property</i>	<i>123.6</i>	<i>135.9</i>	<i>183.1</i>	<i>216.9</i>	<i>235.5</i>	<i>254.0</i>
Liquor taxes	52.1	57.5	75.6	95.8	120.9	140.6
Taxes on gambling—						
Lotteries	37.7	48.5	67.9	85.9	109.6	129.2
Poker machines	42.6	50.8	71.9	83.4	92.0	98.2
Racing	89.9	105.8	136.2	162.3	180.7	194.3
Other	0.5	1.6	3.3	9.0	12.0	12.5
<i>Total gambling</i>	<i>170.7</i>	<i>206.7</i>	<i>279.4</i>	<i>340.6</i>	<i>394.3</i>	<i>434.1</i>
Taxes on ownership and operation of motor vehicles—						
Vehicle registration fees and taxes	223.6	240.2	284.1	334.3	397.0	461.3
Drivers', etc., licences and fees	27.8	29.2	43.1	54.3	59.8	60.4
Stamp duty on vehicle registration	30.9	39.7	51.5	84.2	116.5	126.0
Road transport taxes	17.6	17.2	15.2	15.6	15.9	14.5
Road maintenance contributions	40.1	43.3	44.4	44.4	44.7	44.5
Motor car third party insurance surcharge and duties	6.9	7.4	9.8	12.5	12.9	13.4
<i>Total motor vehicles</i>	<i>346.8</i>	<i>377.0</i>	<i>448.0</i>	<i>545.2</i>	<i>646.8</i>	<i>720.1</i>
Pay-roll tax	448.7	666.5	998.0	1,161.3	1,306.1	1,419.2
Fire brigades contributions from insurance companies, etc.	38.8	46.4	66.0	85.1	98.8	113.0
Stamp duties, n.e.i.	351.1	431.6	389.3	550.8	666.8	702.6
Fees from regulatory services, n.e.i.	18.3	20.9	26.3	37.8	44.1	48.4
Other taxes, fees, fines, etc.	67.8	78.6	128.7	209.5	208.5	227.6
<i>Total taxation</i>	<i>1,781.0</i>	<i>2,206.6</i>	<i>2,792.2</i>	<i>3,469.7</i>	<i>3,973.1</i>	<i>4,300.7</i>

STATE AUTHORITIES: TAXATION BY TYPE OF TAX, 1977-78
(**\$ million**)

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
Estate, gift, probate and succession duties	96.5	89.1	16.9	18.7	14.8	5.2	241.1
Property taxes—							
Land tax	122.6	60.7	15.1	19.6	14.7	3.9	236.6
Metropolitan improvement rates	—	13.5	—	—	2.6	—	16.2
Other	—	—	—	1.0	0.1	—	1.2
<i>Total property</i>	<i>122.6</i>	<i>74.2</i>	<i>15.1</i>	<i>20.6</i>	<i>17.4</i>	<i>3.9</i>	<i>254.0</i>
Liquor taxes	54.6	34.1	24.4	10.9	12.9	3.8	140.6
Taxes on gambling—							
Lotteries	31.1	72.8	8.8	8.6	6.2	1.7	129.2
Poker machines	98.2	—	—	—	—	—	98.2
Racing	78.8	66.1	21.2	11.4	13.8	3.0	194.3
Other	6.4	1.8	1.9	—	—	2.3	12.5
<i>Total gambling</i>	<i>214.5</i>	<i>140.7</i>	<i>31.9</i>	<i>20.0</i>	<i>20.0</i>	<i>7.0</i>	<i>434.1</i>
Taxes on ownership and operation of motor vehicles—							
Vehicle registration fees and taxes	163.2	137.9	58.4	42.1	44.8	14.9	461.3
Drivers', etc., licences and fees	27.6	16.1	6.7	4.5	3.8	1.8	60.4
Stamp duty on vehicle registration	46.5	44.0	10.2	15.8	5.9	3.7	126.0
Road transport taxes	1.1	7.0	2.8	0.1	2.3	1.1	14.5
Road maintenance contributions	19.0	9.8	5.4	4.8	5.2	0.2	44.5
Motor car third party insurance surcharge and duties	—	7.8	—	1.9	3.3	0.5	13.4
<i>Total motor vehicles</i>	<i>257.4</i>	<i>222.6</i>	<i>83.5</i>	<i>69.2</i>	<i>65.3</i>	<i>22.2</i>	<i>720.1</i>
Pay-roll tax	567.9	400.2	175.8	120.6	119.3	35.3	1,419.2
Fire brigades contributions from insurance companies, etc.	31.6	34.4	23.1	8.3	12.2	3.4	113.0
Stamp duties, n.e.i.	236.5	236.4	99.8	60.8	55.1	14.0	702.6
Fees from regulatory services, n.e.i.	18.8	13.7	9.3	3.1	3.0	0.4	48.4
Other taxes, fees, fines, etc.	85.2	70.5	24.2	23.1	23.2	1.4	227.6
<i>Total taxation</i>	<i>1,685.6</i>	<i>1,315.9</i>	<i>504.1</i>	<i>355.3</i>	<i>343.2</i>	<i>96.6</i>	<i>4,300.7</i>

LOCAL AUTHORITIES

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

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

The areas over which local government bodies, numbering almost 900, exercise general control, are known in New South Wales as cities, municipalities and shires; in Victoria as cities, towns, boroughs and shires; in Queensland as cities, towns and shires; in South Australia as cities, corporate towns and district council areas; in Western Australia as cities, towns and shires; and in Tasmania as cities and municipalities. In New South Wales some local authorities in an area have combined to form county councils which provide services such as electricity and water supply. Within shires there are also some municipal units known as urban areas. Apart from the more sparsely populated parts of New South Wales, South Australia and the Northern Territory and, the Australian Capital Territory, practically the whole of Australia comes within local government jurisdiction. For further details *see* State Year Books.

