

## CHAPTER XXII

### PUBLIC FINANCE

**NOTE.**—The subject of Public Finance is dealt with in this chapter under the two major divisions of Commonwealth Finance and State Finance. The close financial relations between the Commonwealth and States, however, particularly since the Financial Agreement has been in operation, demand also a combination of these two divisions under the heading of Commonwealth and State Finance. Under the Financial Agreement, the Commonwealth assumed the liability to bondholders for the States' Securities existing at the date of the Agreement and now arranges for all borrowings for and on behalf of the Commonwealth or any State and for all conversions, renewals, redemptions and consolidations of such securities. In view of this, it is convenient to deal with the Commonwealth and State Government Securities on Issue in a separate division of this chapter (p. 951).

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

For further detailed information on the subjects covered by this chapter, see the annual bulletins *Commonwealth Finance; State, Territories, and Local Government Authorities' Finance and Government Securities*; and *Commonwealth Taxation* published by this Bureau. Current information in summarized form is contained in the *Quarterly Summary of Australian Statistics*, the *Monthly Review of Business Statistics*, and the *Digest of Current Economic Statistics*.

#### COMMONWEALTH FINANCE

##### § 1. Financial Provisions of the Constitution

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

Section 69 provides for the transfer from the States to the Commonwealth of certain specified departments, and Section 51, in outlining the powers of the Commonwealth Parliament, implies the transfer or creation of other departments. Sections 87 and 96 deal with the financial relations between the Commonwealth and the States. These matters have been treated in previous issues of the Year Book, and on pages 924–32 of this issue a summary is given of the present provisions for Commonwealth financial assistance to the States.

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

##### § 2. Commonwealth Public Account

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

**2. Summary of Receipts and Expenditure.**—A summary of transactions on the Commonwealth Public Account for 1962–63 and the four preceding years is given in the table which follows.

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

Particulars	1958-59	1959-60	1960-61	1961-62	1962-63
<b>Expenditure—</b>					
Consolidated Revenue Fund(a) ..	1,268.2	1,396.9	1,495.7	1,619.4	1,659.0
<b>Loan Fund—</b>					
Defence services .. .. .	37.3	12.0	..	23.6	66.1
State works and housing programmes ..	207.1	214.9	225.6	244.6	249.1
War service land settlement .. .. .	5.7	6.9	2.0	1.6	0.6
Mount Isa Railway Agreement .. .. .	..	..	..	3.8	5.9
Snowy Mountains Hydro-electric Authority .. .. .	..	..	..	..	13.1
<b>Total Expenditure</b> .. .. .	1,518.3	1,630.7	1,723.3	1,893.0	1,993.8
<b>Redemptions—</b>					
Loan fund .. .. .	..	..	5.0	..	32.0
National Debt Sinking Fund .. .. .	95.2	95.2	96.3	94.6	57.6
<b>Total Expenditure and Redemptions</b> ..	1,613.5	1,725.9	1,824.6	1,987.6	2,083.4
<b>Receipts—</b>					
Consolidated Revenue Fund .. .. .	1,296.1	1,438.3	1,638.3	1,641.5	1,685.4
National Debt Sinking Fund .. .. .	72.3	71.1	73.8	76.7	81.8
Net movement in cash balances of other Trust Funds .. .. .	11.7	2.9	-12.0	2.2	15.2
<b>Total Receipts</b> .. .. .	1,380.1	1,512.3	1,700.1	1,720.4	1,782.4
<b>Excess of Expenditure and Redemptions over Receipts to be met from Borrowings</b> ..	233.4	213.6	124.5	267.2	301.0
<b>Borrowings—</b>					
<b>Public loan proceeds—</b>					
Australia .. .. .	174.9	142.6	114.9	224.0	251.5
Overseas .. .. .	29.0	42.1	25.4	16.2	65.6
Increase in temporary borrowings .. .. .	31.0	30.0	-15.0	22.0	-15.5
Reduction in cash balances .. .. .	-1.5	-1.1	-0.8	5.0	-0.6
<b>Total</b> .. .. .	233.4	213.6	124.5	267.2	301.0

(a) Excludes payments to Loan Consolidation and Investment Reserve:—1958-59, £27.9 million; 1959-60, £41.4 million; 1960-61, £142.6 million; 1961-62, £22.2 million; 1962-63, £26.4 million.

### § 3. Commonwealth Consolidated Revenue Fund

#### REVENUE

1. Sources of Revenue.—The following table shows details of the revenue from each source and the amount per head of population under each of the main headings during the years 1958-59 to 1962-63. Taxation constitutes the main sources of Commonwealth revenue, accounting for 85.5 per cent. in 1962-63.

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

Source	1958-59	1959-60	1960-61	1961-62	1962-63
<b>Taxation</b> .. .. .	1,133,298	1,249,790	1,425,239	1,416,524	1,440,459
Per head of population .. .. .	£113.92	£122.96	£137.15	£133.56	£133.23
<b>Business undertakings</b> .. .. .	116,896	137,238	153,867	158,389	171,200
Per head of population .. .. .	£11.75	£13.50	£14.81	£14.93	£15.84
<b>Territories</b> .. .. .	3,189	4,198	5,455	5,996	7,732
Per head of population .. .. .	£0.32	£0.41	£0.53	£0.57	£0.72
<b>Other revenue—</b>					
Interest .. .. .	11,572	13,276	14,588	17,069	22,153
Coinage .. .. .	149	415	321	589	106
Defence .. .. .	6,185	5,832	5,827	4,806	4,409
Civil aviation .. .. .	1,497	1,872	2,621	3,806	3,264
Health .. .. .	92	106	119	111	155
Patents, trade marks, etc. .. .. .	351	399	476	582	606
Bankruptcy .. .. .	98	113	143	169	181
Shipping and transport .. .. .	621	2,645	1,761	1,832	1,985
Net profit on Australian note issue .. .. .	10,935	10,516	12,930	15,751	12,780
Surplus balances of trust accounts .. .. .	5,722	5,674	2,053	3,525	4,700
Australian Aluminium Production Commission .. .. .	..	..	2,500	250	250
Reserve Bank Reserve Fund .. .. .	..	..	2,691	3,352	4,487
Commonwealth Banking Corporation .. .. .	..	..	756	921	717
Joint Coal Board—repayment of advances .. .. .	143	..	..	..	..
Other .. .. .	5,302	6,212	6,932	7,870	10,202
<b>Total, Other Revenue</b> .. .. .	42,667	47,060	53,718	60,633	65,995
Per head of population .. .. .	£4.28	£4.63	£5.18	£5.72	£6.11
<b>Grand Total</b> .. .. .	1,296,050	1,438,286	1,638,279	1,641,542	1,685,386
Per head of population .. .. .	£130.27	£141.50	£157.67	£154.78	£155.90

A graphical representation of the revenue and expenditure of the Commonwealth Consolidated Revenue Fund appears on page 915.

2. **Taxation.**—(i) *Total Collections.* (a) *Amount.* Collections under each heading for the years 1958–59 to 1962–63 are shown below.

## COMMONWEALTH TAXATION: TOTAL NET COLLECTIONS

(£'000)

Type of tax	1958–59	1959–60	1960–61	1961–62	1962–63
Customs .. .. .	71,671	84,381	101,785	85,160	105,101
Excise .. .. .	236,254	252,111	257,409	265,645	274,402
Sales tax .. .. .	143,617	164,185	173,040	148,824	156,531
Pay-roll tax .. .. .	49,619	55,162	61,260	60,971	63,255
Income taxes—					
Individuals .. .. .	388,965	442,164	518,744	537,345	541,711
Companies .. .. .	219,695	229,130	282,562	282,688	259,914
Dividend (withholding) .. .. .	..	..	5,960	8,117	8,965
Estate duty .. .. .	13,309	13,753	14,807	17,029	17,850
Gift duty .. .. .	2,000	2,435	2,783	2,797	3,164
Special industry taxes(a) .. .. .	8,168	6,469	6,889	7,948	9,566
<b>Total Taxation .. .. .</b>	<b>1,133,298</b>	<b>1,249,790</b>	<b>1,425,239</b>	<b>1,416,524</b>	<b>1,440,459</b>

(a) Used for purposes of industries concerned. The taxes are as follows:—Wheat Tax, Wool Levy, Wheat Export Charge, Miscellaneous Export Charges, Stevedoring Industry Charge, Tobacco Charge, Dairy Produce Levy, Canning Fruit Charge, Cattle Slaughter Levy, and Honey Levy.

(b) *Proportion of each Class to Total Collections.* The following table shows the proportion of the total collections represented by returns from each class of taxation for the years 1958–59 to 1962–63.

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

(Per cent.)

Type of tax	1958–59	1959–60	1960–61	1961–62	1962–63
Customs .. .. .	6.3	6.8	7.2	6.0	7.3
Excise .. .. .	20.9	20.2	18.1	18.8	19.0
Sales tax .. .. .	12.7	13.1	12.1	10.5	10.9
Pay-roll tax .. .. .	4.4	4.4	4.3	4.3	4.4
Income taxes .. .. .	53.7	53.7	56.6	58.5	56.3
Estate duty .. .. .	1.2	1.1	1.0	1.2	1.2
Gift duty .. .. .	0.2	0.2	0.2	0.2	0.2
Special industry taxes(a) .. .. .	0.6	0.5	0.5	0.5	0.7
<b>Total Taxation .. .. .</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

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

(ii) *Customs Revenue.* The following table gives details of net customs receipts for the years 1958-59 to 1962-63.

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

(£'000)

Class	1958-59	1959-60	1960-61	1961-62	1962-63
Foodstuffs of animal origin .. ..	336	473	677	515	599
Foodstuffs of vegetable origin .. ..	1,512	1,784	2,100	2,063	2,080
Spirituos and alcoholic liquors .. ..	3,274	4,762	5,202	5,847	5,478
Tobacco, cigars and cigarettes .. ..	12,190	13,034	13,352	11,997	12,759
Animal substances (not foodstuffs) .. ..	5	7	8	5	5
Vegetable substances and fibres .. ..	182	259	168	247	321
Yarns, textiles and apparel .. ..	9,800	12,176	15,573	12,863	14,944
Oils, fats and waxes .. ..	11,123	10,970	12,430	9,149	11,367
Pigments, paints and varnishes .. ..	179	219	317	284	405
Rocks and minerals .. ..	24	56	46	62	113
Metals, metal manufactures and machinery ..	18,348	23,036	28,655	20,836	32,505
Rubber and leather and manufactures thereof	620	606	939	838	1,318
Wood and wicker, raw and manufactured ..	1,398	1,802	2,353	1,514	1,623
Earthenware, cement, china, glass and stone-ware	1,866	2,233	3,002	2,673	2,952
Pulp, paper and board, paper manufactures and stationery	940	1,426	2,361	2,404	2,778
Sporting materials, toys, fancy goods, jewellery and timepieces .. ..	2,297	2,825	3,526	3,237	3,600
Optical, surgical and scientific instruments, photographic goods .. ..	1,169	1,404	1,683	1,592	1,677
Chemicals, pharmaceutical products, essential oils and fertilizers .. ..	1,317	1,690	1,806	2,131	2,220
Miscellaneous goods .. ..	2,269	3,047	5,045	4,762	6,068
Primage .. ..	2,078	1,939	2,298	1,840	2,152
Other receipts .. ..	744	633	244	301	137
<b>Total .. ..</b>	<b>71,671</b>	<b>84,381</b>	<b>101,785</b>	<b>85,160</b>	<b>105,101</b>

(iii) *Excise Revenue.* Net excise receipts for the years 1958-59 to 1962-63 were as follows.

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

(£'000)

Particulars	1958-59	1959-60	1960-61	1961-62	1962-63
Beer .. ..	105,286	109,724	111,740	113,504	117,263
Spirits .. ..	8,692	8,683	8,586	8,418	8,582
Tobacco .. ..	15,207	14,366	13,389	11,898	10,541
Cigars and cigarettes .. ..	55,824	61,459	64,969	67,488	70,186
Cigarette papers .. ..	811	770	716	640	571
Petrol .. ..	44,253	49,255	51,952	57,904	61,014
Diesel fuel .. ..	1,475	2,179	2,282	2,257	2,632
Matches .. ..	1,092	1,125	1,105	1,095	1,126
Playing cards .. ..	48	52	50	53	49
Coal .. ..	578	418	389	290	280
Cathode ray tubes .. ..	2,040	2,850	1,961	2,056	2,106
Miscellaneous .. ..	948	1,230	270	42	52
<b>Total .. ..</b>	<b>236,254</b>	<b>252,111</b>	<b>257,409</b>	<b>265,645</b>	<b>274,402</b>

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

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

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

Since the inception of the tax, certain exemptions have been allowed. These exemptions, which have been extended from time to time, relate mainly to goods of an essential nature or those for use in primary production. The most recent exemptions were those granted from 14th August, 1963.

A general rate of tax is levied on all goods other than those specified in the schedules to the *Sales Tax (Exemptions and Classifications) Act 1935-1963*. These schedules set out details of goods exempt from sales tax and those subject to special rates. The following are the general and special rates which operated from 7th August, 1952.

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

Particulars of the net amount of sales tax payable and the sales of taxable and exempt goods in each State for 1962-63 are given in the following table. The figures relate to sales during the period 1st July to 30th June. The figures for sales tax payable differ from those for net collections shown on page 909 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.

## SALES TAX AND AMOUNT OF SALES, 1962-63

(£'000)

Particulars	N.S.W. (a)	Vic.	Q'land	S. Aust.	W. Aust.	Tas.	N. Terr.	Australia
Net sales on which sales tax was payable at—								
2½ per cent. ..	83,124	69,838	24,602	18,837	12,064	4,479	36	212,980
12½ per cent. ..	253,675	179,936	79,965	54,145	37,984	12,068	638	618,411
22½ per cent. ..	80,535	67,433	29,606	21,376	17,083	3,206	1	219,240
25 per cent. ..	45,804	29,816	10,982	7,004	4,885	2,183	33	100,707
Total ..	463,138	347,023	145,155	101,362	72,016	21,936	708	1,151,338
Sales of exempt goods by registered persons ..	1,024,578	775,759	358,757	217,760	172,380	72,231	5,626	2,627,091
Total sales of Taxable and Exempt Goods ..	1,487,716	1,122,782	503,912	319,122	244,396	94,167	6,334	3,778,429
Sales tax payable ..	63,359	46,864	20,018	13,800	10,114	2,888	89	157,132

(a) Includes Australian Capital Territory.

Sales of taxable and exempt goods and sales tax payable for Australia as a whole are shown in the following table for the years 1958-59 to 1962-63.

### SALES TAX AND AMOUNT OF SALES

(£'000)

Year				Net sales on which sales tax was payable	Sales of exempt goods by registered persons	Total sales of taxable and exempt goods	Sales tax payable
1958-59	..	..	..	890,293	2,152,026	3,042,319	143,296
1959-60	..	..	..	1,020,033	2,354,204	3,374,237	167,839
1960-61	..	..	..	1,040,552	2,447,126	3,487,678	171,584
1961-62	..	..	..	1,049,841	2,415,896	3,465,737	148,565
1962-63	..	..	..	1,151,338	2,627,091	3,778,429	157,132

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 1935-1963*. The figures shown do not represent the total sales of all commodities, as vendors trading only in exempt goods are not required to be registered, and consequently the volume of their sales is not included in the statistics above. In addition, non-taxable sales (i.e., goods sold by one registered taxpayer to another registered taxpayer) are excluded.

(c) *Land Tax.* Commonwealth Land Tax was levied annually from 1910-11 to 1951-52 on the unimproved value of land. It was abolished from 1st July, 1952.

(d) *Pay-roll Tax.* The *Pay-roll Tax Act 1941* and the *Pay-roll Tax Assessment Act 1941-1942* imposed a pay-roll tax of 2½ per cent. on all wages and salaries in excess of £20 a week paid by an employer after 30th June, 1941. Employers who are liable for tax are required to register and to furnish a monthly return of all wages paid. These measures formed part of the Commonwealth scheme of child endowment, the revenue from the tax being designed to provide part of the money required. However, the collections now form part of the general revenues of the Commonwealth. For particulars of the present method of financing the National Welfare Fund, out of which Child Endowment is paid, see para. 5, page 922. The exemption was increased to £80 a week (£4,160 per annum) from 1st October, 1953, to £120 a week (£6,240 per annum) from 1st September, 1954, and to £200 a week (£10,400 per annum) from 1st September, 1957. Employers whose export sales have increased above the annual average of export sales effected during a base period of two years ended 30th June, 1960, are entitled under the Commonwealth Government's export incentive scheme to a rebate of pay-roll tax of twelve and one half times the percentage increase in export sales.

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

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

(g) *Estate Duty.* Commonwealth Estate Duty was first levied in 1914. Under the *Estate Duty Assessment Act 1914-1963*, Estate Duty is assessed on the net value of the estate less a statutory exemption determined in accordance with the following formula:— (a) where the whole of the estate passes to the widow, children (including adopted children, step-children and ex-nuptial children), or grand-children of the deceased, the sum of £10,000 decreasing by £1 for every £4 by which the value exceeds £10,000 and ceasing to apply at £50,000; (b) where no part of the estate passes to the widow, children or grand-children, the sum of £5,000 decreasing by £1 for every £4 by which the value exceeds £5,000 and ceasing to apply at £25,000; and (c) where only part of the estate passes to the widow, children or grand-children, the statutory exemption is to be calculated proportionately under (a) and (b).

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

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

Particulars of the number and value of estates and duty assessed, for each of the assessment years 1957-58 to 1961-62, are given in the following table.

## ESTATE DUTY ASSESSMENTS

Particulars	1957-58	1958-59	1959-60	1960-61	1961-62
Number of estates .. .. .	13,599	11,794	13,978	14,196	16,449
Gross value assessed .. .. .	£'000 227,310	202,899	233,560	244,976	279,382
Deductions .. .. .	£'000 39,707	35,589	40,453	45,683	47,725
Statutory exemption .. .. .	£'000 30,492	26,555	31,597	33,051	37,180
Dutiable value .. .. .	£'000 157,111	140,755	161,510	166,241	194,477
Duty payable .. .. .	£'000 13,967	13,013	14,116	15,589	17,164
Average dutiable value .. .. .	£ 11,553	11,934	11,555	11,710	11,823
Average duty per estate .. .. .	£ 1,027	1,103	1,010	1,098	1,043

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

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

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

(i) *Entertainments Tax.* The Commonwealth levied an Entertainments Tax from 1st October, 1942, to 30th September, 1953. Details of rates are given in earlier issues of the Year Book (*see No. 40, pp. 672-3*).

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

With the repeal of the Wool Contributory Charge, however, a levy on wool produced in Australia was re-introduced from 1st July, 1952. The *Wool Tax Acts (Nos. 1 and 2)* of 1952 provided for the payment of a levy of four shillings a bale until 30th June, 1953, after which date the rate of tax could be varied within prescribed limits. There was no variation until 1st July, 1957, when the rate was increased to six shillings a bale. On 1st August, 1960, the rate prescribed was raised to seven shillings a bale which was retained until 28th August, 1961, when a rate of twelve shillings a bale was introduced. The purpose of the tax is to provide funds for publicity and research previously provided by the Wool Contributory Charge. Collections during 1958-59, 1959-60, 1960-61, 1961-62 and 1962-63 were £1,389,000, £1,542,000, £1,655,000, £2,854,000 and £2,955,000 respectively.