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

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

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

LOCAL GOVERNMENT AUTHORITIES: AREA, POPULATION, DWELLINGS, AND RATES AND PENALTIES FOR ORDINARY SERVICES—30 JUNE 1977

Location(a)	No. of local authorities	Area square kilometres	Population '000	Dwellings(b) '000	Rates and penalties—ordinary services
					\$ '000
New South Wales—					
Sydney Statistical Division	45	12,406	3,122	1,063	(c)272,289
Other	164	693,254	1,784	589	(c)159,967
<i>Total New South Wales</i>	<i>209</i>	<i>705,660</i>	<i>4,906</i>	<i>1,652</i>	<i>(c)432,256</i>
Victoria—					
Melbourne Statistical Division	56	6,110	2,711	889	(d)209,198
Other	155	221,490	1,031	356	(d)79,415
<i>Total Victoria</i>	<i>211</i>	<i>227,600</i>	<i>3,742</i>	<i>1,245</i>	<i>(d)288,613</i>
Queensland—					
Brisbane Statistical Division	9	3,080	1,047	315	58,919
Other	123	1,723,920	1,089	351	76,992
<i>Total Queensland</i>	<i>132</i>	<i>1,727,000</i>	<i>2,136</i>	<i>666</i>	<i>135,911</i>
South Australia—					
Adelaide Statistical Division	31	1,842	933	(e)328	55,259
Other	99	146,476	315	(e)123	20,359
<i>Total South Australia</i>	<i>130</i>	<i>148,318</i>	<i>1,248</i>	<i>(e)451</i>	<i>75,618</i>
Western Australia—					
Perth Statistical Division	26	5,364	844	(e)283	47,598
Other	112	2,522,675	353	(e)109	22,366
<i>Total Western Australia</i>	<i>138</i>	<i>2,528,039</i>	<i>1,197</i>	<i>(e)392</i>	<i>69,964</i>
Tasmania—					
Hobart Statistical Division	7	(f)1,246	162	55	11,691
Other	42	67,085	241	84	19,334
<i>Total Tasmania</i>	<i>49</i>	<i>68,331</i>	<i>403</i>	<i>139</i>	<i>31,025</i>

(a) Unincorporated areas are excluded in all States. (b) Dwelling figures recorded at the 30 June 1976 Census. (c) Based on year ended 31 December 1976. (d) Based on year ended 30 September 1977. (e) Dwelling figures estimated for 30 June 1977. (f) Excludes those parts of New Norfolk and Sorell within the Hobart Statistical Division.

Receipts, financing items and outlay

The following tables show details of the receipts, financing items and outlay of all local authorities for the years 1973-74 to 1977-78, and of local authorities in each of the six States in 1977-78. Figures shown for 1977-78 are based on limited data and may be subject to significant revision as more complete accounting information is collected.

LOCAL AUTHORITIES: OUTLAY AND RECEIPTS
(**\$ million**)

	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78
OUTLAY						
Final consumption expenditure—						
General public services	95.4	117.5	154.5	193.9	216.8	248.6
Education	2.0	2.9	4.6	7.4	8.5	10.5
Health	22.8	26.6	32.6	40.0	41.8	48.5
Social security and welfare	4.8	7.0	10.2	14.0	17.8	22.3
Housing and community amenities—						
Community and regional development	3.7	6.4	10.0	11.4	13.7	20.8
Protection of the environment	21.2	28.0	39.9	43.1	51.1	49.5
Other	4.0	5.1	7.4	10.1	10.8	12.3
Recreation and culture	71.4	77.7	115.0	159.4	168.3	193.0
Economic services	25.8	30.7	43.3	50.6	61.7	72.4
Other purposes	0.4	0.4	1.1	2.2	2.0	0.7
<i>Total</i>	<i>251.4</i>	<i>302.2</i>	<i>418.4</i>	<i>532.3</i>	<i>592.5</i>	<i>678.7</i>

LOCAL AUTHORITIES: OUTLAY AND RECEIPTS—*continued*
(\$ million)

	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78
OUTLAY						
Gross capital formation—						
Expenditure on new fixed assets—						
General public services	46.1	52.3	89.2	101.1	102.9	134.6
Education	0.3	0.7	1.9	3.2	4.6	2.8
Health	0.5	0.9	1.1	2.4	2.4	2.8
Social security and welfare	0.8	2.6	3.8	5.8	6.8	5.5
Housing and community amenities—						
Community and regional development	1.1	2.6	1.5	3.4	4.5	4.9
Protection of the environment	63.4	65.5	110.7	132.5	138.8	138.4
Other	1.3	2.5	4.3	8.0	9.0	7.9
Recreation and culture	32.1	36.0	55.0	85.9	78.6	85.9
Economic services—						
Mining, manufacturing and construction	2.5	2.3	4.7	10.8	8.6	7.2
Electricity and gas	79.2	75.7	94.5	112.7	131.2	122.2
Water supply	40.3	40.3	46.2	61.0	60.9	71.7
Road systems and regulation	318.3	358.6	479.4	586.7	590.3	672.9
Other transport services, n.e.c.	1.7	1.8	1.6	1.8	6.3	5.9
Other economic services (a)	1.9	1.7	3.4	5.4	6.8	6.4
Other purposes	-	-	-	-	-	-
Total	589.5	643.3	897.2	1,120.7	1,151.7	1,269.1
Expenditure on existing assets and stocks (net)	3.5	9.7	37.2	36.5	21.5	19.8
Interest paid	116.8	128.2	145.1	177.3	214.8	250.6
Grants to State authorities	21.5	22.6	25.9	32.6	32.3	36.8
Net advances to the private sector	2.0	3.4	5.6	5.7	6.1	4.8
Total outlay	984.6	1,109.3	1,529.4	1,904.9	2,018.8	2,259.6
<i>of which—</i>						
Current outlay	368.2	430.4	563.6	709.5	807.3	929.2
Capital outlay	616.5	678.9	965.8	1,195.4	1,211.5	1,330.4
(a) Includes general administration, regulation and research.						
RECEIPTS AND FINANCING ITEMS						
Receipts—						
Taxes, fees, fines, etc.—						
Rates on land	485.8	559.3	705.2	883.4	1,032.9	1,127.4
Licences, etc.	20.1	25.6	26.7	33.4	40.4	44.4
Total	505.9	584.9	732.0	916.8	1,073.3	1,171.8
Income from public enterprises	103.1	102.5	96.7	132.6	177.3	168.1
Property income	15.7	24.9	42.3	41.8	54.9	76.5
Grants from State and Commonwealth authorities	175.8	155.8	324.9	445.1	408.0	489.7
Total receipts	800.4	868.1	1,193.9	1,536.3	1,713.5	1,906.0
Financing items—						
Net borrowing	157.1	144.8	214.5	287.3	331.6	318.7
Advances from State and Commonwealth authorities	6.2	6.0	17.9	18.6	16.0	13.3
Net receipts of private trust funds	12.3	5.8	-1.3	2.3	3.3	3.3
Reduction in cash and bank balances	-54.2	-6.8	37.1	-48.7	-163.4	-81.3
Reduction in security holdings—						
Investments of governmental funds and trading enterprises	-17.1	-10.5	-0.2	-9.1	-12.6	-56.5
Other funds available (including errors and omissions)—						
Depreciation allowances	32.5	34.6	41.5	46.7	52.8	58.4
Other	47.5	67.1	24.1	71.4	77.5	97.7
Total financing items	184.2	241.2	333.6	368.7	305.3	353.6
Total funds available	984.6	1,109.3	1,529.4	1,904.9	2,018.8	2,259.6

LOCAL AUTHORITIES: OUTLAY AND RECEIPTS, 1977-78

(\$ million)

	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Tas.</i>	<i>Total</i>
OUTLAY							
Final consumption expenditure—							
General public services	107.1	44.5	48.8	22.6	17.3	8.4	248.6
Education	0.4	10.0	—	0.1	0.1	—	10.5
Health	18.2	17.1	5.7	2.1	4.1	1.3	48.5
Social security and welfare	2.9	18.6	—	0.3	0.6	—	22.3
Housing and community amenities—							
Community and regional development	11.2	3.1	3.1	1.9	1.5	—	20.8
Protection of the environment	17.0	16.2	3.7	6.6	3.6	2.4	49.5
Other	3.5	2.1	4.3	1.3	1.6	-0.5	12.3
Recreation and culture	62.5	59.7	28.8	17.1	18.6	6.4	193.0
Economic services	18.0	33.3	11.2	4.4	3.4	0.1	72.4
Other purposes	0.7	—	—	—	—	—	0.7
Total	241.3	206.5	103.5	56.4	50.7	18.2	678.7
Gross capital formation—							
Expenditure on new fixed assets—							
General public services	30.4	63.4	20.6	11.1	7.0	2.2	134.6
Education	0.7	1.4	—	0.4	0.3	—	2.8
Health	0.5	1.5	—	—	0.7	—	2.8
Social security and welfare	2.8	0.4	0.5	0.8	1.0	—	5.5
Housing and community amenities—							
Community and regional development	4.3	—	0.5	—	0.1	—	4.9
Protection of the environment	40.9	12.6	61.9	8.1	8.3	6.5	138.4
Other	3.5	—	1.9	0.5	2.1	—	7.9
Recreation and culture	22.1	21.0	18.2	6.0	16.8	1.9	85.9
Economic services—							
Mining, manufacturing and construction	5.7	0.2	—	—	—	1.3	7.2
Electricity and gas	115.0	5.4	—	0.2	1.6	—	122.2
Water supply	33.5	1.1	34.6	—	—	2.6	71.7
Road systems and regulation	270.5	187.1	92.6	48.9	53.3	20.4	672.9
Other transport services, n.e.c.	0.2	—	5.7	—	—	—	5.9
Other economic services (a)	2.1	1.9	—	0.2	2.2	—	6.4
Other purposes	—	—	—	—	—	—	—
Total	532.2	296.0	236.6	76.1	93.3	34.8	1,269.1
Expenditure on existing assets and stocks (net)	22.4	11.6	-5.7	-0.2	-8.4	—	19.8
Interest paid	102.0	40.2	77.8	7.3	13.1	10.3	250.6
Grants to State authorities	15.5	8.1	5.1	3.9	2.0	2.2	36.8
Net advances to the private sector	4.8	—	—	—	—	—	4.8
Total outlay	918.2	562.4	419.4	143.5	150.7	65.5	2,259.6
<i>of which—</i>							
Current outlay	343.3	246.7	183.3	63.7	63.8	28.5	929.2
Capital outlay	574.9	315.8	236.1	79.8	86.9	37.0	1,330.4
(a) Includes general administration, regulation and research.							
RECEIPTS AND FINANCING ITEMS							
Receipts—							
Taxes, fees, fines, etc.—							
Rates on land	450.1	322.1	157.5	85.4	79.6	32.7	1,127.4
Licences, etc.	10.8	16.6	10.6	3.3	2.0	1.2	44.4
Total	460.9	338.7	168.1	88.7	81.6	33.9	1,171.8
Income from public enterprises	100.9	5.2	56.2	—	0.2	5.6	168.1
Property income	48.0	10.4	10.7	2.0	5.4	—	76.5
Grants from State and Commonwealth authorities	156.9	132.4	103.9	38.0	46.8	11.7	489.7
Total receipts	766.6	486.7	338.9	128.7	134.0	51.1	1,906.0
Financing items—							
Net borrowing	124.5	59.1	83.7	12.5	25.9	12.9	318.7
Advances from State and Commonwealth authorities	1.1	1.8	8.6	-0.1	-2.1	4.0	13.3
Net receipts of private trust funds	—	—	3.3	—	—	—	3.3
Reduction in cash and bank balances	-49.5	-0.7	-23.9	-2.2	-1.6	-3.4	-81.3
Reduction in security holdings—							
Investments of governmental funds and trading enterprises	-46.7	-10.0	—	—	—	0.2	-56.5
Other funds available (including errors and omissions)—							
Depreciation allowances	58.4	—	—	—	—	—	58.4
Other	63.7	25.4	8.7	4.6	-5.5	0.7	97.7
Total financing items	151.5	75.7	80.5	14.9	16.7	14.4	353.6
Total funds available	918.2	562.4	419.4	143.5	150.7	65.5	2,259.6

ALL PUBLIC AUTHORITIES

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

Summary of receipts and outlay

The receipts and outlay of all public authorities for the six year period ended 1977-78 are set out in the following table.