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

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

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

The *Wheat Export Charge Act 1958* repealed the *Wheat Export Charge Act 1954* and provided for an export charge on wheat and wheat products for the seasons 1958-59 to 1963-64 inclusive. The charge levied is the excess of the export price over the cost of production or 1s. 6d. per bushel whichever is the less. Under the *Wheat Industry Stabilization Act 1958*, to which the Wheat Export Charge is complementary, the Commonwealth Government guarantees a return to wheat-growers of the ascertained cost of production of up to 100 million bushels of wheat harvested each season exported from Australia. Collections from the wheat export charge are paid into the Wheat Prices Stabilization Fund, out of which payments will be made to the Australian Wheat Board, when required, for the purpose of building up the average export price for any season to the guaranteed price. If the fund is exhausted, additional payments will be made from the Consolidated Revenue Fund.

Collections of the wheat export charge amounted to £1,211,000 in 1958-59 and £1,000 in 1959-60, and were nil in the years 1960-61 to 1962-63.

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

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

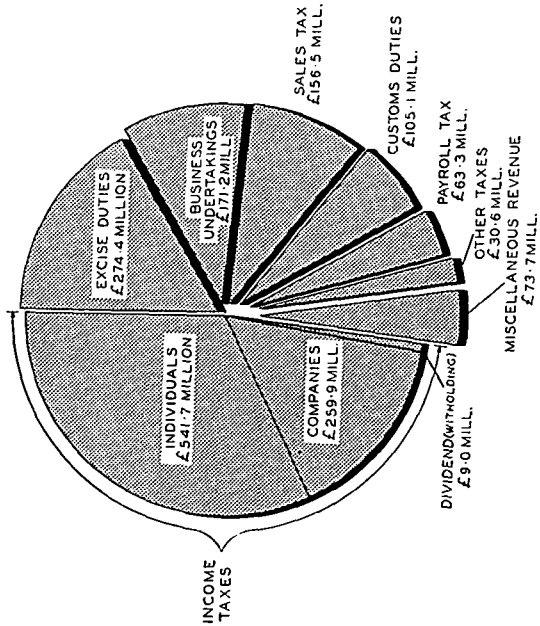
The Act also provided that where, before the commencement of the Act, a person delivering to the Board wheat upon which tax is imposed by the Act authorized the Board to deduct an amount from the moneys payable to him and to pay the amounts so deducted to a person, authority or association for the purposes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

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

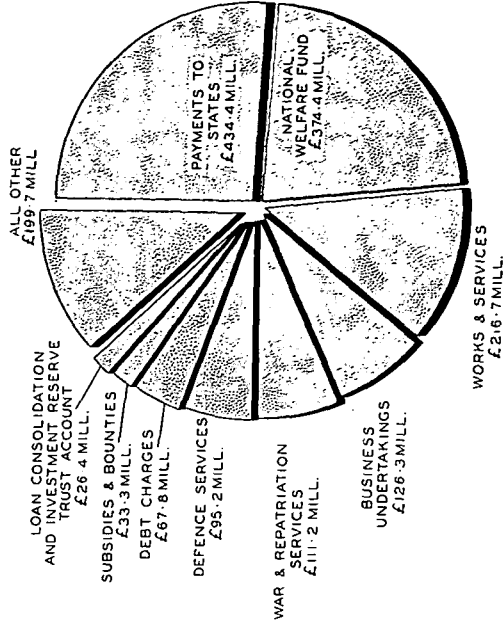


# COMMONWEALTH CONSOLIDATED REVENUE FUND, YEAR ENDED 30<sup>TH</sup> JUNE, 1963

## REVENUE



## EXPENDITURE

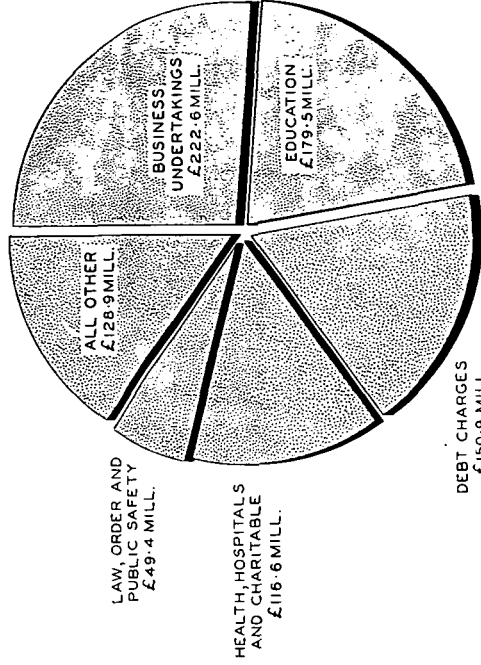


**TOTAL REVENUE**  
£1,685.4 MILLION

**TOTAL EXPENDITURE**  
£1,685.4 MILLION

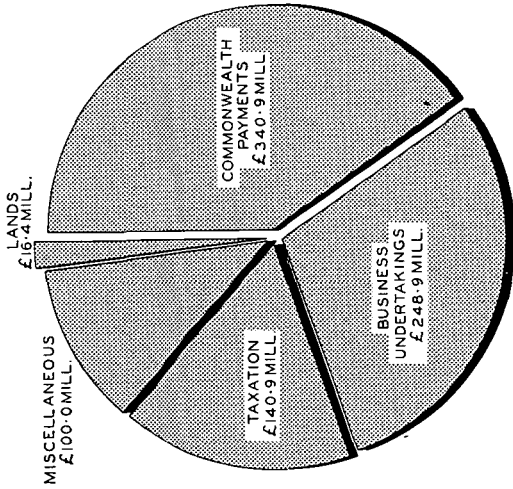
STATE CONSOLIDATED REVENUE FUNDS, YEAR ENDED 30<sup>TH</sup> JUNE, 1963

EXPENDITURE



TOTAL EXPENDITURE  
£847.9 MILLION

REVENUE



TOTAL REVENUE  
£847.1 MILLION

Collections of Wheat Tax amounted to £207,000 in 1958–59, £187,000 in 1959–60, £261,000 in 1960–61, £234,000 in 1961–62 and £297,000 in 1962–63, and were paid to the Wheat Research Trust Account.

(m) *Miscellaneous Export Charges*. These consist of charges levied on exports of apples and pears (*Apple and Pear Export Charges Act 1938–1960*), canned fruits (*Canned Fruits Export Charges Act 1962–1963*), dairy produce (*Dairy Produce Export Charge Act 1924–1962*), dried fruits (*Dried Fruits Export Charges Act 1924–1929*), eggs (*Eggs Export Charges Act 1947*) and meat (*Meat Export Charges Act 1935–1954*), and on grapes used in the manufacture of wine (*Wine Grapes Charges Act 1929–1954*). The collections are paid into special funds to be applied, for the purposes of Export Boards established under various Acts, in controlling the quantity and quality of produce exported.

Collections for the last five years were as follows:—1958–59, £566,000; 1959–60, £540,000; 1960–61, £529,000; 1961–62, £618,000, and 1962–63, £826,000.

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

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

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

Further amendments under the Stevedoring Industry Charge Acts of 1958 and 1962 provided for an increase of the charge to 3s. a man-hour from 1st April, 1958 until 1st July, 1959, a reduction to 2s. 6d. a man-hour between 1st July, 1959 and 1st April, 1962, and an increase to 3s. 4d. a man-hour on or after 1st April, 1962.

Collections during the years 1958–59 to 1962–63 were as follows:—1958–59, £4,572,000; 1959–60, £3,717,000; 1960–61, £3,844,000; 1961–62, £3,433,000; and 1962–63, £4,493,000.

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

The *Tobacco Charge Act* (No. 1) 1955 imposed a maximum charge of ½d. a pound on all Australian tobacco leaf sold to a manufacturer.

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

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

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

Collections in 1958–59, 1959–60, 1960–61, 1961–62 and 1962–63 amounted to £72,000, £112,000, £136,000, £164,000 and £120,000 respectively.

(p) *Dairy Produce Levy*. The *Dairy Produce Levy Act 1958* imposed a levy on the manufacture of butter and cheese for the purpose of financing a research and sales promotion scheme for the dairy industry. The maximum rates of the levy are fixed at three-sixteenths of a penny a pound on butter and three-thirty-seconds of a penny on cheese. In 1958–59, 1959–60, 1960–61, 1961–62 and 1962–63, collections amounted to £151,000, £334,000, £350,000, £390,000 and £395,000, respectively.

(q) *Canning Fruit Charge*. The *Canning Fruit Charge Act 1959* imposed a levy on apricots, peaches and pears accepted by canneries as of canning quality or for use in the production of canned fruit, for the purpose of promoting the sale of Australian canned fruits both overseas and in Australia. The rate of the charge was ten shillings per ton of

fruit delivered to canneries or such lesser rate as may be prescribed from time to time. In 1959-60, 1960-61, 1961-62 and 1962-63, collections amounted to £35,000, £30,000, £45,000 and £71,000 respectively.

(r) *Cattle Slaughter Levy.* The *Cattle Slaughter Levy Act 1960* imposed a levy upon the slaughter of cattle for human consumption at rates to be prescribed from time to time but not exceeding two shillings per head of cattle slaughtered. The proceeds of this levy may be expended on purposes associated with scientific, economic, or technical research related to the raising of cattle or the production or distribution of beef and other products of the slaughter of cattle. In 1960-61, 1961-62 and 1962-63, collections amounted to £84,000, £210,000 and £406,000.

(s) *Honey Levy.* The *Honey Levy Act 1962* imposed a levy on honey sold for domestic consumption in Australia at the initial operative rate of one halfpenny a pound and provided for a maximum rate of one penny a pound. The proceeds of this levy may be expended on the regulation of Australian exports of honey and on associated promotional and research activities. In 1962-63, collections amounted to £3,000.

3. *Business Undertakings.*—(i) *Postmaster-General's Department.* Particulars of net receipts for each of the financial years 1958-59 to 1962-63 are given in the following table.

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

Particulars	1958-59	1959-60	1960-61	1961-62 (a)	1962-63
Telegraph .. .. .	6,321	6,804	7,275	7,448	7,919
Telephone .. .. .	59,717	71,209	81,114	85,166	92,315
Postal .. .. .	34,379	40,531	44,211	47,104	49,427
Miscellaneous .. .. .	3,050	3,087	3,565	96	1,028
<b>Total .. .. .</b>	<b>103,467</b>	<b>121,631</b>	<b>136,165</b>	<b>139,814</b>	<b>150,689</b>

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

(ii) *Broadcasting and Television Services.* Following the amendment of the *Australian Broadcasting Act 1942-1946* by Act No. 64 of 1948, the Australian Broadcasting Control Board was set up on 15th March, 1949. (See also Chapter XV. Transport and Communication, pp. 615-24).

Details of net receipts for the years 1958-59 to 1962-63 are shown in the following table.

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

Particulars	1958-59	1959-60	1960-61	1961-62	1962-63
Listeners' licence fees .. .. .	5,693	5,656	5,536	5,413	5,434
Broadcasting station licence fees .. .. .	85	88	104	97	107
Television viewers' licence fees .. .. .	2,777	4,624	5,781	6,626	7,778
Television station licence fees .. .. .	19	38	65	91	91
Miscellaneous .. .. .	44	54	67	126	164
<b>Total .. .. .</b>	<b>8,618</b>	<b>10,460</b>	<b>11,553</b>	<b>12,353</b>	<b>13,574</b>

(iii) *Commonwealth Railways.* The Commonwealth Government is responsible for four railways—the Trans-Australian, the Central Australia, the North Australia and the Australian Capital Territory. The following table shows the amounts paid to the credit of the Consolidated Revenue Fund on account of each of these railways for the years 1958-59 to 1962-63.

COMMONWEALTH RAILWAYS REVENUE  
(£'000)

Railway	1958-59	1959-60	1960-61	1961-62	1962-63
Trans-Australian .. .. .	2,927	3,249	4,091	4,187	4,493
Central Australia .. .. .	1,635	1,601	1,867	1,821	2,251
North Australia .. .. .	203	272	149	155	148
Australian Capital Territory .. .. .	46	25	42	59	45
<b>Total .. .. .</b>	<b>4,811</b>	<b>5,147</b>	<b>6,149</b>	<b>6,222</b>	<b>6,937</b>

Further particulars to 1962-63 are given in Chapter XV. Transport and Communication (see pp. 573-4 and 576-7).

4. Other Sources of Revenue.—Revenue derived by the Consolidated Revenue Fund from the Territories of the Commonwealth during 1962-63 amounted to £7,732,000 (Australian Capital Territory, £5,625,000; Northern Territory, £2,105,000; Cocos (Keeling) Islands, £2,000). Of other sources of revenue, amounting to £65,995,000, the following are noteworthy:—interest, £22,153,000; defence, £4,409,000; net profit on Australian note issue, £12,780,000.

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

## EXPENDITURE

1. Details of Expenditure from Consolidated Revenue.—The following table shows details of expenditure from the Consolidated Revenue Fund during the years 1958-59 to 1962-63.

COMMONWEALTH CONSOLIDATED REVENUE FUND: EXPENDITURE  
(£'000)

Particulars	1958-59	1959-60	1960-61	1961-62	1962-63
<b>Debt charges(a)—</b>					
Interest (including exchange on oversea interest) .. .. .	47,701	46,617	43,489	43,039	40,441
Debt redemption .. .. .	14,204	19,190	23,104	25,109	27,243
Other(b) .. .. .	706	401	1,002	588	158
<i>Total .. .. .</i>	<i>62,611</i>	<i>66,208</i>	<i>67,595</i>	<i>68,736</i>	<i>67,842</i>
Defence services .. .. .	107,868	138,112	151,333	133,500	95,219
War and repatriation services .. .. .	78,770	86,579	97,947	104,280	111,158
Subsidies and bounties .. .. .	21,570	20,198	22,561	34,271	33,318
National Welfare Fund(c) .. .. .	273,460	295,064	326,447	360,877	374,425
Loan Consolidation and Investment Reserve					
Trust Account .. .. .	27,947	41,382	142,561	22,155	26,378
<b>Business undertakings—</b>					
Postmaster-General .. .. .	96,681	107,777	110,136	114,772	106,902
Broadcasting and television services .. .. .	8,371	9,983	11,372	12,800	14,055
Railways .. .. .	3,725	4,088	4,616	5,222	5,315
Territories .. .. .	20,240	23,559	26,839	30,328	34,874
<b>Works and services—</b>					
Defence .. .. .	45,198	44,723	49,325	48,112	55,154
Repatriation .. .. .	35,308	35,242	35,386	35,460	37,998
Postmaster-General .. .. .	36,353	39,937	42,145	46,939	62,093
Broadcasting services .. .. .	1,408	3,551	1,429	2,847	3,833
Railways .. .. .	1,281	1,091	1,248	1,697	2,208
Territories .. .. .	14,906	16,901	18,229	20,764	24,340
Other .. .. .	41,211	41,615	37,698	49,885	31,036
Payments to or for States .. .. .	293,564	330,542	363,191	406,030	434,448
Primary production—research sales promotion, etc. .. .. .	3,451	3,839	4,053	5,895	6,210
Other expenditure .. .. .	122,127	127,895	124,168	136,972	158,580
<b>Grand Total .. .. .</b>	<b>1,296,050</b>	<b>1,438,286</b>	<b>1,638,279</b>	<b>1,641,542</b>	<b>1,685,386</b>
<b>Per head of population .. .. .</b>	<b>£130.27</b>	<b>£141.50</b>	<b>£157.67</b>	<b>£154.78</b>	<b>£155.90</b>

(a) Excludes payments to or for the States under the Financial Agreement (see pp. 925-7).  
 (b) Redemption, conversion and loan management, etc., expenses. (c) Excludes Tuberculosis Benefits maintenance grants, included in Payments to or for the States—1958-59, £4,767,000; 1959-60, £4,299,000; 1960-61, £4,157,000; 1961-62, £4,314,000; 1962-63, £4,869,000.

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

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

The figures represent the combined expenditures from Consolidated Revenue and Loan Funds for the years 1958–59 to 1962–63. In earlier issues of the Year Book, this table covered expenditure from Trust Funds also, but there has been no expenditure from this source on defence services in recent years.

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

Particulars	1958–59	1959–60	1960–61	1961–62	1962–63
Department of Defence	1,008	1,231	1,303	1,660	2,817
Department of the Navy—					
Naval Forces—pay, maintenance, etc.	30,782	32,175	31,737	32,784	30,804
Naval construction and additions to the fleet	5,220	5,557	7,898	6,469	7,402
Ships, aircraft and aircraft engines	2,576	1,937	2,151	5,078	7,466
Buildings, works, etc.	1,548	1,165	1,745	1,721	1,781
Advances to States under Commonwealth-State Housing Agreement	254	274	311	236	180
Administrative and miscellaneous expenditure	1,296	1,420	1,693	1,851	2,178
<i>Total, Navy</i>	<i>41,676</i>	<i>42,528</i>	<i>45,535</i>	<i>48,139</i>	<i>49,811</i>
Department of the Army—					
Military Forces—pay, maintenance, etc.	41,184	44,210	42,162	43,023	43,601
Arms, armament, ammunition	18,939	15,924	17,333	16,846	18,479
Buildings, works, etc.	3,498	3,142	3,350	2,631	2,741
Advances to States under Commonwealth-State Housing Agreement	456	394	568	427	690
Administrative and miscellaneous expenditure	2,645	2,676	3,296	3,159	3,426
<i>Total, Army</i>	<i>66,722</i>	<i>66,346</i>	<i>66,709</i>	<i>66,086</i>	<i>68,937</i>
Department of Air—					
Air Force—pay, maintenance, etc.	27,038	29,711	31,662	32,795	33,372
Aircraft, equipment and stores	25,874	26,011	25,064	26,091	27,782
Buildings, works, etc.	4,147	3,650	3,833	3,266	3,072
Advances to States under Commonwealth-State Housing Agreement	485	393	551	679	580
Administrative and miscellaneous expenditure	2,296	2,472	3,137	3,228	3,509
<i>Total, Air</i>	<i>59,840</i>	<i>62,237</i>	<i>64,247</i>	<i>66,059</i>	<i>68,315</i>
Department of Supply—					
Weapons Research Establishment	9,500	9,500	9,490	9,510	7,628
Defence research and development	1,311	1,321	1,383	1,520	2,669
Buildings, works, etc.	1,157	1,083	1,240	1,215	1,301
Administrative and miscellaneous expenditure	8,026	8,879	8,860	9,373	11,453
<i>Total, Supply</i>	<i>19,994</i>	<i>20,783</i>	<i>20,973</i>	<i>21,618</i>	<i>23,051</i>
Economic assistance to support defence programme of S.E.A.T.O. member countries	298	684	776	577	1,248
Administration of National Service Act	159	93	..	..	273
Civil defence	102	105	112	222	500
Recruiting campaign	311	302	474	481	1,446
Aid to India	..	..	..	..	42
Other	262	496	520	385	..
Source—					
Consolidated Revenue Fund	153,066	182,835	100,658	181,612	150,373
Loan Fund	37,306	11,970	—9	23,615	66,067
<i>Grand Total</i>	<i>190,372</i>	<i>194,805</i>	<i>200,649</i>	<i>205,227</i>	<i>216,440</i>

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

3. War and Repatriation Services.—Expenditure from Consolidated Revenue and Loan Fund for war and repatriation services (excluding debt charges) in relation to both the 1914-18 and 1939-45 Wars is shown in the following table for the years 1958-59 to 1962-63. Expenditure on the maintenance of forces in overseas posts and the cost of arms and equipment is included in Defence Services.