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

	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78
OUTLAY						
Final consumption expenditure	5,458.8	6,680.7	9,215.6	11,511.9	13,472.1	15,249.3
Gross capital formation—						
Increase in stocks	-43.7	56.8	383.2	-35.5	-18.0	-58.7
Expenditure on new fixed assets	3,431.0	3,940.3	5,584.8	6,608.4	7,025.3	7,786.3
Expenditure on existing assets (net)	66.5	197.4	357.9	218.4	163.7	95.8
<i>Total gross capital formation</i>	<i>3,453.8</i>	<i>4,194.5</i>	<i>6,325.9</i>	<i>6,791.3</i>	<i>7,171.0</i>	<i>7,823.4</i>
Transfer payments—						
Interest	1,021.7	1,086.3	1,309.7	1,492.4	2,051.3	2,503.0
Transfers to persons	2,687.5	3,309.2	4,595.7	6,416.9	7,758.4	8,699.6
Subsidies	351.0	331.8	324.6	315.6	342.9	460.4
Transfers overseas	251.6	288.0	349.2	370.1	387.8	417.3
Grants for private capital purposes	79.3	100.2	176.6	239.9	165.1	193.5
<i>Total transfer payments</i>	<i>4,391.1</i>	<i>5,115.5</i>	<i>6,755.8</i>	<i>8,834.9</i>	<i>10,705.5</i>	<i>12,273.8</i>
Net advances—						
To the private sector	27.2	113.5	278.2	293.0	256.3	275.0
To public financial enterprises	66.5	81.5	268.0	63.6	90.8	98.5
To overseas	7.4	32.2	35.1	78.8	43.0	-2.3
<i>Total net advances</i>	<i>101.1</i>	<i>227.2</i>	<i>581.3</i>	<i>435.4</i>	<i>390.1</i>	<i>371.2</i>
<i>Total outlay</i>	<i>13,404.8</i>	<i>16,217.9</i>	<i>22,878.6</i>	<i>27,573.5</i>	<i>31,738.7</i>	<i>35,717.7</i>
of which—						
Current outlay	9,770.6	11,696.0	15,794.8	20,106.9	24,012.5	27,329.6
Capital outlay	3,634.2	4,521.9	7,083.8	7,466.6	7,726.2	8,388.1
RECEIPTS AND FINANCING ITEMS						
Receipts—						
Taxes, fees, fines, etc.	10,757.6	13,708.4	17,735.6	21,324.3	24,852.1	26,973.6
Income from public enterprises	781.1	684.2	547.5	895.0	1,188.4	1,369.7
Interest, etc., received	349.1	430.3	555.4	603.9	800.0	981.3
<i>Total receipts</i>	<i>11,887.8</i>	<i>14,822.9</i>	<i>18,838.5</i>	<i>22,823.2</i>	<i>26,840.5</i>	<i>29,324.6</i>
Financing items—						
Net borrowing—						
Treasury notes	164.6	-37.8	1,689.1	-769.6	363.2	193.5
Commonwealth Government securities	665.5	801.2	554.1	3,165.5	2,097.5	2,979.2
Local authority and public corporation securities	466.1	505.0	652.4	869.0	1,446.9	1,545.6
Other general Government securities	60.1	62.9	74.8	112.2	129.8	115.5
<i>Total net borrowing</i>	<i>1,356.3</i>	<i>1,331.3</i>	<i>2,970.4</i>	<i>3,377.1</i>	<i>4,037.4</i>	<i>4,833.8</i>
Net receipts of private trust funds	221.4	18.4	234.9	252.3	307.5	386.8
Reduction in cash and bank balances	-548.9	-790.0	585.2	-528.5	-872.2	241.6
Reduction in security holdings	-180.3	-171.7	-560.2	570.3	38.5	-631.6
Other funds available (including errors and omissions)—						
Depreciation allowances	531.3	578.3	591.4	763.7	847.7	974.6
Other	137.1	428.5	218.6	315.3	539.0	587.9
<i>Total financing items</i>	<i>1,516.9</i>	<i>1,394.8</i>	<i>4,040.3</i>	<i>4,750.3</i>	<i>4,897.9</i>	<i>6,393.1</i>
<i>Total funds available</i>	<i>13,404.8</i>	<i>16,217.9</i>	<i>22,878.6</i>	<i>27,573.5</i>	<i>31,738.7</i>	<i>35,717.7</i>

(a) Excludes financial enterprises.

ALL PUBLIC AUTHORITIES
1977-78

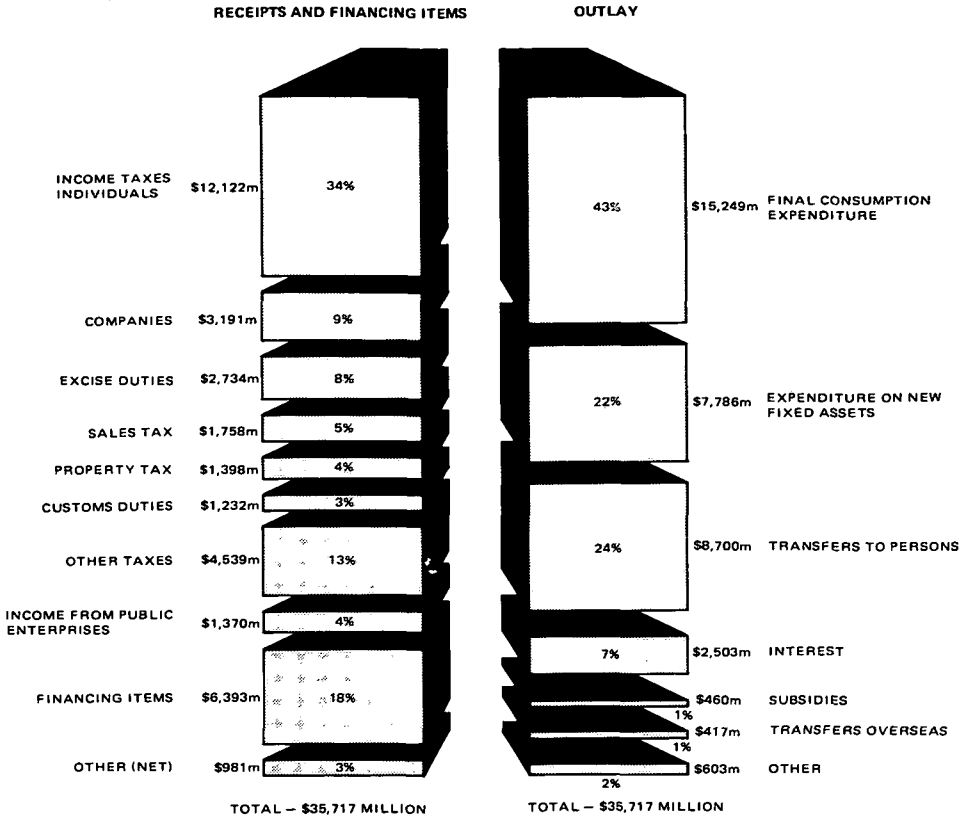


PLATE 45

Main components of outlay

The following tables show final consumption expenditure and expenditure on new fixed assets of all public authorities classified by purpose for the years 1972-73 to 1977-78.