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

(£'000)

Particulars	1958-59	1959-60	1960-61	1961-62	1962-63
War gratuities .. .. .	8	9	10	13	3
War and service pensions and widows' allowances .. .. .	60,770	65,823	73,673	77,270	81,347
Commonwealth Reconstruction Training Scheme .. .. .	365	297	212	154	86
War service land settlement .. .. .	7,520	8,458	3,670	3,549	2,170
Re-establishment loans for agricultural purposes .. .. .	63	58	37	39	38
Repatriation Department—					
Repatriation benefits .. .. .	12,456	13,908	15,646	17,283	19,875
Other benefits .. .. .	608	646	730	824	959
Administration and general expenses .. .. .	3,009	3,581	3,846	4,887	5,070
<i>Total, Repatriation Department .. .. .</i>	<i>16,073</i>	<i>18,135</i>	<i>20,222</i>	<i>22,994</i>	<i>25,904</i>
War service homes—salaries and general expenses .. .. .	978	1,127	1,105	1,170	1,296
Other departments—miscellaneous expenditure .. .. .	368	392	432	538	485
Other administrations—recoverable expenditure(a) .. .. .	-1,675	-782	613	129	436
Capital works and services—					
Repatriation Department .. .. .	308	242	386	461	498
War Service Homes Act 1918-1949 .. .. .	35,000	35,000	35,000	35,000	37,500
<i>Total, Capital Works and Services .. .. .</i>	<i>35,308</i>	<i>35,242</i>	<i>35,386</i>	<i>35,461</i>	<i>37,998</i>
Total, War and Repatriation Services—					
Consolidated Revenue Fund .. .. .	114,078	121,821	133,333	139,740	149,156
Loan Fund .. .. .	5,700	6,938	2,027	1,577	607
<b>Grand Total .. .. .</b>	<b>119,778</b>	<b>128,759</b>	<b>135,360</b>	<b>141,317</b>	<b>149,763</b>

(a) Munitions stores, etc., supplied to the British Government and other administrations. Includes repayments and waiver of war-time indebtedness of other administrations.

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

4. Subsidies and Bounties.—The following table shows details of Commonwealth expenditure from revenue on subsidies, bounties and assistance to primary producers for the years 1958-59 to 1962-63. Expenditure on special relief such as drought, frost, flood and bush fire, etc., is not included here (included under items in tables, pp. 925-7), nor is expenditure from the proceeds of certain taxes on primary products and profits from marketing schemes, which have been paid to trust funds for the purpose of price or other stabilization schemes or for distribution to producers (see paragraph 11, p. 932). Payments to the States for Cattle Tick Control, Dairy Industry Extension and Agricultural Advisory Services are also not included under this heading, but under the heading Payments to or for the States (see para. 10, pp. 925-7).

Further information relating to assistance to primary producers is given in Chapter XXIII. Rural Industry. Details of price stabilization subsidies and of various forms of assistance to primary producers for earlier years may be found on pages 414 and 1014-15, respectively, of Year Book No. 38.

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

Particulars	1958-59	1959-60	1960-61	1961-62	1962-63
Dairy industry(a) .. .. .	13,500	13,500	13,500	13,500	13,500
Wheat prices stabilization .. .. .	1,211	2	..	11,906	7,288
Oil search .. .. .	463	360	1,399	2,543	5,000
Air services .. .. .	500	500	500	500	500
Assistance to gold mining industry .. .. .	898	838	699	659	791
Cellulose acetate flake .. .. .	110	128	127	69	101
Coastal shipping service—					
Tasmania .. .. .	202	49	..	13	..
Papua and New Guinea .. .. .	100	100	100	112	150
Copper .. .. .	768	408	405	687	699
Copper and brass strip .. .. .	..	..	..	..	19
Cotton .. .. .	140	214	374	315	287
Flax fibre .. .. .	93	83	5	12	18
Processed milk products .. .. .	..	..	..	..	284
Pyrites .. .. .	..	..	86	397	398
Rayon yarns .. .. .	69	72	72	69	135
Ship construction .. .. .	1,800	1,842	3,000	1,553	1,800
South American shipping service .. .. .	..	..	..	50	111
Sulphate of ammonia .. .. .	..	..	..	..	180
Sulphuric acid .. .. .	1,301	1,481	1,353	1,009	1,094
Tractor .. .. .	415	621	941	877	963
<b>Total .. .. .</b>	<b>21,570</b>	<b>20,198</b>	<b>22,561</b>	<b>34,271</b>	<b>33,318</b>

(a) Dairy products.

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

In the following table, details are given of the income and expenditure of the National Welfare Fund and the balance in the fund at the end of each year for the years 1958-59 to 1962-63. For a detailed account of the establishment of the National Welfare Fund, the services provided and the numbers and amounts of benefits paid, see Chapter XVI. Welfare Services.

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

Year	Income			Expenditure (a)	Balance in fund at end of year
	Contribution from Consolidated Revenue (a)	Interest on investments	Total (a)		
1958-59 .. .. .	278,227	1,977	280,204	278,227	198,997
1959-60 .. .. .	299,363	2,002	301,365	299,363	200,999
1960-61 .. .. .	330,604	2,017	332,621	330,604	203,016
1961-62 .. .. .	365,191	2,037	367,228	365,191	205,053
1962-63 .. .. .	379,295	2,059	381,354	379,294	207,113

(a) Includes Tuberculosis Benefits maintenance grants elsewhere included in Payments to or for the States—1958-59, £4,767,000; 1959-60, £4,299,000; 1960-61, £4,157,000; 1961-62, £4,314,000; 1962-63, £4 869 000



6. **Loan Consolidation and Investment Reserve Trust Account.**—The *Loan Consolidation and Investment Reserve Act 1955* established the Loan Consolidation and Investment Reserve Trust Account for the purpose of repurchase or redemption of securities on issue on account of the Commonwealth.

Payments from the Consolidated Revenue Fund were made as follows:—1958–59, £27,947,000; 1959–60, £41,382,000; 1960–61, £142,561,000; 1961–62, £22,155,000; and 1962–63, £26,378,000. Expenditure from the Trust Account on repurchase of securities was £100,046,000 in 1958–59; £79,885,000 in 1959–60; £30,899,000 in 1960–61; £67,847,000 in 1961–62; and £103,782,000 in 1962–63. The major portion of the balance of the Trust Account at 30th June, 1963, was invested in Commonwealth securities in special loans to finance Commonwealth and State works programmes.

7. **Business Undertakings.**—(i) *Postmaster-General's Department.* Details of the expenditure of this Department for the years 1958–59 to 1962–63 are given in the following table.

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

Particulars	1958–59	1959–60	1960–61	1961–62	1962–63
Salaries, stores and materials, mail, engineering services, etc. . . . .	95,306	106,404	108,593	113,113	105,139
Rents, repairs, etc. . . . .	1,375	1,373	1,543	1,659	1,763
<i>Total, Working, etc., Expenses</i> . . . . .	<i>96,681</i>	<i>107,777</i>	<i>110,136</i>	<i>114,772</i>	<i>106,902</i>
Works and services . . . . .	36,353	39,937	42,145	46,939	62,093
<b>Grand Total</b> . . . . .	<b>133,034</b>	<b>147,714</b>	<b>152,281</b>	<b>161,711</b>	<b>168,995</b>

Further details of the Postmaster-General's Department expenditure for 1962–63 appear in Chapter XV. Transport and Communication, of this Year Book (see p. 607).

(ii) *Broadcasting and Television Services.* Details of expenditure for the years 1958–59 to 1962–63 are shown in the following table. Further details of broadcasting and television services appear in Chapter XV. Transport and Communication of this Year Book (see p. 615).

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

Particulars	1958–59	1959–60	1960–61	1961–62	1962–63
Australian Broadcasting Control Board . . . . .	192	258	301	319	348
Australian Broadcasting Commission—Salaries, general and programme expenses . . . . .	5,936	7,238	8,460	9,300	10,302
Technical and other services—Postmaster-General—Sound broadcasting . . . . .	2,060	2,181	2,195	2,590	2,627
Television . . . . .	159	275	386	517	686
Repairs, maintenance, etc. . . . .	24	31	30	74	92
<i>Total, Working, etc., Expenses</i> . . . . .	<i>8,371</i>	<i>9,983</i>	<i>11,372</i>	<i>12,800</i>	<i>14,055</i>
Works and services . . . . .	1,408	3,551	1,429	2,847	3,833
<b>Grand Total</b> . . . . .	<b>9,779</b>	<b>13,534</b>	<b>12,801</b>	<b>15,647</b>	<b>17,888</b>

(iii) *Railways.* The expenditure on railways for the years 1958–59 to 1962–63 is shown below.

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

Particulars	1958–59	1959–60	1960–61	1961–62	1962–63
Working expenses—					
Trans-Australian . . . . .	2,301	2,610	3,047	3,379	3,508
North Australia . . . . .	169	202	170	183	208
Central Australia . . . . .	1,168	1,185	1,288	1,561	1,487
Aust. Capital Territory . . . . .	50	52	59	61	67
Miscellaneous . . . . .	37	39	52	38	45
<i>Total, Working, etc., Expenses</i> . . . . .	<i>3,725</i>	<i>4,088</i>	<i>4,616</i>	<i>5,222</i>	<i>5,315</i>
Works and services . . . . .	1,281	1,091	1,248	1,697	2,208
<b>Grand Total</b> . . . . .	<b>5,006</b>	<b>5,179</b>	<b>5,864</b>	<b>6,919</b>	<b>7,523</b>

Additional details of the financial operations of the Commonwealth Railways to 1962–63 are given in Chapter XV. Transport and Communications (see p. 573–7).

8. Territories.—The following table shows the expenditure on account of Commonwealth Territories for the years 1958–59 to 1962–63. The Australian Capital Territory is administered by the Department of the Interior, and the Department of Territories controls the Northern Territory and the external territories. The expenditure has been grouped in one table for convenience. Information in greater detail will be found in Chapter V. The Territories of Australia, of this Year Book.

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

Territory	1958–59	1959–60	1960–61	1961–62	1962–63
Administration and maintenance of services—					
Aust. Capital Territory(a) ..	3,685	4,301	4,805	5,020	5,825
Northern Territory(a) ..	4,877	6,245	6,853	7,758	8,769
Papua and New Guinea ..	11,611	12,951	15,094	17,477	20,197
Norfolk Island ..	31	32	32	38	46
Cocos (Keeling) Islands ..	36	30	55	35	37
<i>Total</i> ..	<i>20,240</i>	<i>23,559</i>	<i>26,839</i>	<i>30,328</i>	<i>34,874</i>
Works and services—					
Aust. Capital Territory(a) ..	11,098	12,433	13,157	13,811	16,474
Northern Territory(a) ..	3,678	3,874	4,531	6,380	7,179
Papua and New Guinea ..	87	591	532	569	682
Cocos (Keeling) Islands ..	43	3	9	4	5
<i>Total</i> ..	<i>14,906</i>	<i>16,901</i>	<i>18,229</i>	<i>20,764</i>	<i>24,340</i>

(a) Excludes Railways, see para. 7 (iii), page 923.

9. Works and Services.—In the following table, details are given of Commonwealth expenditure on works and services during each of the years 1958–59 to 1962–63. The table covers expenditure on works and services made from the Consolidated Revenue Fund. In earlier issues of the Year Book, this table also covered expenditure from Trust and Loan Funds.

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

Particulars	1958–59	1959–60	1960–61	1961–62	1962–63
Defence services—					
Navy .. .. .	7,504	6,996	9,980	10,594	14,485
Army .. .. .	15,831	13,163	15,270	13,487	14,259
Air Force .. .. .	14,847	12,676	15,427	15,733	17,103
Other .. .. .	7,016	11,888	8,648	8,298	9,307
Repatriation services—					
War service homes .. .. .	35,000	35,000	35,000	35,000	37,500
Other .. .. .	308	242	386	460	498
Postmaster-General's Department .. .. .	36,353	39,937	42,145	46,939	62,093
Broadcasting and television services .. .. .	1,408	3,551	1,429	2,847	3,833
Railways—					
Commonwealth .. .. .	1,281	1,091	1,248	1,697	2,208
Overseas telecommunications .. .. .	..	..	..	1,000	3,500
Territories—					
Australian Capital Territory .. .. .	11,098	12,433	13,157	13,811	16,474
Northern Territory .. .. .	3,678	3,874	4,531	6,380	7,179
Papua-New Guinea .. .. .	87	591	532	569	682
Cocos (Keeling) Islands .. .. .	43	3	9	4	5
Other—					
Civil aviation .. .. .	5,688	4,801	5,999	4,564	5,089
Snowy Mountains Scheme .. .. .	24,000	28,250	18,500	16,010	9,266
Immigration .. .. .	270	350	391	460	507
Health .. .. .	678	811	789	534	311
Subscriptions to capital .. .. .	4,750	1,300	2,680	12,150	500
Advances .. .. .	230	166	500	..	..
Australian National University .. .. .	613	623	1,044	2,020	1,449
All other works, buildings, etc. .. .. .	4,982	5,314	7,795	13,147	10,414
<i>Grand Total</i> .. .. .	<i>175,665</i>	<i>183,060</i>	<i>185,460</i>	<i>205,704</i>	<i>216,662</i>

(a) In addition, an amount of £13,100,000 was provided from Loan Fund

10. Payments to or for the States.—(i) *General.* An outline of the provisions of the Constitution requiring the Commonwealth to make payments to the States, and of the systems which followed, is given in earlier issues of the Year Book (see No. 37, pp. 633 to 638). The following paragraphs refer to the existing arrangements.

(ii) *Amounts Paid.* (a) Year 1962-63. The table below shows particulars of the amounts paid to each of the States as grants for the several purposes referred to in subsequent paragraphs.

## COMMONWEALTH PAYMENTS TO OR FOR THE STATES, 1962-63(a)

(£'000)

Particulars	N.S.W.	Vic.	Q'land	S.A.	W.A.	Tas.	Total
<b>Financial Agreement—</b>							
Interest on States' debts ..	2,917	2,127	1,096	704	474	267	7,585
Sinking fund on States' debts(b) ..	2,491	1,695	913	962	701	486	7,248
Special grants .. .. .	..	..	..	..	6,210	5,041	11,251
Financial assistance grants ..	103,321	76,134	45,541	34,776	31,240	13,308	304,320
Additional financial assistance ..	4,646	3,727	4,240	2,003	1,364	1,520	17,500
Commonwealth Aid Roads(c) ..	14,940	10,877	9,796	6,200	9,487	2,700	54,000
Tuberculosis Act 1948—reimbursement of capital expenditure ..	70	55	315	13	34	5	492
National Welfare Fund—Tuberculosis Benefits—maintenance grants .. .. .	1,746	1,271	894	376	400	182	4,869
Mental institutions—contribution to capital expenditure .. .. .	647	..	38	52	58	..	795
Coal mining industry—long service leave(c) .. .. .	220	..	42	..	15	4	281
Grants to universities .. .. .	6,166	4,655	1,659	1,570	1,150	509	15,709
Cattle tick control .. .. .	268	..	..	..	..	..	268
Dairy industry extension grant ..	65	65	66	18	21	9	244
Expansion of agricultural advisory services .. .. .	76	60	56	27	26	18	263
Development of north-western Australia .. .. .	..	..	..	..	1,432	..	1,432
Railway projects(d) .. .. .	173	1,315	..	1,300	2,163	..	4,951
Cattle roads(d) .. .. .	..	..	1,000	..	700	..	1,700
Coal loading works—New South Wales(e) .. .. .	498	..	..	..	..	..	498
Natural disaster payments .. .. .	65	..	..	..	..	..	65
Replacement of Derby jetty(d) ..	..	..	..	..	300	..	300
Brigalow lands development(e) ..	..	..	600	..	..	..	600
Cattle dip chemicals .. .. .	48	..	5	..	..	..	53
Tobacco industry extension services	3	8	13	..	..	..	24
<b>Total .. .. .</b>	<b>138,360</b>	<b>101,989</b>	<b>66,274</b>	<b>48,001</b>	<b>55,775</b>	<b>24,049</b>	<b>434,448</b>

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

(b) 1958-59 to 1962-63. The following table shows particulars of payments by the Commonwealth to or on behalf of the States during each of these years.

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

Particulars	1958-59	1959-60	1960-61	1961-62	1962-63
<b>Financial Agreement—</b>					
Interest on States' debts .. ..	7,585	7,585	7,585	7,585	7,585
Sinking fund on States' debts(b) ..	5,386	5,942	6,274	6,739	7,248
Special grants .. .. .	20,750	8,326	8,618	11,231	11,251
Financial assistance grants .. ..	174,547	244,500	269,994	292,140	304,320
Special financial assistance .. ..	30,437	..	..	..	..
Additional financial assistance .. ..	..	..	..	10,000	17,500
Grants for road construction, etc.(c) ..	33,249	43,923	46,000	50,000	54,000
Commonwealth Aid Roads—special assistance .. .. .	2,950	..	..	..	..
Tuberculosis Act 1948—reimbursement of capital expenditure .. .. .	1,412	781	410	386	492
National Welfare Fund—Tuberculosis Benefits—maintenance grants .. ..	4,767	4,299	4,157	4,314	4,869
Mental institutions—contribution to capital expenditure .. .. .	1,120	1,147	727	824	795
Western Australian waterworks grants ..	524	609	517	61	..
Coal mining industry—long service leave(c)	525	484	380	290	281
Encouragement of meat production .. ..	16	6	7	5	..
Grants to universities .. .. .	6,919	7,628	11,227	14,161	15,709
Cattle tick control .. .. .	578	477	541	330	268
Dairy industry extension grant .. ..	261	247	243	246	244
Expansion of agricultural advisory services	236	218	264	260	263
Development of north-western Australia ..	171	484	1,208	1,705	1,432
Railway projects(d) .. .. .	1,882	3,723	4,716	4,000	4,951
Cattle roads(d) .. .. .	..	..	..	1,150	1,700
Coal loading works—New South Wales(e) ..	..	..	..	284	498
Natural disaster payments .. .. .	99	163	323	319	65
Eradication of house borers .. .. .	150	..	..	..	..
Replacement of Derby jetty(d) .. ..	..	..	..	..	300
Brigalow lands development(e) .. ..	..	..	..	..	600
Cattle dip chemicals .. .. .	..	..	..	..	53
Tobacco industry extension services .. ..	..	..	..	..	24
<b>Total .. .. .</b>	<b>293,564</b>	<b>330,542</b>	<b>363,191</b>	<b>406,030</b>	<b>434,448</b>

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

(c) The following table shows particulars of payments by the Commonwealth to each of the States to 30th June, 1963.