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

	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78
General public services—						
General administration, n.e.c.	627.8	778.0	1,035.0	1,263.7	1,445.6	1,671.4
External affairs	50.0	58.3	83.8	91.7	98.1	105.8
Law, order and public safety	356.3	442.4	618.0	761.3	886.9	1,025.3
General research	77.7	94.8	118.2	135.9	160.0	177.5
Defence	1,178.4	1,222.5	1,444.2	1,679.9	1,998.6	2,183.1
Education	1,461.6	1,909.4	2,770.0	3,430.3	4,119.9	4,687.9
Health	761.3	1,028.9	1,544.8	2,294.3	2,720.0	3,042.7
Social security and welfare	134.7	167.5	250.8	322.1	356.2	419.7
Housing and community amenities—						
Housing	5.3	7.6	11.5	14.1	7.0	5.1
Community and regional development	21.4	34.9	55.4	69.8	71.5	80.6
Protection of the environment	27.1	38.0	57.1	67.8	76.9	77.5
Community amenities	3.9	5.0	7.0	9.2	10.3	11.4
Recreation and culture	205.1	254.8	354.0	441.4	477.5	540.3
Economic services—						
Agriculture, forestry, fishing	237.3	266.0	330.6	385.7	426.2	475.9
Mining, manufacturing and construction	40.7	47.5	61.2	69.5	79.4	92.3
Electricity, gas and water supply	1.7	1.0	4.5	7.7	6.0	8.0
Transport and communication	91.5	111.3	132.3	143.9	155.3	168.7
Other economic services(a)	176.1	210.7	291.4	314.9	372.8	473.6
Other purposes	0.9	2.0	45.7	8.5	3.7	2.6
Total	5,458.8	6,680.7	9,215.6	11,511.9	13,472.1	15,249.3

(a) Includes general administration, regulation and research.

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

	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78
General public services—						
General administration	111.7	134.4	207.3	245.4	250.1	297.0
External affairs	15.4	12.3	15.9	20.3	25.5	24.4
Law, order and public safety	37.6	42.7	55.1	74.7	88.3	112.6
General research	9.4	15.1	20.6	32.1	23.6	18.0
Education	328.0	381.8	656.3	695.1	641.6	692.1
Health	117.5	146.7	244.2	380.1	388.0	377.5
Social security and welfare	9.3	21.4	20.9	27.5	27.5	23.1
Housing and community amenities—						
Housing	85.9	126.3	309.0	347.8	337.6	341.7
Community and regional development	28.4	39.4	63.4	95.9	96.6	87.5
Protection of the environment	273.9	312.7	429.2	494.6	512.9	505.2
Community amenities	0.5	0.5	1.3	3.6	3.3	5.3
Recreation and culture	75.7	78.4	104.9	143.3	142.7	160.2
Economic services—						
Agriculture, forestry and fishing	119.2	118.5	160.0	186.1	214.6	237.2
Mining, manufacturing and construction	34.2	47.4	71.2	86.1	78.6	75.4
Electricity and gas	421.0	439.6	553.9	672.8	805.3	979.2
Water supply	185.1	198.1	248.8	309.8	347.1	369.6
Rail transport(b)	150.5	147.0	231.4	322.4	348.8	427.3
Sea transport	85.1	74.9	133.1	133.2	228.1	260.5
Road systems and regulation	766.3	854.0	1,097.4	1,318.5	1,404.0	1,562.8
Air transport	60.2	85.8	97.2	88.2	53.5	162.7
Pipelines	12.1	56.3	58.4	57.4	22.2	8.6
Other transport services, n.e.c.	9.6	10.1	21.0	33.4	33.8	45.3
Communications	460.3	559.1	717.9	756.6	855.4	913.6
Other economic services(c)	34.3	36.1	60.5	78.1	95.9	98.5
Other purposes	-0.1	1.8	6.2	5.2	0.5	0.8
Total	3,431.0	3,940.3	5,584.8	6,608.4	7,025.3	7,786.3

(a) Excludes financial enterprises.

(b) Includes suburban rail transport system.

(c) Includes general administration, regulation and research.

Main components of receipts

Taxes and net borrowing constitute the main sources of financing of the activities of the public authorities. Details of the debt of public authorities are given in the next section of this chapter. Taxation, by type of tax, for the years 1972-73 to 1977-78 was as follows.

ALL PUBLIC AUTHORITIES: TAXATION, BY TYPE OF TAX
(\\$ million)

	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78
Income tax—						
Individuals	4,084	5,485	7,709	9,213	11,047	12,122
Companies(a)	1,617	2,013	2,432	2,600	2,899	3,191
Estate, gift, probate and succession duties	237	261	278	314	339	344
Customs duties	513	604	840	1,044	1,273	1,232
Excise duties	1,268	1,555	1,729	2,331	2,485	2,734
Sales tax	765	969	1,154	1,408	1,650	1,758
Primary production taxes	35	64	143	115	189	179
Payroll tax	455	675	1,014	1,179	1,326	1,439
Property taxes	618	703	898	1,114	1,283	1,398
Liquor taxes	53	59	77	98	123	143
Taxes on gambling	171	207	281	344	395	434
Taxes on ownership and operation of motor vehicles	349	380	452	550	653	729
Stamp duties, n.e.i.	355	436	393	555	672	708
Other taxes, fees, fines, etc.	238	297	336	458	519	564
Total	10,758	13,708	17,736	21,324	24,852	26,974

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

Level of government

In the following tables details are given for 1977-78 of the receipts and outlay of all public authorities, broken down by level of government in order to show their relative contributions to various expenditure programs, and their roles in financing these programs through taxes and transfers.