COMMONWEALTH PAYMENTS TO OR FOR THE STATES TO 30th JUNE, 1963(a)  
(£'000)

Particulars	N.S.W.	Vic.	Q'land	S. Aust.	W. Aust.	Tas.	Total
Section 87 of Constitution, 1900-01 to 1909-10 ..	27,732	19,988	8,921	6,193	8,758	2,612	74,204
Surplus Revenue Acts 1910-11 to 1926-27 ..	41,508	31,168	15,158	9,879	9,757	4,357	111,827
Financial agreements, 1927-28 to 1962-63 ..	139,885	96,885	51,567	37,293	26,700	14,392	366,722
Special grants(b) ..	..	..	..	78,096	119,401	55,178	252,675
Income tax reimbursement grants, 1942-43 to 1945-46(c) ..	55,419	24,330	22,212	9,038	9,492	3,409	123,900
Income tax reimbursement special grants, 1945-46 to 1946-47(c) ..	..	..	..	1,654	913	119	2,686
Entertainments tax reimbursement grants, 1942-43 to 1945-46(d) ..	603	1,399	..	364	368	138	2,872
Tax reimbursement grants, 1947-48 to 1958-59(e) ..	525,633	336,069	215,973	120,052	108,474	45,635	1,351,836
Additional tax reimbursement grants(f) ..	2,027	1,160	814	429	410	160	5,000
Special financial assistance(g) ..	80,419	55,320	31,388	17,345	15,603	6,799	206,874
Additional assistance(h) ..	1,989	1,061	1,125	368	315	142	5,000
Non-recurring grants from excess receipts, 1934-35 to 1936-37 ..	1,188	827	433	265	201	86	3,000
Financial assistance grants(i) ..	378,008	277,145	165,597	126,403	114,764	49,037	1,110,954
Additional financial assistance(j) ..	6,886	5,527	7,580	2,973	2,024	2,510	27,500
Special assistance(k) ..	23,131	8,467	8,250	4,923	14,560	1,195	60,526
Grants for road construction 1922-23 to 1962-63(l) ..	134,172	90,020	90,719	54,327	90,215	24,175	483,628
Payments to Commonwealth Aid Roads (Supplementary) Trust Account(m) ..	..	..	..	..	..	..	5,000
Tuberculosis Act 1948—reimbursement of capital expenditure ..	5,169	1,726	5,300	751	2,272	303	15,521
Tuberculosis Act 1948—maintenance grants ..	16,501	13,751	7,645	4,140	5,427	2,087	49,551
Mental institutions—contribution to capital expenditure ..	3,201	2,740	666	632	296	355	7,890
Encouragement of meat production ..	..	..	1,326	..	835	..	2,161
Grants to universities ..	27,536	17,163	7,782	7,147	5,327	3,342	68,297
Railways projects(n) ..	173	15,800	..	6,410	2,163	..	24,546
Total ..	1,471,180	1,000,546	642,456	488,682	538,275	216,031	4,362,170

(a) Includes non-recurring grants from excess receipts, but excludes payments on account of the Morgan-Whyalla Waterworks, amounts provided for relief of wheat-growers and other primary producers, and other payments for medical research, social services, etc. (b) Under various States Grants Acts. (c) Under States Grants (Income Tax Reimbursement) Act 1942. (d) Under States Grants (Entertainments Tax Reimbursement) Act 1942. (e) Under States Grants (Tax Reimbursement) Act 1946-1948. (f) Under States Grants (Additional Tax Reimbursement) Act 1950. (g) Under States Grants (Special Financial Assistance) Acts 1951 and 1952. (h) Under States Grants (Additional Assistance) Act 1958. (i) Under States Grants Act 1959. (j) Under States Grants (Additional Assistance) Act 1962. (k) Includes natural disaster (flood, cyclone, bush fire, drought, etc.) payments, unemployment relief, metalliferous mining, forestry, local public works, grants for price control reimbursement, coal strike emergency grant, grants for imported houses, Port Augusta-Port Pirie railway, Western Australian waterworks, cattle tick control, dairy industry extension, agricultural advisory services, cattle roads, coal-loading works, eradication of house borers, brigalow lands, cattle dip chemicals, tobacco industry extension services, etc. (l) Under Main Roads Development, Federal Aid Roads, Federal Aid Roads and Works and Commonwealth Aid Roads Acts. (m) Expenditure not allocable between States. (n) Under the Railway Standardization (South Australia) Agreement Act 1949 and the Railway Standardization (New South Wales and Victoria) Agreement Act 1958. Includes repayable advances.

(iii) *Financial Agreement.* Details of the Financial Agreement between the Commonwealth and the States are given in Year Book No. 37, pages 685-90. Under this Agreement, the Commonwealth undertook to contribute £7,584,912 per annum towards interest payable on the State loan securities for a period of 58 years from 1st July, 1927. This amount is distributed among the States as follows:—New South Wales, £2,917,411; Victoria, £2,127,159; Queensland, £1,096,235; South Australia, £703,816; Western Australia, £473,432; Tasmania, £266,859.

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

In addition, under the Financial Agreement, the Commonwealth agreed to make certain contributions to the National Debt Sinking Fund for redemption of State loan securities. Details of these are given on pages 952-3 of this chapter.

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

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

Applications have been received from South Australia, Western Australia and Tasmania each year from 1933 onwards, and the recommendations of the Commission in respect of the years 1959-60 to 1963-64 are shown in the following table. Commencing with 1949-50, the Commission has divided the grants recommended into two parts. One part is the Commission's estimate of the indispensable need of the claimant State for the year in which the payment is to be made after allowing a sufficient margin for safety. The other part is an adjustment of this estimate for an earlier year after an examination of the audited accounts for that year. Thus the grants for 1963-64 include an estimate of the indispensable need of the claimant State for 1963-64 and an adjustment to the estimated grant for 1961-62. South Australia agreed with the Commonwealth not to apply for special grants in other than exceptional circumstances after 1st July, 1959, when the new financial arrangements under the *States Grants Act 1959* came into operation (see sub-para. (v) below).

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

Particulars	1959-60	1960-61	1961-62	1962-63	1963-64
South Australia—					
Estimated grant .. ..	..	..	..	..	..
Adjustment(a) .. ..	(b) 1,426	..	..	..	..
<i>Net grant recommended</i> ..	<u>1,426</u>	..	..	..	..
Western Australia—					
Estimated grant .. ..	3,149	3,700	5,200	5,900	5,900
Adjustment(a) .. ..	351	609	956	310	172
<i>Net grant recommended</i> ..	<u>3,500</u>	<u>4,309</u>	<u>6,156</u>	<u>6,210</u>	<u>6,072</u>
Tasmania—					
Estimated grant .. ..	2,597	3,400	4,100	4,900	5,100
Adjustment(a) .. ..	803	909	975	141	278
<i>Net grant recommended</i> ..	<u>3,400</u>	<u>4,309</u>	<u>5,075</u>	<u>5,041</u>	<u>5,378</u>
<b>Grand Total .. ..</b>	<b>8,326</b>	<b>8,618</b>	<b>11,231</b>	<b>11,251</b>	<b>11,450</b>

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

(b) Includes the final adjusting

(v) *Financial Assistance Grants.* The *States Grants Act 1959* repealed the *States Grants (Tax Reimbursement) Acts* of 1946, 1947 and 1948 and provided for payment of financial assistance to the States in 1959-60 amounting to £244,500,000 to be distributed among the States as follows:—New South Wales, £83,450,000; Victoria, £60,625,000; Queensland, £36,375,000; South Australia, £27,675,000; Western Australia, £25,462,000; Tasmania, £10,913,000. In subsequent years, the financial assistance grant payable to each State has been determined by increasing its grant for 1959-60 in accordance with a formula which takes into account movements in population in each State and the increases (if any) in the level of average wages per person employed as shown in returns submitted under the *Pay-roll Tax Assessment Act 1941-1961*. In 1962-63, the grants determined according to this formula were as follows:—New South Wales, £103,321,000; Victoria, £76,134,000; Queensland, £45,541,000; South Australia, £34,776,000; Western Australia, £31,240,000; Tasmania, £13,308,000.

Details of the *States Grants (Income Tax Reimbursement) Act 1942* and the *States Grants (Entertainments Tax Reimbursement) Act 1942* are given in earlier issues of the Year Book (see No. 37, pp. 635–7). These Acts provided for grants to the States as compensation for vacating the fields of income tax and entertainments tax. Grants under these Acts ceased after 1945–46 and were replaced by grants under the *States Grants (Tax Reimbursement) Act 1946–1948* which expired after 1958–59. See Year Book No. 46, pages 837–8.

(vi) *Special Financial Assistance Grants*. During the years 1954–55 to 1958–59, special assistance grants amounting to £19,902,000, £15,348,000, £19,405,000, £24,145,000 and £30,437,000, respectively, were made to assist the States in meeting their increasing financial needs. For details of amounts paid to each State see earlier issues of the Year Book or the annual bulletin *Commonwealth Finance*.

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

During 1961–62 and 1962–63 additional assistance grants of £10,000,000 and £17,500,000, respectively were provided for the States on a non-repayable basis under the authority of the *States Grants (Additional Assistance) Acts 1962* and 1963 for expenditure on employment-giving activities, mainly in the works field.

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

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

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

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

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

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

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

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

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

(xi) *Other Payments*. (a) *Western Australian Waterworks*. The *Western Australia Grant (Water Supply) Act 1948-1957* provides for grants to Western Australia not exceeding an aggregate of £5,000,000 for the development of the Agricultural Areas, Great Southern Towns and Goldfields Water Supply schemes. The amount provided by the Commonwealth was limited to half the total expenditure on the scheme. (see also pp. 681-2)

(b) *Coal Mining Industry—Long Service Leave*. To provide funds for the payment for long service leave in the coal mining industry, the Commonwealth imposed an excise duty on coal produced of 6d. a ton between 1st November, 1949, and 26th August, 1951; 7½d. a ton from 26th August, 1951, and 30th May, 1952; 8d. a ton from 30th May, 1952, to 1st September, 1959; and 5d. a ton from 1st September, 1959, to 1st June, 1961. The rate of excise was fixed at 4d. a ton from 1st June, 1961, when the excise was removed from coal produced for export. The proceeds of this excise duty are paid to a trust fund out of which the States are reimbursed for expenditure incurred in granting long service leave to employees in the coal mining industry.

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

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

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

Under the *States Grants (Universities) Act 1960*, which carried on the principle of grants for capital works and equipment introduced in the 1958 legislation, payments of up to £42,000,000 over the three calendar years 1961, 1962 and 1963 are to be made to the States. (See also Chapter XIX. Education, Cultural Activities, and Research, pp. 737-741.)

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

(f) *Western Australia Northern Development*. The Commonwealth provides financial assistance of up to £5,000,000 to the State of Western Australia under the *Western Australia Grant (Northern Development) Act 1958-1959* in respect of developmental expenditure by the State in the area of Western Australia north of the twentieth parallel of latitude during the period of five years commencing on 1st July, 1958. Under the scheme, Commonwealth



assistance is provided in respect of projects, nominated by the State, which the Commonwealth is satisfied will contribute to the development of the area and which could not reasonably be expected to be carried out during the period of five years without the grant of Commonwealth assistance.

Payments to the State during 1962-63 amounted to £1,432,000, bringing total payments by the Commonwealth in respect of the scheme to £5,000,000.

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

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

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

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

The total expenditure on railway standardization (the 30 per cent. advances to the States and the 70 per cent. grants to the States) is charged to the capital works and services vote of the Department of Shipping and Transport.

(j) *Cattle Roads Grants.* The *Queensland Grant (Beef Cattle Roads) Act 1961* provides for a grant of £5,000,000 to be paid to Queensland over the five-year period commencing 1st July, 1961, for expenditure on approved roads for the transport of beef cattle. In 1962-63, an amount of £1,000,000 was paid to the State.

Under the *Western Australia Grant (Beef Cattle Roads) Act 1961*, a special grant of £700,000 was made to Western Australia in 1962-63 for certain work on roads and bridges in the north of the State.

(k) *Coal Loading Works—New South Wales.* Under the *Coal Loading Works Agreement (New South Wales) Act 1961*, the Commonwealth is providing financial assistance to New South Wales of up to £2,650,000, partly by way of repayable advances from the Consolidated Revenue Fund and partly by grants from the Coal Industry Fund of the Joint Coal Board, for improvements to coal loading facilities at Newcastle, Port Kembla and Balmain. In 1962-63, repayable advances amounted to £498,000 and grants to £302,000.

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

(m) *Brigalow Lands.* Under the *Brigalow Lands Agreement Act 1962*, Commonwealth advances to the State of Queensland for specified works associated with the production of beef cattle and other primary products in the Fitzroy River Basin and the supply of beef for export were limited to £7,250,000 during the period of five years ending 30th June, 1967. Repayments over a twenty year period are to commence in 1968. Advances amounted to £600,000 in 1962-63.

(n) *Cattle Dip Chemicals.* In 1962-63, special payments of £48,000 to New South Wales and £5,000 to Queensland were made by the Commonwealth towards the cost of changing the chemicals in cattle dips.

(o) *Tobacco Industry Extension Services.* In 1962-63, the Commonwealth provided £24,000 for additional extension services for tobacco growers in New South Wales, Victoria and Queensland.

11. **Primary Production Research and Sales Promotion, Export Funds, etc.—** Expenditure under this item includes the proceeds of special industry taxes and profits from marketing schemes which are paid to trust funds or other authorities for the purposes of the industries concerned. Information relating to the taxes levied is given in sub-section Revenue of this section (*see pp. 914-18*). Details of expenditure from the trust funds are included in § 4, Commonwealth Trust Funds. Details of expenditure from the Consolidated Revenue Fund during the last five years are given in the following table.

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

(£'000)

Particulars	1958-59	1959-60	1960-61	1961-62	1962-63
<b>Research and sales promotion—</b>					
Canned fruit (sales promotion) .. .. .	..	35	27	53	42
Cattle and beef research .. .. .	..	..	82	170	504
Dairy produce research .. .. .	..	162	198	277	262
Dairy produce sales promotion .. .. .	..	207	222	262	263
Tobacco industry research .. .. .	..	72	112	125	169
Wheat research .. .. .	..	207	187	262	234
Wool research .. .. .	..	1,389	1,542	1,507	1,463
Wool use promotion .. .. .	..	926	1,028	1,168	2,346
<b>Export funds—</b>					
Apple and pear .. .. .	..	43	45	81	102
Canned fruits .. .. .	..	70	76	59	66
Dairy produce .. .. .	..	96	100	81	104
Dried fruits .. .. .	..	51	43	34	54
Egg .. .. .	..	6	36	60	34
Honey .. .. .	..	..	..	..	2
Meat .. .. .	..	160	131	100	139
Wine .. .. .	..	140	109	93	112
<b>Other—</b>					
Meat agreement deficiency payments .. .. .	..	..	..	264	53
Fisheries development .. .. .	..	114	9	1	..
Other .. .. .	..	26	17	5	2
<b>Total .. .. .</b>	<b>3,451</b>	<b>3,839</b>	<b>4,053</b>	<b>5,895</b>	<b>6,210</b>

12. **Other Expenditure.**—Expenditure shown in this table covers expenditure not included under the other headings shown in the table in paragraph 1, page 919, and in the main relates to expenditure on administrative services and other activities (i.e. what might be termed "running expenses").

Information on the functions of departments and the Acts administered by the Ministers of Departments may be found on pages 87-98 of Year Book No. 49.

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

Department	1958-59	1959-60	1960-61	1961-62	1962-63
Governor-General .. .. .	147	164	148	171	172
Parliament .. .. .	1,715	2,080	2,120	2,076	2,139
Prime Minister—					
Audit Office .. .. .	623	709	725	771	846
Public Service Board .. .. .	667	755	829	868	919
National Library .. .. .	201	280	353	463	517
High Commissioner's Office, London .. .. .	832	928	966	1,083	1,165
Australian National University .. .. .	1,404	1,684	2,389	3,200	3,510
Australian Universities Commission .. .. .	..	23	28	29	44
Commonwealth Grants Commission .. .. .	21	24	26	27	29
Office of Education .. .. .	408	385	412	521	652
Security services .. .. .	498	578	669	661	705
Commonwealth Scholarship Scheme .. .. .	1,587	2,100	2,551	2,927	3,535
Grants-in-aid .. .. .	175	324	224	360	361
Departmental, n.e.i. .. .. .	605	799	676	785	1,116
<i>Total, Prime Minister .. .. .</i>	<i>7,021</i>	<i>8,589</i>	<i>9,848</i>	<i>11,695</i>	<i>13,399</i>
External Affairs—					
Oversea representation .. .. .	1,655	1,983	2,320	2,690	3,072
United Nations and allied organizations .. .. .	927	993	1,264	2,737	1,198
Colombo Plan—Economic development .. .. .	2,152	3,172	2,870	2,232	2,764
Technical assistance .. .. .	1,252	1,292	1,572	1,767	2,058
Indus Basin Development .. .. .	..	..	268	1,358	968
Other international development and relief .. .. .	693	758	1,097	910	1,127
Departmental, n.e.i. .. .. .	953	1,002	995	1,104	1,198
Antarctic Division .. .. .	527	738	764	731	814
<i>Total, External Affairs .. .. .</i>	<i>8,159</i>	<i>9,938</i>	<i>11,150</i>	<i>13,529</i>	<i>13,199</i>
Treasury—					
Taxation Branch and Boards of Review .. .. .	8,641	9,822	10,200	10,987	11,314
Bureau of Census and Statistics .. .. .	1,493	1,841	2,188	3,324	2,786
Commonwealth Superannuation Board .. .. .	88	108	127	144	134
Superannuation Act—total Government contributions .. .. .	4,773	5,356	5,978	6,861	7,464
I.B.R.D., I.M.F. and I.D.A. .. .. .	20,302	14,742	3,380	3,634	15,574
Departmental, n.e.i. .. .. .	1,056	1,393	1,321	1,510	1,530
<i>Total, Treasury .. .. .</i>	<i>36,353</i>	<i>33,262</i>	<i>23,194</i>	<i>26,460</i>	<i>38,802</i>
Attorney-General—					
Crown Solicitor .. .. .	343	413	420	439	480
High Court .. .. .	131	148	158	169	166
Bankruptcy .. .. .	180	197	214	242	261
Conciliation and Arbitration Commission, Industrial Court and Registrar .. .. .	245	281	318	352	367
Patents, Trade Marks and Designs .. .. .	414	475	476	520	589
Other branches .. .. .	396	516	533	586	646
Departmental, n.e.i. .. .. .	314	321	375	403	467
<i>Total, Attorney-General .. .. .</i>	<i>2,023</i>	<i>2,351</i>	<i>2,494</i>	<i>2,711</i>	<i>2,976</i>
Interior—					
Electoral Branch .. .. .	911	702	694	1,110	784
Bureau of Meteorology .. .. .	1,372	1,655	1,727	1,861	1,996
Ionospheric Prediction Service .. .. .	44	52	57	74	79
Forestry Branch .. .. .	144	190	195	234	225
News and Information Bureau .. .. .	417	453	479	529	620
Rents on behalf of other Departments .. .. .	957	967	1,210	1,220	1,353
Departmental, n.e.i. .. .. .	1,308	1,230	1,491	1,595	1,646
<i>Total, Interior .. .. .</i>	<i>5,153</i>	<i>5,249</i>	<i>5,853</i>	<i>6,623</i>	<i>6,703</i>
Works—					
Repairs and maintenance on behalf of other Departments .. .. .	1,167	1,212	1,118	1,091	1,072
Other .. .. .	2,145	2,870	2,827	3,526	4,018
<i>Total, Works .. .. .</i>	<i>3,312</i>	<i>4,082</i>	<i>3,945</i>	<i>4,617</i>	<i>5,090</i>

COMMONWEALTH CONSOLIDATED REVENUE FUND: OTHER  
EXPENDITURE—continued

(£'000)

Department	1958-59	1959-60	1960-61	1961-62	1962-63
<b>Civil Aviation—</b>					
Maintenance and development of civil aviation .. .. .	7,066	7,594	7,528	7,613	8,164
Meteorological services .. .. .	653	776	828	895	960
Departmental, n.e.i. .. .. .	3,087	3,484	3,651	3,888	4,246
<i>Total, Civil Aviation</i> .. .. .	<i>10,806</i>	<i>11,854</i>	<i>12,007</i>	<i>12,396</i>	<i>13,370</i>
<b>Customs and Excise—</b>					
Refunds of diesel fuel taxation .. .. .	989	278	115	129	106
Departmental .. .. .	4,351	5,097	5,793	5,266	5,521
<i>Total, Customs and Excise</i> .. .. .	<i>5,340</i>	<i>5,375</i>	<i>5,908</i>	<i>5,395</i>	<i>5,627</i>
<b>Health</b> .. .. .	2,283	2,679	3,009	3,313	4,297
<b>Trade—</b>					
Tariff Board .. .. .	134	166	175	208	215
Commercial intelligence services abroad .. .. .	619	694	871	1,016	1,188
Departmental, n.e.i. .. .. .	2,320	1,990	2,144	2,566	2,750
<i>Total, Trade</i> .. .. .	<i>3,073</i>	<i>2,850</i>	<i>3,190</i>	<i>3,790</i>	<i>4,153</i>
<b>Primary Industry—</b>					
Inspection of goods for export .. .. .	1,144	1,321	1,360	1,446	1,593
Division of Agricultural Economics .. .. .	133	157	172	188	186
Departmental, n.e.i. .. .. .	673	751	769	960	1,018
<i>Total, Primary Industry</i> .. .. .	<i>1,950</i>	<i>2,229</i>	<i>2,301</i>	<i>2,594</i>	<i>2,797</i>
<b>Social Services—</b>					
Homes for aged persons—grants to eligible organizations .. .. .	1,767	1,872	2,154	3,473	3,186
Departmental .. .. .	3,378	3,888	4,013	4,449	4,730
<i>Total, Social Services</i> .. .. .	<i>5,145</i>	<i>5,760</i>	<i>6,167</i>	<i>7,922</i>	<i>7,916</i>
<b>Shipping and Transport—</b>					
Marine Services Division .. .. .	1,224	1,367	1,402	1,389	1,393
Road safety practices .. .. .	150	150	150	150	150
Departmental, n.e.i. .. .. .	1,036	546	411	561	577
<i>Total, Shipping and Transport</i> .. .. .	<i>2,410</i>	<i>2,063</i>	<i>1,963</i>	<i>2,100</i>	<i>2,120</i>
<b>Territories</b> .. .. .	271	341	376	428	454
<b>Immigration—</b>					
Assisted migration .. .. .	7,188	7,567	7,348	5,984	7,209
Other migration activities .. .. .	1,862	1,811	1,994	2,578	2,466
Departmental, n.e.i. .. .. .	1,956	2,130	2,245	2,329	2,418
<i>Total, Immigration</i> .. .. .	<i>11,006</i>	<i>11,508</i>	<i>11,587</i>	<i>10,891</i>	<i>12,093</i>
<b>Labour and National Service—</b>					
Stevedoring Industry Charge .. .. .	4,572	3,718	3,542	3,436	4,418
Departmental .. .. .	2,141	2,444	2,483	2,637	2,824
<i>Total, Labour and National Service</i> .. .. .	<i>6,713</i>	<i>6,162</i>	<i>6,025</i>	<i>6,073</i>	<i>7,242</i>
<b>National Development—</b>					
Bureau of Mineral Resources .. .. .	784	1,027	1,346	1,683	2,010
Division of National Mapping .. .. .	312	415	417	577	673
Joint Coal Board .. .. .	170	175	187	155	187
Australian Atomic Energy Commission .. .. .	1,525	2,233	2,379	2,804	3,259
Departmental, n.e.i. .. .. .	233	293	816	387	408
<i>Total, National Development</i> .. .. .	<i>3,024</i>	<i>4,143</i>	<i>5,145</i>	<i>5,606</i>	<i>6,537</i>
<b>Commonwealth Scientific and Industrial Research Organization</b> .. .. .	6,223	7,216	7,738	8,582	9,494
<b>Total, Other Expenditure</b> .. .. .	<b>122,127</b>	<b>127,895</b>	<b>124,168</b>	<b>136,972</b>	<b>158,580</b>

## § 4. Commonwealth Trust Funds

1. Receipts, Expenditure and Balances, 1962-63.—The following table shows the opening and closing balances and receipts and expenditure of some of the more important trust funds of the Commonwealth for the year ended 30th June, 1963.

## COMMONWEALTH TRUST FUNDS: RECEIPTS, EXPENDITURE AND BALANCES, 1962-63

(£'000)

Fund	Balance at 30th June, 1962	Year ended 30th June, 1963		Balance at 30th June, 1963
		Receipts	Expenditure	
Canadian Loan .. .. .	7,327	302	252	7,377
Coal Mining Industry Long Service Leave	1,893	383	477	1,799
Coinage .. .. .	..	2,928	2,928	..
Commonwealth Aid Roads (Supplementary)	67	—67	..	..
Defence Forces Retirement Benefits ..	19,205	6,742	3,466	22,481
Insurance Deposits .. .. .	10,278	1,928	1,214	10,992
Imperial Pensions .. .. .	453	5,207	5,165	495
International Development and Relief ..	192	330	286	236
Korean Operations Pool .. .. .	11,464	..	..	11,464
Lend-Lease Settlement .. .. .	489	30	190	329
Loan Consolidation and Investment Reserve	294,637	41,501	103,816	232,322
National Debt Sinking Fund .. .. .	143,239	81,818	57,596	167,461
National Welfare .. .. .	205,054	381,353	379,294	207,113
Parliamentary Retiring Allowances ..	473	135	93	515
Pensions Suspense .. .. .	112	—101	11	..
Post Office Stores and Services .. .. .	14	58,938	58,282	670
Superannuation .. .. .	91,383	22,343	11,037	102,689
Swiss Loan .. .. .	15,700	558	..	16,258
Taxation Refunds Suspense .. .. .	21	—19	2	..
Temple Society .. .. .	511	1,004	818	697
Tobacco Industry .. .. .	90	157	171	76
War Service Homes .. .. .	..	38,772	38,772	..
War Service Homes—Insurance .. .. .	836	306	311	831
Wheat Industry Stabilization .. .. .	266	..	266	..
Wheat Prices Stabilization .. .. .	..	7,288	7,288	..
Wheat Research .. .. .	763	600	511	852
Wine Research .. .. .	427	20	19	428
Wool Research .. .. .	8,654	1,907	2,741	7,820
Other .. .. .	13,925	67,339	67,459	13,805
<b>Total .. .. .</b>	<b>827,473</b>	<b>721,702</b>	<b>742,465</b>	<b>806,710</b>

2. Summary, 1958-59 to 1962-63.—In the following table, the balances and total receipts and expenditure of the trust funds are shown for each of these years.

## COMMONWEALTH TRUST FUNDS

(£'000)

Particulars	1958-59	1959-60	1960-61	1961-62	1962-63
Balances brought forward .. .. .	888,033	810,099	767,830	874,117	827,473
Receipts .. .. .	880,171	915,830	1,059,621	715,831	721,702
Expenditure .. .. .	958,105	958,099	953,334	762,475	742,465
Balance carried forward .. .. .	810,099	767,830	874,117	827,473	806,710

### § 5. Commonwealth Loan Fund

1. **General.**—Brief historical notes relating to the Commonwealth Loan Fund are given in earlier issues of the Year Book (see No. 37, p. 640). The following tables show details for the years 1958–59 to 1962–63 of receipts by, and expenditure from, Commonwealth Loan Fund in respect of loans raised for both Commonwealth and State Governments. Information relating to the Commonwealth Government securities on issue is given in the Division, Government Securities on Issue, Commonwealth and States, of this chapter.

2. **Loans raised for the Commonwealth.**—The following table shows the receipts by, and expenditure from, Commonwealth Loan Fund in respect of loans raised for the Commonwealth Government during the years 1958–59 to 1962–63.

#### COMMONWEALTH LOAN FUND: LOANS RAISED FOR THE COMMONWEALTH (£'000)

Particulars	1958–59	1959–60	1960–61	1961–62	1962–63
<b>RECEIPTS</b>					
Balance from 30th June .. ..	450	493	167	79	98
Loans raised in Australia—					
Stocks and bonds .. .. .	32,232	24,677	29,808	41,000	28,915
Special bonds .. .. .	5,904	4,797	6,733	10,528	19,486
Advance loan subscriptions .. ..	202	Dr. 85	Dr. 785	1,374	11,407
Treasury bills—Public (net) .. ..	31,000	30,000	Dr. 15,000	36,600	Dr. 58,700
Treasury bills—Internal (investment of Trust Fund) (net) .. .. .	5,300	Dr. 18,087	17,600	2,700	38,900
Treasury notes .. .. .	..	..	..	..	69,490
Peace savings certificates .. .. .	2	2	2	1	1
Loans raised overseas—					
London—Stock and bonds .. .. .	3,145	14,895	14,635	1	2,707
New York—Bonds .. .. .	1,851	12,581	1,763	6,997	17,465
Loan—Qantas Empire Airways Limited ..	6,033	4,646	1,573	11,827	2,067
Loan—Australian National Airlines Commission .. .. .	1,337	..	892	..	560
International Bank dollar loan .. ..	7,492	..	..	..	14,236
Canadian bonds .. .. .	..	..	1,439	..	..
Swiss loan .. .. .	..	6,117	1,005	..	..
Netherlands loan .. .. .	..	..	..	886	..
Total, Loans Raised .. .. .	94,498	79,543	59,665	111,914	146,534
Deduct—					
Expenses of floatation—					
Loans raised in Australia .. .. .	556	502	Cr. 196	Cr. 159	902
London loans .. .. .	230	Cr. 183	525	Cr. 526	42
New York loans .. .. .	46	345	33	60	455
Canadian loans .. .. .	..	..	33	Cr. 3	..
Swiss loans .. .. .	..	347	62	..	..
Netherlands loan .. .. .	..	..	..	42	..
Total, Deductions .. .. .	832	1,011	457	Cr. 586	1,399
Total .. .. .	93,666	78,532	59,208	112,500	145,135
<b>Grand Total</b> .. .. .	<b>94,116</b>	<b>79,025</b>	<b>59,375</b>	<b>112,579</b>	<b>145,233</b>
<b>EXPENDITURE</b>					
Financial assistance to States for housing—					
New South Wales .. .. .	12,000	12,350	13,000	17,003	16,300
Victoria .. .. .	10,300	10,300	10,300	13,527	12,850
Queensland .. .. .	3,310	3,480	3,100	4,200	3,900
South Australia .. .. .	5,000	5,000	5,800	9,036	9,491
Western Australia .. .. .	3,000	3,000	3,000	3,706	3,470
Tasmania .. .. .	2,200	1,950	2,000	2,928	2,600
Total .. .. .	35,810	36,080	37,200	50,400	48,611
Defence services .. .. .	37,308	11,987	..	23,641	66,070
War and repatriation services .. ..	5,700	6,937	2,027	1,577	607
Loan—Qantas .. .. .	6,033	4,646	1,573	11,827	2,067
Loan—Australian National Airlines Commission .. .. .	1,337	..	892	..	560
Mount Isa Railway Agreement .. ..	..	..	..	3,750	5,959
Snowy Mountains Hydro-electric Authority ..	..	..	..	..	13,100
International Bank dollar loans—Paid to National Debt Sinking Fund .. ..	7,492	..	..	..	..
Works and other purposes—Repayments ..	Cr. 67	Cr. 43	Cr. 52	Cr. 30	Cr. 17
Redemptions—					
Treasury bills—Internal .. .. .	..	18,013	..	12,900	..
Stock and bonds—Australia .. .. .	9	4	4	3	4,649
Stock and bonds—London .. .. .	..	..	14,636	..	..
Bonds—New York .. .. .	..	..	..	5,055	..
Savings stamps .. .. .	1	..	..	..	..
Special bonds .. .. .	..	1,234	3,016	3,358	3,578
Balance at 30th June .. .. .	493	167	79	98	49
<b>Grand Total</b> .. .. .	<b>94,116</b>	<b>79,025</b>	<b>59,375</b>	<b>112,579</b>	<b>145,233</b>

3. Loans raised for the States.—The following table shows the receipts by, and expenditure from, Commonwealth Loan Fund in respect of loans raised for the State Governments during the years 1958–59 to 1962–63.

## COMMONWEALTH LOAN FUND: LOANS RAISED FOR THE STATES

(£'000)

Particulars	1958–59	1959–60	1960–61	1961–62	1962–63
<b>RECEIPTS</b>					
Balance from 30th June .. ..	..	36	..	..	..
<b>Loans raised in Australia—</b>					
Stock and bonds .. ..	125,717	150,387	163,839	168,628	180,811
Special bonds .. ..	21,238	21,380	12,364	16,841	19,596
<b>Loans raised overseas—</b>					
London—Stock and bonds .. ..	33,106	..	14,747	..	16,110
New York—Bonds .. ..	9,005	9,067	9,134	17,011	19,644
Canadian bonds .. ..	..	..	7,459	..	..
Swiss bonds .. ..	..	..	5,206	..	..
Netherlands bonds .. ..	..	..	..	4,071	..
<b>Total .. ..</b>	<b>189,066</b>	<b>180,870</b>	<b>212,749</b>	<b>206,551</b>	<b>236,161</b>

## EXPENDITURE

<b>Payments of loan proceeds to the States—</b>					
New South Wales .. ..	55,090	58,140	60,694	62,298	65,404
Victoria .. ..	43,912	46,086	48,619	49,545	52,680
Queensland .. ..	19,232	18,629	21,075	23,150	21,288
South Australia .. ..	24,300	25,385	25,967	25,148	25,729
Western Australia .. ..	16,756	17,684	18,640	19,581	20,522
Tasmania .. ..	11,954	12,928	13,445	14,498	14,884
<b>Total .. ..</b>	<b>171,244</b>	<b>178,852</b>	<b>188,440</b>	<b>194,220</b>	<b>200,507</b>
<b>Redemptions—</b>					
Stock and bonds—Australia .. ..	..	..	4,981	..	27,310
Special bonds .. ..	..	1,981	4,581	4,239	4,271
London .. ..	17,786	37	14,747	..	4,073
New York .. ..	..	..	..	8,092	..
Balance at 30th June .. ..	36	..	..	..	..
<b>Grand Total .. ..</b>	<b>189,066</b>	<b>180,870</b>	<b>212,749</b>	<b>206,551</b>	<b>236,161</b>

## STATE FINANCE

## § 1. General

1. Functions of State Governments.—In comparing the financial returns of the States, allowances must be made for the various functions discharged by the respective governments, and for local conditions in each case. Direct comparisons of the revenue, expenditure, and debt of the individual States are difficult, owing to the fact that functions which in one State are assumed by the central government are in another delegated to local government or semi-governmental bodies which are vested with certain defined borrowing powers and whose financial transactions are not included with those of the central government.

Care is needed, therefore, in making comparisons, and the particulars contained in this chapter should be read with those contained in Chapter XX. Local Government. In many respects, moreover, the budgets of the Australian governments differ materially from those of most European countries, owing to the inclusion therein of the revenue and expenditure of departments concerned with rendering public services, such as railways, tramways, water supply, etc., which in other countries are often left to private enterprise.

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

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

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

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

**3. Inter-relation of Commonwealth and State Finances.**—A statement in some detail, covering the inter-relation of Commonwealth and State finances during the period from the inception of federation to the passing of the *Financial Agreement Act 1928*, was published in Year Book No. 22, pages 379–80. Changes in the financial relations between the Commonwealth and States since the passing of the Financial Agreement Act have been described in issues of the Year Book from year to year (*see also* pp. 952–3).

## § 2. State Consolidated Revenue Funds

### REVENUE

**1. General.**—The principal sources of State revenue are:—(a) taxation; (b) the business undertakings controlled by the State Governments; (c) sale of and rental from crown lands; (d) interest on advances; (e) payments by the Commonwealth Government under the Financial Agreements, Special Grants and Financial Assistance Acts, etc.; (f) Commonwealth National Welfare Fund payments; and (g) miscellaneous sources, comprising fines, fees, etc.

Of these sources, that yielding the largest revenue to the Consolidated Revenue Funds for the States as a whole in the year 1962–63 was Commonwealth payments under financial assistance and other grants (40.2 per cent. of the total revenue). Next in magnitude was the group of business undertakings (29.4 per cent.), the principal contributors being the Government railways and tramways, followed by taxation receipts (16.6 per cent.). More than one-quarter of the total State taxation collections are not paid into Consolidated Revenue Funds, however, but into special funds (*see* para. 3 (ii) (b) following). Of the remaining sources of revenue, interest (n.e.i.) constituted 4.0 per cent., land revenue 1.9 per cent., and National Welfare Fund payments 1.1 per cent.

**2. Revenue Received.**—The following table shows particulars of the total amounts, and the amounts per head of population, of Consolidated Revenue received by the several States during the years 1958–59 to 1962–63.



## STATE CONSOLIDATED REVENUE

Year	N.S.W.(a)	Vic.	Q'land	S. Aust.	W. Aust.	Tas.	Total
<b>TOTAL REVENUE</b> (£'000)							
1958-59 ..	239,769	151,248	99,007	68,030	60,068	21,837	639,959
1959-60 ..	262,533	168,310	103,103	76,077	64,388	25,099	699,510
1960-61 ..	282,364	185,101	108,817	81,979	69,333	27,795	755,389
1961-62 ..	295,612	196,309	117,325	89,102	74,926	31,293	804,567
1962-63 ..	312,630	207,076	123,491	93,684	78,591	31,659	847,131
<b>PER HEAD OF POPULATION</b> (£)							
1958-59 ..	64.30	55.00	68.25	74.90	85.10	64.49	64.76
1959-60 ..	69.15	59.69	69.75	81.49	89.76	72.94	69.33
1960-61 ..	72.85	63.98	72.37	85.65	95.01	79.40	73.27
1961-62 ..	74.87	66.34	76.84	90.91	100.46	87.73	76.50
1962-63 ..	77.86	68.53	79.60	93.78	102.81	87.43	79.07

(a) See § 1, para. 2, p. 938, for transactions included.