ALL PUBLIC AUTHORITIES(a): RECEIPTS AND OUTLAY BY LEVEL OF GOVERNMENT, 1977-78
(\$ million)

	<i>Commonwealth authorities</i>	<i>State authorities</i>	<i>Local authorities</i>	<i>All public authorities</i>
OUTLAY				
Expenditure on goods and services—				
General public services—				
General administration, n.e.c.	893.9	697.1	377.4	1,968.4
External affairs	130.2	—	—	130.2
Law, order and public safety	152.4	979.7	5.8	1,137.9
General research	188.1	7.4	—	195.5
Defence	2,183.1	—	—	2,183.1
Education	318.7	5,048.0	13.3	5,380.0
Health	557.6	2,811.2	51.3	3,420.1
Social security and welfare	261.7	153.3	27.7	442.7
Housing and community amenities—				
Housing	29.0	313.4	4.4	346.8
Community and regional development	76.7	65.7	25.7	168.1
Protection of the environment	19.7	375.1	187.9	582.7
Community amenities	0.4	0.4	15.8	16.6
Recreation and culture	252.2	169.5	278.9	700.6
Economic services—				
Agriculture, forestry and fishing	150.6	557.8	4.6	713.0
Mining, manufacturing and construction	35.2	115.2	17.3	167.7
Electricity, gas and water supply	52.3	1,110.8	193.9	1,357.0
Transport and communication	1,417.6	1,411.1	720.7	3,549.4
Other economic services	340.6	209.3	22.4	572.3
Other purposes	—	2.8	0.7	3.5
Total expenditure on goods and services	7,060.0	14,027.9	1,947.8	23,035.7
<i>of which—</i>				
Final consumption expenditure	5,290.5	9,280.2	678.7	15,249.4
Expenditure on new fixed assets	1,769.5	4,747.7	1,269.1	7,786.3
Increase in stocks	-119.0	49.9	10.4	-58.7
Expenditure on existing assets (net)	-16.1	102.6	9.3	95.8
Transfer payments—				
Interest	558.9	1,693.6	250.6	2,503.0
Transfers to persons	8,420.5	279.1	—	8,699.6
Subsidies	380.3	80.1	—	460.4
Transfers overseas	417.2	0.1	—	417.3
Grants for private capital purposes	130.1	63.4	—	193.5
Grants to the States—for current purposes	7,215.0	—	—	(b)
—for capital purposes	1,509.2	—	—	(b)
Grants to local authorities	14.2	475.5	—	(b)
Grants from local authorities	—	—	36.8	(b)
Total transfer payments	18,645.4	2,591.8	287.4	12,273.8
Net advances to—				
The private sector	64.1	206.2	4.8	275.0
Public financial enterprises	-10.5	109.0	—	98.5
The States	1,260.9	—	—	(b)
Local authorities	—	13.3	—	(b)
Overseas	-2.3	—	—	-2.3
Total net advances	1,312.3	328.4	4.8	371.3
Total outlay	26,882.6	17,100.6	2,259.6	35,717.7
<i>of which—</i>				
Current outlay	22,289.2	11,808.6	929.2	27,329.6
Capital outlay	4,593.4	5,292.0	1,330.4	8,388.1

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

ALL PUBLIC AUTHORITIES(a): RECEIPTS AND OUTLAY
BY LEVEL OF GOVERNMENT, 1977-78—continued
(\$ million)

	<i>Common- wealth authorities</i>	<i>State authorities</i>	<i>Local authorities</i>	<i>All public authorities</i>
RECEIPTS AND FINANCING ITEMS				
Receipts—				
Taxes, fees, fines, etc.—				
Income tax—				
Individuals	12,122.2	-	-	12,122.2
Companies(b)	3,190.7	-	-	3,190.7
Estate, gift, probate and succession duties	102.4	241.1	-	343.5
Customs duties	1,232.0	-	-	1,232.0
Excise duties	2,733.5	-	-	2,733.5
Sales tax	1,757.7	-	-	1,757.7
Payroll tax	19.6	1,419.2	-	1,438.8
Primary production taxes and charges	179.4	-	-	179.4
Property taxes	17.0	254.0	1,127.4	1,398.4
Liquor taxes	2.5	140.6	-	143.1
Taxes on gambling	0.1	434.1	-	434.2
Taxes on ownership and operation of motor vehicles	8.3	720.1	0.1	728.5
Stamp duties, n.e.i.	5.4	702.6	-	708.0
Fees from regulatory services	22.4	48.4	30.8	101.6
Other taxes, fees, fines, etc.	108.0	340.8	13.5	462.3
<i>Total taxes, etc.</i>	<i>21,501.2</i>	<i>4,300.7</i>	<i>1,171.8</i>	<i>26,973.6</i>
Income from public enterprises	818.7	383.0	168.1	1,369.8
Interest, etc., received	200.3	704.5	76.5	981.3
Grants from the Commonwealth Government—				
For current purposes	-	7,215.3	-	(c)
For capital purposes	-	1,508.9	-	(c)
Direct grants from Commonwealth Government to local authorities				
Grants from State authorities	-	-	14.2	(c)
Grants from local authorities	-	36.8	-	(c)
Total receipts	22,520.2	14,149.1	1,906.0	29,324.7
Financing items—				
Net borrowing—				
Treasury bills and notes	193.5	-	-	193.5
Commonwealth government securities	2,979.2	-	-	2,979.2
Local authorities and public corporation securities	342.0	882.6	318.7	1,543.3
Other general government securities	-	117.8	-	117.8
<i>Total net borrowing</i>	<i>3,514.6</i>	<i>1,000.4</i>	<i>318.7</i>	<i>4,833.7</i>
Advances from the Commonwealth Government—				
For loan works purposes	-	784.8	-	(c)
Other	-	476.3	-	(c)
Advances from State authorities				
Net receipts of private trust funds	151.5	232.0	3.3	386.8
Reduction in cash and bank balances	209.5	113.4	-81.3	241.6
Reduction in security holdings	-234.4	-340.7	-56.5	-631.6
Other funds available (including errors and omissions)—				
Depreciation allowances	494.2	422.0	58.4	974.6
Other	227.0	263.2	97.7	587.9
Total financing items	4,362.4	2,951.4	353.6	6,393.0
Total funds available	26,882.6	17,100.6	2,259.6	35,717.7

(a) Excludes financial enterprises.
wealth Government public enterprises.
shown.