3. Sources of Revenue.—(i) *General.* Classifying the revenue of the several States in the manner indicated in para. 1 above, particulars for the year 1962-63 were as follows.

## STATE CONSOLIDATED REVENUE: SOURCES, 1962-63

Source of revenue	N.S.W. (a)	Vic.	Q'land	S. Aust.	W. Aust.	Tas. (b)	Total
<b>TOTAL REVENUE</b> (£'000)							
Taxation(c) .. ..	52,805	45,386	17,004	13,470	7,621	4,614	140,900
Business undertakings ..	110,482	54,201	36,633	24,964	22,551	81	248,912
Lands .. ..	5,563	3,369	4,211	842	1,751	627	16,363
Interest, n.e.i. .. ..	2,438	7,992	5,989	8,110	3,461	5,540	33,530
Commonwealth grants(d)—							
Financial assistance ..	103,321	76,134	45,541	34,776	31,240	13,308	304,320
Other(e) .. ..	7,944	5,854	6,472	4,295	6,684	5,308	36,557
Commonwealth National							
Welfare Fund payments(f)	6,049	1,490	652	967	74	327	9,559
Miscellaneous .. ..	24,028	12,650	6,989	6,260	5,209	1,854	56,990
<b>Total .. ..</b>	<b>312,630</b>	<b>207,076</b>	<b>123,491</b>	<b>93,684</b>	<b>78,591</b>	<b>31,659</b>	<b>847,131</b>
<b>PER HEAD OF POPULATION</b> (£)							
Taxation(c) .. ..	13.15	15.02	10.96	13.48	9.97	12.74	13.15
Business undertakings ..	27.51	17.94	23.61	24.99	29.50	0.23	23.23
Lands .. ..	1.39	1.12	2.71	0.84	2.29	1.73	1.53
Interest, n.e.i. .. ..	0.61	2.64	3.86	8.12	4.53	15.30	3.13
Commonwealth grants(d)—							
Financial assistance ..	25.73	25.19	29.36	34.81	40.87	36.75	28.41
Other(e) .. ..	1.98	1.94	4.17	4.30	8.74	14.66	3.41
Commonwealth National							
Welfare Fund payments(f)	1.51	0.49	0.42	0.97	0.10	0.87	0.89
Miscellaneous .. ..	5.98	4.19	4.51	6.27	6.81	5.15	5.32
<b>Total .. ..</b>	<b>77.86</b>	<b>68.53</b>	<b>79.60</b>	<b>93.78</b>	<b>102.81</b>	<b>87.43</b>	<b>79.07</b>

(a) See § 1, para. 2, p. 938.

(b) Tasmanian transport services are under the separate control of semi-governmental authorities.

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

(d) Excludes Commonwealth payments paid to trust funds.

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

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

(ii) *Revenue from Taxation.* (a) *General.* In the tables on taxation collections in these paragraphs, the collections have been grouped according to the nature of the tax rather than the method of collection. For example, stamp duties on betting tickets and bookmakers' licences have been included under Racing instead of under Stamp duties and Licences respectively.

Prior to federation, customs and excise duties were the principal source of revenue from taxation. Thereafter, until the introduction of the uniform income tax scheme in 1942-43, the highest yields from the State taxation were drawn from the various income taxes which, in 1941-42, included unemployment relief, State development, and hospital taxes. From 1942-43 to 1958-59, the States were reimbursed by the Commonwealth for the revenue lost by the discontinuance of these taxes. Commencing with 1959-60, however, a new scheme for the payment of financial assistance to the States was instituted (for details *see* para. 10 (v), p. 928). Information relating to the State income taxes which were levied prior to 1942-43 may be found in earlier issues of the Year Book.

(b) *Net Collections, 1962-63.* The following tables show, for the year 1962-63, details of the collections in each State from the various types of tax in operation, irrespective of whether such moneys have been paid into the Consolidated Revenue Funds or not. For this reason the particulars hereunder differ from those shown in the tables relating to the Consolidated Revenue Funds and present a comprehensive statement of all taxation collections by the Government in each State.

**STATE REVENUE FROM TAXATION: TOTAL NET COLLECTIONS(a), 1962-63**  
(£'000)

Tax	N.S.W.	Victoria	Q'land	S. Aust.	W. Aust.	Tas.	Total
<b>Motor—</b>							
Registration fees and taxes .. ..	14,050	10,841	6,170	4,382	3,158	1,446	40,047
Drivers', etc., licences .. ..	2,270	637	341	418	329	125	4,120
Other .. ..	5,687	4,607	2,877	72	194	155	13,592
<b>Total .. ..</b>	<b>22,007</b>	<b>16,085</b>	<b>9,388</b>	<b>4,872</b>	<b>3,681</b>	<b>1,726</b>	<b>57,759</b>
<b>Probate and succession duties .. ..</b>	<b>17,780</b>	<b>12,322</b>	<b>4,861</b>	<b>2,625</b>	<b>1,544</b>	<b>882</b>	<b>40,014</b>
Stamp duties, n.e.i. .. ..	16,937	12,839	5,077	2,310	2,673	1,042	40,878
Land .. ..	10,144	8,545	1,655	2,457	1,276	628	24,705
Liquor .. ..	4,780	3,475	1,645	222	691	289	11,102
Lotteries .. ..	..	3,202	343	..	..	..	3,545
Racing .. ..	2,984	3,735	1,286	1,109	1,076	409	10,599
Entertainments .. ..	..	366	..	..	..	104	470
Poker machine licence fees .. ..	3,279	..	..	..	..	..	3,279
Licences, n.e.i. .. ..	180	413	213	106	220	12	1,144
Other .. ..	..	..	2,555	144	337	..	3,036
<b>Grand Total .. ..</b>	<b>78,091</b>	<b>60,982</b>	<b>27,023</b>	<b>13,845</b>	<b>11,498</b>	<b>5,092</b>	<b>196,531</b>

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

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

**STATE REVENUE FROM TAXATION: PAYMENTS INTO SPECIAL FUNDS, 1962-63**  
(£'000)

Tax	N.S.W.	Victoria	Q'land	S. Aust.	W. Aust.	Tas.	Total
Motor .. ..	22,007	15,114	7,466	..	3,540	309	48,436
Stamp duties, n.e.i. .. ..	..	242	..	..	..	..	242
Liquor .. ..	..	172	60	..	..	..	232
Racing .. ..	..	..	134	375	..	169	678
Poker machine licence fees .. ..	3,279	..	..	..	..	..	3,279
Other .. ..	..	68	2,359	..	337	..	2,764
<b>Total .. ..</b>	<b>25,286</b>	<b>15,596</b>	<b>10,019</b>	<b>375</b>	<b>3,877</b>	<b>478</b>	<b>55,631</b>

The table hereunder shows, for the year 1962-63, the proportions of collections under individual classes of tax to total taxation revenue.

**STATE REVENUE FROM TAXATION: PROPORTIONS OF INDIVIDUAL TAXES TO TOTAL, 1962-63**

(Per cent.)

Tax	N.S.W.	Vic.	Q'land	S. Aust.	W. Aust.	Tas.	Total
Motor .. .. .	28.18	26.38	34.74	35.19	32.02	33.89	29.39
Probate and succession duties	22.77	20.21	17.99	18.96	13.43	17.32	20.36
Stamp duties, n.e.i.	21.69	21.05	18.79	16.69	23.24	20.46	20.80
Land .. .. .	12.99	14.01	6.12	17.75	11.10	12.34	12.57
Liquor .. .. .	6.12	5.70	6.09	1.60	6.01	5.68	5.65
Lotteries .. .. .	..	5.25	1.27	..	..	..	1.81
Racing .. .. .	3.82	6.12	4.76	8.01	9.35	8.03	5.39
Entertainments .. .. .	..	0.60	..	..	..	2.05	0.24
Poker machine licence fees	4.20	..	..	..	..	..	1.67
Licences, n.e.i. .. .. .	0.23	0.68	0.79	0.76	1.92	0.23	0.58
Other .. .. .	..	..	9.45	1.04	2.93	..	1.54
<b>Grand Total ..</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

(c) *Net Collections, 1958-59 to 1962-63.* The total amounts and the amounts per head raised from all sources of taxation by the several State Governments, including amounts not paid into the Consolidated Revenue Fund, during the years 1958-59 to 1962-63, are shown in the following table.

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

Year	N.S.W.	Vic.	Q'land	S. Aust.	W. Aust.	Tas.	Total
<b>TOTAL NET COLLECTIONS</b>							
(£'000)							
1958-59 ..	54,006	42,845	18,509	10,576	7,655	4,307	137,898
1959-60 ..	61,451	51,713	22,913	11,522	9,014	4,428	161,041
1960-61 ..	63,580	55,946	22,701	12,102	9,518	4,581	168,428
1961-62 ..	67,433	57,819	24,274	12,951	10,200	4,804	177,481
1962-63 ..	78,091	60,982	27,023	13,845	11,498	5,092	196,531

**PER HEAD OF POPULATION**

(£)

1958-59 ..	14.48	15.58	12.76	11.64	10.85	12.72	13.95
1959-60 ..	16.19	18.34	15.50	12.34	12.57	12.87	15.96
1960-61 ..	16.40	19.34	15.10	12.64	13.04	13.09	16.34
1961-62 ..	17.08	19.54	15.90	13.21	13.68	13.47	16.88
1962-63 ..	19.45	20.18	17.42	13.86	15.04	14.06	18.34

The following table shows, for the years 1958-59 to 1962-63, the aggregate amounts collected by the several State Governments under the various forms of State taxation, and includes amounts paid to funds other than Consolidated Revenue.

**STATE REVENUE FROM TAXATION: TOTAL NET COLLECTIONS<sup>(a)</sup>**  
(£'000)

Tax	1958-59	1959-60	1960-61	1961-62	1962-63
Motor .. .. .	41,973	46,527	48,926	51,609	57,759
Probate and succession duties .. .. .	27,177	33,991	33,878	37,583	40,014
Stamp duties, n.e.i. .. .. .	28,317	36,901	37,887	36,528	40,878
Land .. .. .	15,424	17,220	19,914	22,660	24,705
Liquor .. .. .	8,483	8,623	9,052	9,861	11,102
Lotteries .. .. .	3,434	3,444	3,610	3,509	3,545
Racing .. .. .	7,540	8,262	8,526	9,115	10,599
Entertainments .. .. .	1,846	1,609	1,421	1,090	470
Poker machine licence fees .. .. .	906	1,265	1,677	1,772	3,279
Licences n.e.i., and all other .. .. .	2,798	3,199	3,537	3,754	4,180
<b>Total .. .. .</b>	<b>137,898</b>	<b>161,041</b>	<b>168,428</b>	<b>177,481</b>	<b>196,531</b>

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

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

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

Tax	1958-59	1959-60	1960-61	1961-62	1962-63
Motor .. .. .	35,814	39,604	41,131	43,060	48,436
Stamp duties, n.e.i. .. .. .	220	225	209	200	242
Liquor .. .. .	168	193	182	170	232
Lotteries .. .. .	31	10	..	..	..
Racing .. .. .	521	544	571	549	678
Poker machine licence fees .. .. .	906	1,265	1,677	1,772	3,279
Other .. .. .	1,741	2,093	2,407	2,540	2,764
<b>Total .. .. .</b>	<b>39,401</b>	<b>43,934</b>	<b>46,177</b>	<b>48,291</b>	<b>55,631</b>

(iii) *Business Undertakings.* (a) 1962-63. A considerable proportion of State gross revenue is made up of receipts from business undertakings under the control of the Governments. The most important of these are railways and tramways, harbour works, water supply and sewerage, and electricity supply, and, in addition, State batteries for the treatment of auriferous ores in Western Australia and various minor revenue-producing services rendered by the Governments of all States are included. For the year 1962-63 the revenue from these sources was £248,912,000 or 29.4 per cent. of the revenue from all sources. Details of revenue are as follows.

**STATE REVENUE FROM BUSINESS UNDERTAKINGS, 1962-63**  
(£'000)

Source	N.S.W.	Vic.	Q'land	S. Aust.	W. Aust.	Tas.(a)	Total
Railways <sup>(b)</sup> .. .. .	91,241	43,564	36,633	14,085	16,908	..	202,431
Tramways and omnibuses .. .. .	12,385	..	..	..	..	..	12,385
Harbours, rivers, lights .. .. .	6,856	(c) 678	..	2,512	694	..	10,740
Water supply, sewerage, irrigation and drainage .. .. .	..	5,078	..	7,708	4,612	2	17,400
Electricity supply .. .. .	..	4,294	..	..	..	..	4,294
Other .. .. .	..	587	..	659	337	79	1,662
<b>Total .. .. .</b>	<b>110,482</b>	<b>54,201</b>	<b>36,633</b>	<b>24,964</b>	<b>22,551</b>	<b>81</b>	<b>248,912</b>

(a) Tasmanian transport services are under the separate control of semi-governmental authorities. (b) The following contributions to railways revenue from Consolidated Revenue Fund are excluded—New South Wales, £800,000; South Australia, £3,900,000. (c) Includes Harbour Trust Fund contribution, £385,000.

(b) 1958-59 to 1962-63. The total revenue from business undertakings and the revenue per head in each State are shown in the following table.

## STATE REVENUE FROM BUSINESS UNDERTAKINGS

Year	N.S.W.	Vic.	Q'land	S. Aust.	W. Aust.	Tas. (a)	Total
TOTAL REVENUE (£'000)							
1958-59 ..	92,186	46,258	35,129	20,303	18,620	..	212,496
1959-60 ..	99,850	47,518	34,846	20,690	19,891	58	222,853
1960-61 ..	107,126	51,995	35,398	22,939	21,075	48	238,581
1961-62 ..	107,540	53,225	35,072	24,449	22,038	112	242,436
1962-63 ..	110,482	54,201	36,633	24,964	22,551	81	248,912

PER HEAD OF POPULATION  
(£)

1958-59 ..	24.72	16.82	24.22	22.35	26.38	..	21.50
1959-60 ..	26.30	16.85	23.58	22.16	27.73	0.17	22.09
1960-61 ..	27.64	17.97	23.54	23.97	28.88	0.14	23.14
1961-62 ..	27.24	17.99	22.97	24.95	29.55	0.31	23.05
1962-63 ..	27.51	17.94	23.61	24.99	29.50	0.23	23.23

(a) Tasmanian transport services are under the separate control of semi-governmental authorities.

In the table below, particulars of total State revenue from business undertakings for the various types of undertakings are shown for the years 1958-59 to 1962-63.

STATE REVENUE FROM BUSINESS UNDERTAKINGS  
(£'000)

Source	1958-59	1959-60	1960-61	1961-62	1962-63
Railways, tramways and omnibuses .. ..	189,773	198,709	210,123	209,855	214,816
Harbour services .. ..	6,158	6,736	8,703	10,670	10,740
Water supply, sewerage, irrigation and drainage .. ..	12,315	12,922	14,995	16,383	17,400
Other .. ..	4,250	4,486	4,760	5,528	5,956
<b>Total .. ..</b>	<b>212,496</b>	<b>222,853</b>	<b>238,581</b>	<b>242,436</b>	<b>248,912</b>

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

(iv) *Lands.* The revenue from the sale and rental of Crown lands has, with few exceptions, been treated from the earliest times as forming part of the Consolidated Revenue Funds, and has been applied to meet ordinary expenses. The following table shows the revenue from sales and rentals of Crown lands for the year 1962-63.

STATE LAND REVENUE, 1962-63  
(£'000)

Source	N.S.W.	Vic.	Q'land	S. Aust.	W. Aust.	Tas.	Total
Sales ..	1,068	336	..	175	95	28	1,702
Conditional purchases ..	225	..	..	10	200	..	435
Rentals(a) ..	2,828	600	3,720	293	377	49	7,867
Forestry ..	1,331	2,260	..	..	1,079	545	5,215
Other ..	111	173	491	364	..	5	1,144
<b>Total ..</b>	<b>5,563</b>	<b>3,369</b>	<b>4,211</b>	<b>842</b>	<b>1,751</b>	<b>627</b>	<b>16,363</b>

(a) Includes mining royalties, rents, etc.

The total land revenue for all States for the years 1958-59 to 1962-63 respectively was:—£12,890,000, £14,324,000, £15,269,000, £15,785,000 and £16,363,000.

(v) *Commonwealth Grants.* Commonwealth grants to the States represent a very large proportion of the States' revenue. In 1962-63, the total amount (excluding sundry minor items) paid to the Consolidated Revenue Funds of the States was £340,877,000 (40.2 per cent.). Details were as follows:—contribution towards interest on States' debts under the Financial Agreement, £7,585,000; special grants to the States of Western Australia and Tasmania, £11,251,000; financial assistance, £304,320,000; additional assistance, £14,616,000; grants to universities, £2,706,000; and other grants, £399,000.

In addition to these, the States receive a number of other grants which are paid to trust funds. The main items in this class are the contribution to the sinking fund on States' debts (£7,248,000 in 1962-63) paid to the National Debt Sinking Fund, grants for Commonwealth Aid Roads (£54,000,000 in 1962-63), and grants for universities (£13,003,000 in 1962-63) paid to State trust funds.

More detailed information concerning Commonwealth grants to the States is given on pages 928-32.

(vi) *Commonwealth National Welfare Fund Payments.* The States also receive payments from the Commonwealth in respect of hospital and pharmaceutical benefits, nutrition of children and reimbursement of maintenance expenditure on tuberculosis sanatoria. These receipts are paid into Consolidated Revenue Funds or trust funds according to the varying accounting procedures in the States. In 1962-63, the total amount paid to State Consolidated Revenue Funds was £9,559,000 (1.1 per cent.). This amount was made up of hospital benefits, £2,062,000; pharmaceutical benefits, £2,117,000; milk for school children, £1,318,000; tuberculosis—reimbursement of maintenance expenditure, £4,014,000; other, £48,000.

(vii) *Interest and Miscellaneous.* In addition to the foregoing, there are in each State several miscellaneous sources of revenue, including such items as interest, fines, fees, etc. Interest, mainly from loans to local governing bodies, on public account balances, and for soldier land settlement amounted to £33,530,000 in 1962-63, while miscellaneous revenue, which includes fines of the courts and fees for services, amounted to £56,990,000 in 1962-63.

## EXPENDITURE

1. *General.*—The principal heads of State expenditure from Consolidated Revenue Funds are:—(a) interest, exchange and debt redemption charges in connexion with debt; (b) working expenses of business undertakings; (c) education; (d) health and charitable expenditure; (e) justice; (f) police; (g) penal establishments; and (h) all other expenditure, including expenditure on public works, lands and surveys, agriculture and forestry, legislative and general administration, pensions, and miscellaneous.

The working expenses of railways and tramways are the largest item of State Government expenditure. In 1962–63, the working expenses of the railways, tramways and omnibuses were 23.5 per cent. of the total expenditure from the State Consolidated Revenue Funds; next in magnitude were education, 21.2 per cent.; debt charges, 17.8 per cent.; charitable, public health and hospitals, 13.6 per cent.; and law, order and public safety, 5.8 per cent.