(b) Includes dividend and interest (withholding) taxes. Excludes income taxes paid by Common-
(c) In consolidated figures for all public authorities, inter-authority grants and advances are not

PUBLIC SECTOR BORROWING

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

For a number of reasons, this information cannot be aggregated, without adjustment, to provide a measure of the 'debt' of public authorities. There are forms of debt not evidenced by the issue of securities, such as Commonwealth Government advances to the States for specific capital purposes. Governments themselves maintain significant holdings of their own securities; for example, the Commonwealth Government, in the National Debt Sinking Fund, the Loan Consolidation and Investment Reserve, and in other Trust Funds, holds large investments in securities issued either directly by itself or on behalf of the States. Some of the securities issued on behalf of the States and held by the Commonwealth Government represent the proceeds of overseas loans, securities for which were issued directly by the Commonwealth Government, the Australian currency counterpart proceeds of the loans being invested in special loans to finance State works programs. A number of State public corporations and local authorities also maintain significant investments in government securities (including their own securities). Aggregation of the figures for securities on issue which follow would clearly involve a substantial degree of duplication; the sum of securities on issue therefore cannot be regarded as representing 'net public debt'.

Commonwealth Government and States: Government securities on issue

Under the 1927 Financial Agreement between the Commonwealth Government and the States, the Commonwealth Government accepted responsibility for the securities of State governments then on issue and was empowered to arrange for all future borrowings on behalf of the Commonwealth and the States and to issue Commonwealth Government securities for all moneys borrowed.

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

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

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

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

Net movement in securities on issue

Summary details of the net movement in securities issued for Commonwealth Government purposes and on account of the States during the period 1973-74 to 1978-79, are given in the following group of tables.

NET MOVEMENT IN GOVERNMENT SECURITIES ON ISSUE
(**\$ million**)

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79
NEW SECURITIES ISSUED						
Securities repayable in Australian currency—						
Treasury bonds	1,416.4	1,054.9	2,176.6	1,581.0	965.7	1,018.5
Australian savings bonds	—	—	1,202.3	736.3	719.6	531.2
Special bonds	454.2	343.0	160.1	—	—	—
Income equalization deposits	—	—	—	—	—	33.1
Drought bonds	3.2	1.5	0.2	0.2	—	—
Advance loan subscriptions	(c)-8.0	(c)-14.3	22.6	(c)-21.7	(c)0.4	(c)-4.6
Overdue securities	—	—	—	—	—	—
Tax-free stock	—	—	—	—	—	—
Debentures	—	—	—	—	—	—
Stock issued to Government Savings banks under special agreements(a)	48.5	21.1	5.9	35.4	57.9	35.8
Treasury notes	(c)-37.8	(c)1,689.1	2,667.1	4,105.7	1,766.7	4,245.1
Treasury bills—						
Internal	(c)-94.7	(c)79.4	(c)157.0	(c)323.8	(c)365.2	(c)-187.7
Public	—	—	(c)850.0	(c)450.0	(c)200.0	(c)500.0
Total	1,781.9	3,174.8	7,241.9	7,210.8	4,075.5	6,171.3
Securities repayable in overseas currencies(b)	16.1	235.1	268.1	424.2	1,738.3	1,453.8
Total new securities issued	1,797.9	3,409.9	7,510.0	7,634.9	5,813.9	7,625.1

REDEMPTIONS, REPURCHASES, CANCELLATIONS(d)

Securities repayable in Australian currency—						
Treasury bonds	615.0	478.2	286.7	243.0	114.6	222.6
Australian savings bonds	—	—	13.1	176.7	174.8	164.4
Special bonds	363.6	374.8	216.9	180.3	133.3	72.7
Income equalization deposits	—	—	—	—	—	20.4
Drought bonds	0.3	0.9	0.9	2.8	0.6	0.2
Advance loan subscriptions	—	—	—	—	—	—
Overdue securities	-0.5	0.2	0.6	-2.2	0.8	1.8
Tax-free stock	0.1	0.1	0.2	—	0.1	0.3
Debentures	3.1	3.2	3.4	3.5	3.7	3.8
Stock issued to Government Savings banks under special agreements(a)	4.8	4.4	8.1	7.2	6.6	9.6
Treasury notes	—	—	4,286.7	4,192.5	1,773.3	3,198.3
Treasury bills—						
Internal	—	—	—	—	—	—
Public	—	—	—	—	—	—
Total	986.4	861.8	4,816.6	4,803.8	2,207.8	3,694.2
Securities repayable in overseas currencies(b)	249.1	84.4	125.6	-121.1	-26.3	-165.7
Total redemptions, etc.	1,235.5	946.2	4,942.2	4,682.8	2,181.4	3,528.5

NET MOVEMENT

Securities repayable in Australian currency—						
Treasury bonds	801.4	576.7	1,889.9	1,338.1	851.1	795.9
Australian savings bonds	—	—	1,189.2	559.6	544.8	366.8
Special bonds	90.6	-31.7	-56.7	-180.3	-133.3	-72.7
Income equalization deposit	—	—	—	—	—	12.7
Drought bonds	2.9	0.6	-0.7	-2.6	-0.6	-0.2
Advance loan subscriptions	-8.0	-14.3	22.6	-21.7	0.4	-4.6
Overdue securities	0.5	-0.2	-0.6	2.2	-0.8	-1.8
Tax-free stock	-0.1	—	-0.2	—	-0.1	-0.3
Debentures	-3.1	-3.2	-3.4	-3.5	-3.7	-3.8
Stock issued to Government Savings banks under special agreements(a)	43.7	16.7	-2.2	28.2	51.3	26.2
Treasury notes	-37.8	1,689.1	-1,619.6	-86.8	-6.5	1,046.8
Treasury bills—						
Internal	-94.7	79.4	157.0	323.8	365.2	-187.7
Public	—	—	850.0	450.0	200.0	500.0
Total	795.5	2,313.0	2,425.4	2,406.9	1,867.8	2,477.2
Securities repayable in overseas currencies(b)	-233.1	150.7	142.6	545.2	1,764.7	1,619.5
Net movement in securities on issue	562.4	2,463.7	2,568.0	2,952.1	3,632.4	4,096.7

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

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

Government securities on issue.

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

GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH GOVERNMENT AND STATES

(\$ million)

	30 June—					
	1974	1975	1976	1977	1978	1979
For Commonwealth Government purposes—						
Repayable in Australian currency—						
Treasury bonds	1,686.5	1,613.1	3,947.5	4,494.7	4,949.3	5,269.8
Australian savings bonds	—	—	1,178.4	1,637.3	1,669.3	1,700.5
Special bonds	249.9	246.5	196.1	145.5	110.3	93.8
Income equalization deposit	—	—	—	—	—	79.4
Drought bonds	4.0	4.6	3.9	1.3	0.8	0.5
Advance loan subscriptions	17.6	3.3	25.9	4.2	4.6	—
Overdue securities	4.5	4.2	3.7	4.6	5.3	3.5
Treasury notes	386.9	2,076.0	456.5	369.6	363.1	1,409.9
Treasury bills—						
Internal	930.8	1,010.2	1,167.2	1,491.0	1,856.2	1,668.5
Public	—	—	850.0	1,300.0	1,500.0	2,000.0
<i>Total</i>	<i>3,280.2</i>	<i>4,957.9</i>	<i>7,829.2</i>	<i>9,448.4</i>	<i>10,458.9</i>	<i>12,225.9</i>
Repayable in overseas currencies (a)	807.3	998.2	1,181.1	1,743.4	3,533.1	5,178.9
<i>Total Commonwealth Government</i>	<i>4,087.5</i>	<i>5,956.2</i>	<i>9,010.3</i>	<i>11,191.8</i>	<i>13,991.9</i>	<i>17,404.8</i>
On account of States—						
Repayable in Australian currency—						
Treasury bonds	9,792.3	10,442.4	9,997.9	10,788.7	11,185.3	11,660.6
Australian savings bonds	—	—	10.8	111.5	624.3	959.8
Special bonds	747.4	719.1	712.7	583.0	484.9	428.7
Tax-free stock	15.3	15.3	15.1	15.1	15.0	14.8
Stock issued to Government Savings banks under special agreements	405.4	422.0	419.8	448.0	499.3	525.5
Debentures	33.5	30.3	27.0	23.4	19.8	15.9
Overdue securities	0.2	0.4	0.3	1.6	0.1	0.1
<i>Total</i>	<i>10,994.2</i>	<i>11,629.5</i>	<i>11,183.6</i>	<i>11,971.4</i>	<i>12,828.6</i>	<i>13,605.4</i>
Repayable in overseas currencies (a)	224.5	184.2	143.9	127.2	102.2	75.9
<i>Total States</i>	<i>11,218.7</i>	<i>11,813.8</i>	<i>11,327.6</i>	<i>12,098.5</i>	<i>12,930.8</i>	<i>13,681.3</i>
<i>of which—</i>						
New South Wales	3,654.4	3,834.1	3,721.0	3,959.1	4,222.6	4,466.3
Victoria	2,746.6	2,896.2	2,834.0	3,031.8	3,244.3	3,427.6
Queensland	1,486.0	1,576.7	1,538.7	1,644.0	1,753.9	1,856.0
South Australia	1,473.3	1,551.3	1,389.5	1,491.9	1,602.7	1,701.5
Western Australia	1,070.9	1,121.6	1,090.5	1,160.8	1,237.3	1,307.3
Tasmania	787.6	833.9	753.8	811.0	870.0	922.6
<i>Total Commonwealth Government and States</i>	<i>15,306.2</i>	<i>17,769.9</i>	<i>20,337.9</i>	<i>23,290.3</i>	<i>26,922.7</i>	<i>31,086.0</i>

(a) Australian currency equivalent.

State and local authorities' borrowings

The borrowings of Commonwealth, State and local authorities come within the purview of the Loan Council under a 'gentlemen's agreement' originating in 1936. The Loan Council determines maximum interest rates and other terms and conditions of loans raised by authorities and approves the aggregate annual borrowing program for authorities borrowing more than \$1,000,000 (in 1976-77 this limit was \$800,000) in the financial year. The total program approved is distributed by the Council between the States, and each State determines the distribution between individual authorities of its share of the overall borrowing program approved for such authorities. Authorities which individually borrow less than \$1,000,000 (1976-77, \$800,000) in the financial year are also subject to the terms and conditions applying under the 'gentlemen's agreement', and it is the responsibility of the States to ensure that these authorities conform with these terms and conditions. No aggregate annual limit on their borrowings is imposed by the Loan Council.

The following table shows the aggregate borrowings by the State and local authorities in each of the years 1973-74 to 1978-79. It will be seen that the amounts borrowed by local authorities vary between the States, reflecting a number of factors including, importantly, variations between the States in the range of services provided by local government authorities. For example, the high figures for Queensland reflect, in part, borrowings by the Brisbane City Council which carries out a number of functions (e.g. metropolitan bus services and sewerage services) which in other States are undertaken by State authorities.

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

NEW MONEY BORROWINGS BY STATE AND LOCAL AUTHORITIES
(S'000)

	<i>New South Wales</i>	<i>Victoria</i>	<i>Queensland</i>	<i>South Australia</i>	<i>Western Australia</i>	<i>Tasmania</i>	<i>Total</i>
STATE AUTHORITIES(a)							
1973-74	142,357	177,510	61,254	25,492	37,883	10,113	454,609
1974-75	164,885	207,532	75,545	29,968	41,969	13,646	533,545
1975-76	205,312	256,930	102,411	39,490	44,309	17,720	666,172
1976-77	253,883	326,717	127,517	50,100	54,019	21,432	833,668
1977-78	332,215	388,620	198,721	73,220	78,689	30,771	1,102,236
1978-79	371,800	412,756	194,726	83,953	111,081	34,139	1,208,455
LOCAL AUTHORITIES(b)							
1973-74	104,540	40,974	77,472	10,819	20,820	8,591	263,216
1974-75	132,803	50,188	102,804	13,617	21,839	10,710	331,962
1975-76	163,847	63,043	102,097	16,831	27,845	14,503	388,166
1976-77	191,932	65,893	116,118	21,674	32,380	17,053	445,050
1977-78	202,230	84,493	117,993	19,424	36,481	17,405	478,026
1978-79	215,641	81,795	126,709	24,621	39,286	17,841	505,893

(a) New money borrowings by State-type authorities in the Northern Territory in 1978-79 were \$7,115,000. (b) New money borrowings by local authorities in the Northern Territory are not included in the table. These borrowings are as follows: 1973-74, \$515,000; 1974-75, \$516,000; 1975-76, \$597,000; 1976-77, \$1,194,000; 1977-78, \$1,697,000; 1978-79, \$631,000.

Further references

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

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