As stated at the beginning of this division, figures relating to New South Wales represent the transactions of the Consolidated Revenue Fund and the business undertakings included in the annual budget papers. These undertakings are:—railways, tramways and omnibuses, and Sydney Harbour Trust Section of the Maritime Services Board. Adjustments have been made to the Budget figures, however, in order to eliminate duplications caused by inter-fund payments. Particulars for all other States relate to the transactions of the Consolidated Revenue Fund.

2. *Total Expenditure.*—The total expenditure from the Consolidated Revenue Funds of the several States and the expenditure per head of population during each of the years 1958–59 to 1962–63 are shown in the following table.

## STATE EXPENDITURE: CONSOLIDATED REVENUE FUNDS

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

(£'000)

1958–59	..	239,727	153,796	100,198	69,057	61,753	22,745	647,276
1959–60	..	262,463	167,997	103,267	76,389	65,794	26,131	702,041
1960–61	..	282,701	184,932	109,435	80,791	70,537	27,993	756,389
1961–62	..	298,745	196,298	117,215	88,596	75,890	31,651	808,395
1962–63	..	312,444	207,075	123,464	93,394	79,344	32,150	847,871

## PER HEAD OF POPULATION

(£)

1958–59	..	64.29	55.93	69.07	76.03	87.48	67.17	65.50
1959–60	..	69.13	59.58	69.86	81.82	91.72	75.94	69.58
1960–61	..	72.94	63.91	72.78	84.41	96.66	79.96	73.36
1961–62	..	75.66	66.34	76.76	90.39	101.76	88.74	76.86
1962–63	..	77.81	68.53	79.59	93.49	103.80	88.78	79.14

(a) See para. 1, above, for transactions included.

3. *Details of Expenditure.*—(i) 1962–63. The following tables show the total expenditure and expenditure per head of population for each of the principal items.

## STATE EXPENDITURE: DETAILS, 1962-63

Particulars	N.S.W.(a)	Vic.	Q'land	S. Aust.	W. Aust.	Tas.(b)	Total
<b>TOTAL EXPENDITURE</b>							
(£'000)							
Debt (interest, exchange, debt redemption, etc.) ..	42,945	38,826	20,429	22,807	15,660	10,195	150,862
Railways ..	74,332	40,815	37,496	14,089	17,070	1,374	185,176
Tramways and omnibuses ..	12,926	..	..	..	569	300	13,795
Harbours and rivers, etc. ..	5,191	545	..	1,443	780	34	7,993
Water supply, sewerage, irrigation and drainage ..	..	4,137	..	4,760	3,660	296	12,853
Other business and industrial undertakings ..	..	727	49	261	1,657	50	2,744
Education ..	67,996	50,309	21,303	18,784	14,050	7,086	179,528
Health and charitable ..	41,944	29,505	17,545	11,206	10,969	4,357	115,526
Justice ..	4,755	2,056	1,626	603	593	322	9,955
Police ..	11,646	8,685	5,651	2,755	2,218	1,126	31,481
Penal establishments ..	2,722	1,372	533	678	530	276	6,111
Public safety ..	755	28	639	153	190	122	1,887
All other expenditure ..	47,232	30,070	18,793	15,855	11,398	6,612	129,960
<b>Total .. ..</b>	<b>312,444</b>	<b>207,075</b>	<b>123,464</b>	<b>93,394</b>	<b>79,344</b>	<b>32,150</b>	<b>847,871</b>

## PER HEAD OF POPULATION

(£)

Debt (interest, exchange, debt redemption, etc.) ..	10.69	12.85	13.17	22.83	20.49	28.15	14.08
Railways ..	18.51	13.51	24.17	14.10	22.33	3.79	17.28
Tramways and omnibuses ..	3.22	..	..	..	0.74	0.83	1.28
Harbours and rivers, etc. ..	1.29	0.18	..	1.44	1.02	0.09	0.75
Water supply, sewerage, irrigation and drainage ..	..	1.37	..	4.76	4.79	0.82	1.20
Other business and industrial undertakings ..	..	0.24	0.03	0.26	2.17	0.14	0.26
Education ..	16.93	16.65	13.73	18.80	18.38	19.57	16.76
Health and charitable ..	10.45	9.76	11.31	11.22	14.35	12.03	10.78
Justice ..	1.18	0.68	1.05	0.61	0.78	0.89	0.93
Police ..	2.90	2.87	3.26	2.76	2.90	3.11	2.94
Penal establishments ..	0.68	0.46	0.34	0.68	0.69	0.76	0.57
Public safety ..	0.21	0.01	0.41	0.15	0.25	0.34	0.18
All other expenditure ..	11.75	9.95	12.12	15.88	14.91	18.26	12.13
<b>Total .. ..</b>	<b>77.81</b>	<b>68.53</b>	<b>79.59</b>	<b>93.49</b>	<b>103.80</b>	<b>88.78</b>	<b>79.14</b>

(a) See para. 1, p. 945, for transactions included. (b) Tasmanian transport services are under the separate control of semi-governmental authorities. Figures shown for relevant items represent payments to the authorities.

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

(ii) 1958-59 to 1962-63. Combined expenditure by the several States for these years on each of the principal items is shown in the following table.



**STATE EXPENDITURE**  
(£'000)

Particulars	1958-59	1959-60	1960-61	1961-62	1962-63
Debt (interest, exchange, debt redemption, etc.) .. ..	105,051	116,850	125,217	137,455	150,862
Railways, tramways and omnibuses (working expenses) .. ..	182,958	193,282	198,779	200,182	198,971
Harbours and rivers, etc. ..	4,354	4,786	6,313	7,922	7,993
Water supply, sewerage, irrigation, and drainage .. ..	9,500	10,976	11,211	12,640	12,853
Other business and industrial undertakings .. ..	3,977	2,688	2,764	2,739	2,744
Education .. ..	116,546	130,641	149,348	163,929	179,528
Health and charitable .. ..	92,057	99,406	105,994	114,360	115,526
Justice .. ..	7,602	8,435	9,449	10,011	9,955
Police .. ..	23,888	25,904	28,139	29,804	31,481
Penal establishments .. ..	4,340	4,676	5,311	5,857	6,111
Public safety .. ..	1,371	1,262	1,418	1,672	1,887
All other expenditure .. ..	95,632	103,135	112,446	121,824	129,960
<b>Total .. ..</b>	<b>647,276</b>	<b>702,041</b>	<b>756,389</b>	<b>808,395</b>	<b>847,871</b>

**SURPLUS REVENUE**

The following table shows for each of the years 1958-59 to 1962-63 the total amount and amount per head of population of the surplus or deficit of each State.

**STATE SURPLUS REVENUE**

Year	N.S.W.(a)	Vic.	Q'land	S. Aust.	W. Aust.	Tas.	Total
<b>TOTAL AMOUNT</b> (£'000)							
1958-59 ..	42	-2,548	-1,191	-1,027	-1,685	- 908	-7,317
1959-60 ..	70	313	- 164	- 312	-1,406	-1,032	-2,531
1960-61 ..	- 337	169	- 618	1,188	-1,204	- 198	-1,000
1961-62 ..	-3,133	11	110	506	- 964	- 358	-3,828
1962-63 ..	186	1	27	290	- 753	- 491	- 740

**PER HEAD OF POPULATION**  
(£)

1958-59 ..	0.01	-0.93	-0.82	-1.13	-2.39	-2.68	-0.74
1959-60 ..	0.02	0.11	-0.11	-0.33	-1.96	-3.00	-0.25
1960-61 ..	-0.09	0.07	-0.41	1.24	-1.65	-0.56	-0.10
1961-62 ..	-0.79	..	0.08	0.52	-1.30	-1.01	-0.36
1962-63 ..	0.05	..	0.01	0.29	-0.99	-1.35	-0.07

(a) See para. 1, p. 945.

NOTE.—Minus sign (—) indicates deficit.

### § 3. State Loan Funds

1. **General.**—State public borrowing is due mainly to the fact that the State Governments, in addition to ordinary administrative duties, undertake functions, such as the construction and operation of the railway systems, which in other countries are usually entrusted to local authorities or left to private enterprise. Loan moneys have also been largely used for improvements to harbours and rivers, and for the construction of roads, water supply and sewerage works. The State debt thus consists chiefly of moneys raised and expended with the object of assisting the development of the resources of the country, and is to a very large extent represented by tangible assets.

Statements relating to "gross" loan expenditure are shown below. The gross expenditure represents the amounts disbursed during each year. Details of "net" loan expenditure, i.e., gross expenditure less any credits to the Loan Fund during the year on account of repayments of advances to local governing bodies, settlers, etc., the sale of assets, and transfers from other funds, may be found in the annual bulletin *State, Territories and Local Government Authorities' Finance and Government Securities*. Such moneys are credited to the Loan Fund in the year of repayment irrespective of when the advance was made.

2. **Gross Loan Expenditure.**—(i) 1962–63. Particulars of gross loan expenditure on works, services, etc., are shown in the following table.

#### STATE GROSS LOAN EXPENDITURE ON WORKS, SERVICES, ETC., 1962-63

(£'000)

Particulars	N.S.W.	Vic.(a)	Q'land	S. Aust.	W. Aust.	Tas.	Total
<b>Public Works and Services—</b>							
Railways .. .. .	8,100	7,809	5,566	2,046	4,031	60	27,612
Tramways and omnibuses .. .. .	23	..	..	..	133	50	206
Roads .. .. .	1,033	.. 503	.. 386	.. 290	..	..	..
Bridges .. .. .	5,157	.. 305	.. 573	1,497	1,497	1,899	13,140
Harbours and rivers .. .. .	..	..	..	..	..	..	..
Lights and lighthouses .. .. .	9,224	8,496	1,699	8,676	3,400	1,977	37,176
Water supply .. .. .	8,000	8,500	1,145	3,105	599	6,750	27,657
Sewerage .. .. .	..	50	..	3,000	262	..	50
Electricity supply .. .. .	27,977	23,018	9,664	7,889	7,212	3,933	79,693
Gas supply .. .. .	..	..	..	..	..	..	..
Public buildings .. .. .	311	952	2,377	..	159	41	3,840
Loans and grants to local bodies .. .. .	384	840	2,700	350	1,062	82	5,418
Housing(b) .. .. .	402	385	..	341	683	674	2,485
Other public works, etc... .. .							
<b>Primary Production—</b>							
Soldier settlement .. .. .	104	91	..	..	..	..	195
Land for settlement .. .. .	500	1,414	279	12	..	150	2,355
Advances to settlers .. .. .	..	..	..	118	..	300	418
Water conservation, irrigation and drainage .. .. .	7,170	..	2,487	691	1,207	..	11,555
Vermin-proof fencing .. .. .	..	1	25	(c)	65	..	91
Agriculture .. .. .	300	68	..	..	146	..	514
Agricultural Bank .. .. .	..	..	2,216	..	225	..	2,441
Forestry .. .. .	492	1,010	2,216	979	125	444	5,266
Mines and mineral resources .. .. .	553	67	76	124	187	..	1,007
Other... .. .	601	909	..	243	61	7	1,821
<b>Other purposes .. .. .</b>	..	(d) 914	22	440	1,101	90	2,567
<b>Total, Public Works, Services, etc. .. .. .</b>	<b>70,331</b>	<b>55,332</b>	<b>31,431</b>	<b>29,801</b>	<b>22,155</b>	<b>16,457</b>	<b>225,507</b>
<b>Per head of population</b>	<b>£17.52</b>	<b>£18.31</b>	<b>£20.26</b>	<b>£29.83</b>	<b>£28.98</b>	<b>£45.45</b>	<b>£21.05</b>

(a) Expenditure from loan funds and on account of loans; includes expenditure from loan funds, from Treasurer's Advance Account and from State Loans Repayment Fund. (b) Excludes expenditure from Commonwealth loans under Commonwealth-State Housing Agreement. (c) Included in item Advances to settlers. (d) Includes Rural Finance Corporation, for advances to rural industries, £683,000.

(ii) 1958-59 to 1962-63. Particulars of gross loan expenditure on works, etc., for these years are shown in the following table.

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

Year	N.S.W.	Vic.(a)	Q'land	S. Aust.	W. Aust.	Tas.	Total
GROSS LOAN EXPENDITURE (£'000)							
1958-59 ..	60,052	44,421	26,531	27,262	17,689	12,859	188,814
1959-60 ..	63,651	49,491	29,362	28,245	18,016	14,470	203,235
1960-61 ..	65,182	51,705	29,686	31,385	19,353	16,767	214,078
1961-62 ..	67,520	53,417	30,688	30,655	20,773	16,095	219,148
1962-63 ..	70,331	55,332	31,431	29,801	22,155	16,457	225,507
PER HEAD OF POPULATION (£)							
1958-59 ..	16.10	16.15	18.29	30.01	25.06	37.98	19.10
1959-60 ..	16.77	17.55	19.87	30.25	25.12	42.05	20.14
1960-61 ..	16.82	17.87	19.74	32.79	26.52	47.90	20.76
1961-62 ..	17.10	18.05	20.10	31.28	27.85	45.12	20.84
1962-63 ..	17.52	18.31	20.26	29.83	28.98	45.45	21.05

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

The tables above do not include particulars of expenditure on loan discounts and floatations, the funding of deficits, the retirement of treasury bills, and similar items of a nature other than works, services, etc. Summaries of the gross and net expenditure and repayments in respect of all loan purposes for the years 1960-61 to 1962-63 are shown in the next paragraph.

3. Total Loan Expenditure.—The following table shows particulars, in summary form, of the total loan expenditure in each State during each of the years, 1960-61 to 1962-63.

STATE LOAN EXPENDITURE: SUMMARY  
(£'000)

Particulars	N.S.W.	Vic.	Q'land	S. Aust.	W. Aust.	Tas.	Total
1960-61							
Works and services—							
Gross expenditure ..	65,182	51,705	29,686	31,385	19,353	16,767	214,078
Net expenditure ..	60,076	48,588	23,853	26,543	17,709	15,185	191,954
Repayments ..	5,106	3,117	5,833	4,842	1,644	1,582	22,124
Other than works, etc.(a)—							
Gross expenditure ..	-2,739	-2,331	..	71	-107	166	-4,940
Net expenditure ..	-2,739	-2,331	650	..	-174	120	-4,474
Repayments ..	..	..	-650	71	(b) 67	46	-466
Total Loan Expenditure—							
Gross ..	62,443	49,374	29,686	31,456	19,246	16,933	209,138
Net ..	57,337	46,257	24,503	26,543	17,535	15,305	187,480
Repayments ..	5,106	3,117	5,183	4,913	1,711	1,628	21,658
1961-62							
Works and services—							
Gross expenditure ..	67,520	53,417	30,688	30,655	20,773	16,095	219,148
Net expenditure ..	62,198	50,461	24,831	26,282	18,876	14,950	197,598
Repayments ..	5,322	2,956	5,857	4,373	1,897	1,145	21,550
Other than works, etc.(a)—							
Gross expenditure ..	-1,410	-1,144	..	33	181	165	-2,175
Net expenditure ..	-1,410	-1,144	670	-695	128	94	-2,357
Repayments ..	..	..	-670	728	(b) 53	71	182
Total Loan Expenditure—							
Gross ..	66,110	52,273	30,688	30,688	20,954	16,260	216,973
Net ..	60,788	49,317	25,501	25,587	19,004	15,044	195,241
Repayments ..	5,322	2,956	5,187	5,101	1,950	1,216	21,732

For footnotes, see next page.

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

Particulars	N.S.W.	Vic.	Q'land	S. Aust.	W. Aust.	Tas.	Total
1962-63							
<b>Works and services—</b>							
Gross expenditure ..	70,331	55,332	31,431	29,801	22,155	16,457	225,507
Net expenditure ..	64,739	52,341	26,006	25,005	19,447	15,100	202,638
Repayments ..	5,592	2,991	5,425	4,796	2,708	1,357	22,869
<b>Other than works, etc.(a)—</b>							
Gross expenditure ..	-3,147	796	..	40	-120	150	-2,281
Net expenditure ..	-3,147	796	700	..	-174	155	-1,670
Repayments ..	..	..	-700	40	(b) 54	-5	-611
<b>Total Loan Expenditure—</b>							
Gross ..	67,184	56,128	31,431	29,841	22,035	16,607	223,226
Net ..	61,592	53,137	26,706	25,005	19,273	15,255	200,968
Repayments ..	5,592	2,991	4,725	4,836	2,762	1,352	22,258

(a) Includes exchange, discounts and flotation expenses, revenue and general cash deficits.  
(b) From Consolidated Revenue Fund.

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

Information relating to the government securities on issue on behalf of the States is given in the division on Government Securities on Issue: Commonwealth and States (see p. 951).

### COMMONWEALTH AND STATE FINANCE

1. Consolidated Revenue Fund Revenue and Expenditure.—The following table shows the aggregate revenue and expenditure of the Consolidated Revenue Funds of the Commonwealth and States for each of the years 1958-59 to 1962-63. In the table the combined Commonwealth and State totals have been adjusted to exclude major duplications, but the separate Commonwealth and State figures are as shown in other divisions of this chapter. The items excluded from the total figures are:—payments made by the Commonwealth to the States and included in the State Consolidated Revenue Funds on account of tax reimbursements up to 1958-59, and financial assistance grants in 1959-60 to 1962-63, interest under the Financial Agreement, special grants, special financial assistance, coal strike emergency grants, price control reimbursements, grants to universities, cattle tick control, Tuberculosis Act capital expenditure, National Welfare Fund payments, and estimated payments of pay-roll tax by the States to the Commonwealth. There are other relatively minor payments for which adjustments have not been made, and the adjusted figures are therefore still slightly overstated.

### COMMONWEALTH AND STATES: REVENUE AND EXPENDITURE

Year ended 30th June—	Revenue			Expenditure		
	Commonwealth	States	Total	Commonwealth	States	Total
	£'000	£'000	£m.	£'000	£'000	£m.
1959 .. ..	1,296,050	639,959	1,682.9	1,296,050	647,276	1,690.3
1960 .. ..	1,438,286	699,510	1,857.3	1,438,286	702,041	1,859.8
1961 .. ..	1,638,279	755,389	2,085.3	1,638,279	756,389	2,086.3
1962 .. ..	1,641,542	804,567	2,102.6	1,641,542	808,395	2,106.4
1963 .. ..	1,685,386	847,131	2,173.0	1,685,386	847,871	2,173.8

2. Taxation.—The following table shows the combined Commonwealth and State taxation collections, and the amount per head of population, for the years 1958–59 to 1962–63. Taxation collections by the State Governments which are not paid into the Consolidated Revenue Funds are included.

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

Particulars	1958–59	1959–60	1960–61	1961–62	1962–63
<b>NET COLLECTIONS</b> (£'000)					
Customs and excise duties .. ..	307,925	336,492	359,194	350,805	379,503
Sales tax .. ..	143,617	164,185	173,040	148,824	156,531
Land tax .. ..	15,424	17,220	19,914	22,660	24,705
Pay-roll tax .. ..	49,619	55,162	61,260	60,972	63,255
Income taxes .. ..	608,675	671,302	807,273	828,150	810,590
Probate and succession duties .. ..	40,486	47,744	48,685	54,612	57,864
Stamp duties, n.e.i. .. ..	28,317	36,901	37,887	36,528	40,878
Motor taxes .. ..	41,973	46,527	48,926	51,609	57,759
Liquor taxes .. ..	8,483	8,623	9,052	9,861	11,102
Racing .. ..	7,540	8,262	8,526	9,115	10,599
Entertainments tax .. ..	1,846	1,609	1,421	1,090	470
Licences n.e.i., and other taxes .. ..	17,291	16,804	18,489	19,779	23,734
<b>Total—</b>					
Commonwealth .. ..	1,133,298	1,249,790	1,425,239	1,416,524	1,440,459
States .. ..	137,898	161,041	168,428	177,481	196,531
<b>Grand Total .. ..</b>	<b>1,271,196</b>	<b>1,410,831</b>	<b>1,593,667</b>	<b>1,594,005</b>	<b>1,636,990</b>

**PER HEAD OF POPULATION**  
(£)

Customs and excise duties .. ..	30.95	33.11	34.56	33.07	35.10
Sales tax .. ..	14.44	16.15	16.65	14.03	14.48
Land tax .. ..	1.55	1.70	1.92	2.14	2.29
Pay-roll tax .. ..	4.99	5.43	5.90	5.75	5.85
Income taxes .. ..	61.18	66.05	77.69	78.08	74.98
Probate and succession duties .. ..	4.07	4.70	4.69	5.15	5.35
Stamp duties, n.e.i. .. ..	2.85	3.63	3.65	3.44	3.78
Motor taxes .. ..	4.22	4.57	4.71	4.87	5.34
Liquor taxes .. ..	0.85	0.85	0.87	0.93	1.03
Racing .. ..	0.76	0.81	0.82	0.86	0.98
Entertainments tax .. ..	0.18	0.16	0.13	0.10	0.04
Licences n.e.i., and other taxes .. ..	1.74	1.65	1.77	1.87	2.20
<b>Total—</b>					
Commonwealth .. ..	113.92	122.96	137.15	133.56	133.23
States .. ..	13.95	15.96	16.34	16.88	18.34
<b>Grand Total .. ..</b>	<b>127.78</b>	<b>138.81</b>	<b>153.36</b>	<b>150.29</b>	<b>151.42</b>

(a) For separate details of Commonwealth and State taxation collections, see pp. 909–18 and 939–42.

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

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

There are forms of debt not evidenced by the issue of securities. Again, some of the securities included in the tables are held by the Governments themselves. For example, a State Government may hold temporarily, or even for long periods, securities issued by the Commonwealth Government. The Commonwealth Government itself, through such institutions as the National Debt Commission, or through the Trust Funds, holds large investments in securities issued, either directly by itself or on behalf of the States. In addition, some of the securities issued on behalf of the States and held by the Commonwealth

Government represent the proceeds of oversea loans, securities for which were issued directly by the Commonwealth Government. From the point of view of the aggregate net debt of the Commonwealth and the States, it would thus involve duplication if the sum of the securities on issue were to be regarded as representing the "net public debt".

### § 1. General

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

In the statistical tables relating to Government securities, details of securities on issue, annual interest liability and average rate of interest liability, except in § 3, paras. 3 and 4, are shown in the currencies in which they are repayable or payable respectively. Australian currency equivalents for oversea loans have been calculated using International Monetary Fund par rates of exchange (and the calculated equivalent for Swiss francs) ruling at 30th June in each year shown. Rates of exchange to £A. at 30th June, 1963, were as follows:—£Sterling, 0.8000; United States dollars, 2.2400; Canadian dollars, 2.4216; Swiss francs, 9.7955; Netherlands guilders, 8.1088; German Deutsche marks, 8.9600.

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

1. **General.**—Full details of the Financial Agreement between the Commonwealth and the States are given in earlier issues of the Year Book (*see* No. 37, pp. 685–90). In this issue, a summary of the main provisions only is given.

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

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

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

Subject to any maximum limits decided upon by the Loan Council for interest, brokerage, discount and other charges, the Commonwealth or any State may borrow within its own territory, for any purpose, money from any authorities, bodies, funds or institutions (including savings banks) constituted or established under Commonwealth or State law or practice; borrow from the public by means of counter sales of securities; and use any available public moneys.

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

4. **Taking over of State Government Securities.**—The Commonwealth on 1st July, 1929, took over securities issued by each State existing on 30th June, 1927; and all other securities of each State existing on 1st July, 1929, for money borrowed by that State deemed by the Agreement to be money borrowed by the Commonwealth for and on behalf of the State; and in respect of these securities assumed, as between the Commonwealth and the States, the liabilities of the States to bond-holders.

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

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

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

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

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

(iv) *Loans raised to meet Revenue Deficits between 30th June, 1927, and 1st July, 1935.* Special contributions are payable in respect of loans raised by a State or by the Commonwealth on behalf of a State, on the security of Commonwealth Treasury Bills, to meet a revenue deficit which accrued after 30th June, 1927, and before 1st July, 1935. Details of these contributions are given in Year Book No. 37, pages 688–9.

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

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

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

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

### § 3. Government Securities on Issue: Commonwealth and States

1. Government Securities on Issue, Annual Interest Payable and Average Rate of Interest, 30th June, 1963.—In the following tables, details are given of government securities on issue on account of the Commonwealth and States, annual interest payable and average rate of interest at 30th June, 1963.

#### GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATES, 30th JUNE, 1963

Particulars	Currency in which repayable							Total— Aus- tralian currency equiva- lents(a)	
	Aus- tralian currency	Sterling	United States dollars	Can- adian dollars	Swiss francs	Nether- lands guilders	German Deutsche marks		
	£A.'000	£Stg.'000	U.S. \$ '000	Can. \$ '000	Sw. fr. '000	f.'000	D.M. '000	£A.'000	
For Commonwealth purposes ..	1,259,364	77,327	362,025	50,948	196,556	7,150	6,355	1,560,336	
On account of States—									
New South Wales .. .. .	898,646	112,420	87,965	5,247	15,833	10,383	..	1,083,506	
Victoria .. .. .	660,434	43,539	49,731	4,219	12,732	8,346	..	741,130	
Queensland .. .. .	330,613	45,687	35,538	2,118	6,391	4,250	..	405,637	
South Australia .. .. .	358,016	32,775	24,579	2,245	6,774	4,191	..	412,093	
Western Australia .. .. .	257,732	31,377	18,323	1,612	4,863	3,264	..	306,698	
Tasmania .. .. .	191,229	8,045	11,794	1,227	3,703	2,416	..	207,734	
Total, States .. .. .	2,696,670	273,843	227,930	16,668	50,296	32,850	..	3,156,798	
Total, Commonwealth and States—									
Stock and bonds .. .. .	3,449,266	346,929	344,556	31,610	240,000	40,000	..	4,079,234	
Treasury Bills, Internal .. .. .	279,800	..	..	..	..	..	..	279,800	
Treasury Notes .. .. .	69,538	..	..	..	..	..	..	69,538	
Treasury Bills, Public .. .. .	123,000	..	..	..	..	..	..	123,000	
International Bank Loans .. .. .	..	..	208,019	36,006	6,852	..	6,355	109,143	
Commonwealth notes .. .. .	..	..	37,380	..	..	..	..	16,688	
Debentures .. .. .	30,515	..	..	..	..	..	..	30,515	
Balance of securities of States taken over by Commonwealth and still represented by State securities .. .. .	..	4,241	..	..	..	..	..	5,301	
Other .. .. .	3,915	..	..	..	..	..	..	3,915	
Grand Total— Currencies in which Re- payable .. .. .	3,956,034	351,170	589,955	67,616	246,852	40,000	6,355	..	
Australian Currency Equi- valents(a) .. .. .	£A.'000	3,956,034	438,962	263,373	27,922	25,201	4,933	709	4,717,134

(a) For rates of exchange to £A. ruling at 30th June, 1963, see p. 952.

#### GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATES— ANNUAL INTEREST PAYABLE, 30th JUNE, 1963

Particulars	Currency in which payable							Total— Aus- tralian currency equiva- lents(a)	
	Aus- tralian currency	Sterling	United States dollars	Can- adian dollars	Swiss francs	Nether- lands guilders	German Deutsche marks		
	£A.'000	£Stg.'000	U.S. \$ '000	Can. \$ '000	Sw. fr. '000	f.'000	D.M. '000	£A.'000	
For Commonwealth purposes ..	41,275	3,504	17,711	2,352	8,080	357	302	55,435	
On account of States—									
New South Wales .. .. .	39,346	4,906	4,293	301	712	519	..	47,657	
Victoria .. .. .	29,555	1,834	2,501	243	573	417	..	33,175	
Queensland .. .. .	14,310	1,677	1,680	122	287	213	..	17,262	
South Australia .. .. .	15,911	1,133	1,231	129	305	210	..	17,987	
Western Australia .. .. .	11,401	1,057	913	93	219	163	..	13,210	
Tasmania .. .. .	8,541	310	609	71	167	121	..	9,262	
Total, States .. .. .	119,064	10,917	11,227	959	2,263	1,643	..	138,553	
Grand Total—									
Currencies in which Re- payable .. .. .	160,339	14,421	28,938	3,311	10,343	2,000	302	..	
Australian Currency Equi- valents(a) .. .. .	£A.'000	160,339	18,026	12,919	1,367	1,056	247	34	193,988

(a) For rates of exchange to £A. ruling at 30th June, 1963, see p. 952.



GOVERNMENT SECURITIES ON ISSUE : COMMONWEALTH AND STATES—  
ANNUAL INTEREST PAYABLE, 30TH JUNE, 1963—*continued*

Particulars	Currency in which payable							Total— Aus- tralian currency equiva- lents(a)
	Aus- tralian currency	Sterling	United States dollars	Can- adian dollars	Swiss francs	Nether- lands guilders	German Deutsche marks	
<b>AVERAGE RATE OF INTEREST LIABILITY</b>								
<b>(Per cent.)</b>								
For Commonwealth purposes ..	3.28	4.53	4.89	4.62	4.11	5.00	4.75	3.56
On account of States—								
New South Wales .. ..	4.38	4.36	4.38	5.75	4.50	5.00	..	4.40
Victoria .. ..	4.48	4.21	5.03	5.75	4.50	5.00	..	4.48
Queensland .. ..	4.33	3.67	4.73	5.75	4.50	5.00	..	4.26
South Australia .. ..	4.44	3.46	5.01	5.75	4.50	5.00	..	4.36
Western Australia .. ..	4.42	3.37	4.98	5.75	4.50	5.00	..	4.31
Tasmania .. ..	4.47	3.86	5.16	5.75	4.50	5.00	..	4.46
Total, States .. ..	4.42	3.99	4.93	5.75	4.50	5.00	..	4.39
Grand Total .. ..	4.05	4.11	4.91	4.90	4.19	5.00	4.75	4.11

(a) For rates of exchange to £A. ruling at 30th June, 1963, see p. 952.

2. Government Securities on Issue, Annual Interest Payable and Average Rate of Interest 30th June, 1959 to 1963.—The following tables give details of government securities on issue and annual interest payable, including the average rate of interest, at 30th June, 1959 to 1963.

GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATES

Particulars	30th June—				
	1959	1960	1961	1962	1963..
<b>For Commonwealth purposes—</b>					
Australian currency .. £A.'000	1,496,354	1,378,574	1,326,454	1,280,474	1,259,364
Sterling .. £Stg.'000	64,040	75,820	75,339	75,188	77,327
United States dollars U.S. \$'000	311,862	333,049	317,812	315,617	362,025
Canadian dollars Can. \$'000	50,911	50,328	51,933	51,627	50,948
Swiss francs .. Sw. fr.'000	148,166	205,794	210,657	209,658	196,556
Netherlands guilders .. f.'000	..	..	..	7,150	7,150
German Deutsche marks D.M.'000	12,337	8,369	6,355	6,355	6,355
<b>Total, Commonwealth—Australian Currency Equivalents(a) £A.'000</b>	<b>1,755,822</b>	<b>1,666,863</b>	<b>1,607,328</b>	<b>1,559,675</b>	<b>1,560,336</b>
<b>On account of States—</b>					
Australian currency .. £A.'000	2,093,752	2,244,605	2,389,864	2,548,700	2,696,670
Sterling .. £Stg.'000	267,865	267,105	266,691	266,161	273,843
United States dollars U.S. \$'000	146,008	161,538	178,256	187,701	227,930
Canadian dollars Can. \$'000	..	..	16,765	16,765	16,668
Swiss francs .. Sw. fr.'000	..	..	50,296	50,296	50,296
Netherlands guilders .. f.'000	..	..	..	32,850	32,850
<b>Total, States—Australian Currency Equivalents(a) £A.'000</b>	<b>2,493,766</b>	<b>2,650,601</b>	<b>2,815,240</b>	<b>2,981,305</b>	<b>3,156,798</b>
<b>Total, Commonwealth and States— Australian Currency Equivalents(a) £A.'000</b>	<b>4,249,588</b>	<b>4,317,464</b>	<b>4,422,568</b>	<b>4,540,980</b>	<b>4,717,134</b>

(a) For rates of exchange to £A. ruling at 30th June, 1963, see p. 952.

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

Particulars	30th June—				
	1959	1960	1961	1962	1963
<b>AMOUNT</b>					
<b>For Commonwealth purposes—</b>					
Australian currency .. £A.'000	45,700	43,556	43,277	42,645	41,275
Sterling .. £Stg.'000	2,327	2,980	3,395	3,386	3,504
United States dollars U.S. \$'000	13,946	15,184	14,570	15,053	17,711
Canadian dollars Can. \$'000	2,302	2,279	2,388	2,380	2,352
Swiss francs .. Sw. fr.'000	5,922	8,514	8,723	8,675	8,080
Netherlands guilders .. f.'000	..	..	..	357	357
German Deutsche marks D.M.'000	586	398	302	302	302
<b>Total, Commonwealth—Australian Currency Equivalents(a) £A.'000</b>	<b>56,576</b>	<b>56,009</b>	<b>55,987</b>	<b>55,545</b>	<b>55,435</b>
<b>On account of States—</b>					
Australian currency .. £A.'000	84,746	93,252	104,072	112,943	119,064
Sterling .. £Stg.'000	9,859	9,832	10,355	10,328	10,917
United States dollars U.S. \$'000	6,124	6,989	7,900	8,976	11,227
Canadian dollars Can. \$'000	..	..	964	964	959
Swiss francs .. Sw. fr.'000	..	..	2,263	2,263	2,263
Netherlands guilders .. f.'000	..	..	..	1,643	1,643
<b>Total, States—Australian Currency Equivalents(a) £A.'000</b>	<b>99,804</b>	<b>108,662</b>	<b>121,194</b>	<b>130,663</b>	<b>138,553</b>
<b>Total, Commonwealth and States— Australian Currency Equivalents(a) £A.'000</b>	<b>156,380</b>	<b>164,671</b>	<b>177,181</b>	<b>186,208</b>	<b>193,988</b>

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

<b>For Commonwealth purposes—</b>					
Australian currency .. ..	3.05	3.16	3.26	3.33	3.28
Sterling .. ..	3.63	3.93	4.51	4.50	4.53
United States dollars .. ..	4.47	4.56	4.58	4.77	4.89
Canadian dollars .. ..	4.52	4.53	4.60	4.61	4.62
Swiss francs .. ..	4.00	4.14	4.14	4.14	4.11
Netherlands guilders .. ..	..	..	..	5.00	5.00
German Deutsche marks .. ..	4.75	4.75	4.75	4.75	4.75
<b>Total Commonwealth—Australian Currency Equivalents(a) ..</b>	<b>3.22</b>	<b>3.36</b>	<b>3.48</b>	<b>3.56</b>	<b>3.56</b>
<b>On account of States—</b>					
Australian currency .. ..	4.05	4.15	4.35	4.43	4.42
Sterling .. ..	3.68	3.68	3.88	3.88	3.99
United States dollars .. ..	4.19	4.33	4.43	4.79	4.93
Canadian dollars .. ..	..	..	5.75	5.75	5.75
Swiss francs .. ..	..	..	4.50	4.50	4.50
Netherlands guilders .. ..	..	..	..	5.00	5.00
<b>Total, States—Australian Currency Equivalents(a) .. ..</b>	<b>4.00</b>	<b>4.10</b>	<b>4.30</b>	<b>4.38</b>	<b>4.39</b>
<b>Total, Commonwealth and States— Australian Currency Equivalents(a)</b>	<b>3.68</b>	<b>3.81</b>	<b>4.01</b>	<b>4.10</b>	<b>4.11</b>

(a) For rates of exchange to £A. ruling at 30th June, 1963, see p. 952.

3. Government Securities on Issue and Annual Interest Payable, 30th June, 1963—Australian Currency.—In the following tables, details, including per capita figures, are shown in Australian currency equivalents calculated at rates of exchange ruling at 30th June, 1963.

**GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATES, 30th JUNE, 1963—AUSTRALIAN CURRENCY**

Particulars	Currency in which repayable							Total
	Australian currency	Sterling	United States dollars	Canadian dollars	Swiss francs	Netherlands guilders	German Deutsche marks	
AMOUNT (£A.'000)								
For Commonwealth purposes—								
Treasury Bills, Internal	279,800	..	..	..	..	..	..	279,800
Other short-term	192,538	..	..	..	..	..	..	192,538
Other	787,026	96,658	161,618	21,039	20,066	882	709	1,087,998
<i>Total, Commonwealth</i>	<i>1,259,364</i>	<i>96,658</i>	<i>161,618</i>	<i>21,039</i>	<i>20,066</i>	<i>882</i>	<i>709</i>	<i>1,560,336</i>
On account of States—								
New South Wales	898,646	140,526	39,271	2,167	1,616	1,280	..	1,083,506
Victoria	660,434	54,423	22,202	1,742	1,300	1,029	..	741,130
Queensland	330,613	57,109	15,864	875	652	524	..	405,637
South Australia	358,016	40,969	10,972	927	692	517	..	412,093
Western Australia	257,732	39,221	8,180	665	497	403	..	306,698
Tasmania	191,229	10,056	5,266	507	378	298	..	207,734
<i>Total, States</i>	<i>2,696,670</i>	<i>342,304</i>	<i>101,755</i>	<i>6,883</i>	<i>5,135</i>	<i>4,051</i>	<i>..</i>	<i>3,156,798</i>
<b>Total, Commonwealth and States—</b>								
Treasury Bills, Internal	279,800	..	..	..	..	..	..	279,800
Other short-term	192,538	..	..	..	..	..	..	192,538
Other	3,483,696	438,962	263,373	27,922	25,201	4,933	709	4,244,796
<b>Grand Total</b>	<b>3,956,034</b>	<b>438,962</b>	<b>263,373</b>	<b>27,922</b>	<b>25,201</b>	<b>4,933</b>	<b>709</b>	<b>4,717,134</b>

**PER HEAD OF POPULATION  
(£A.)**

For Commonwealth purposes	115.37	8.85	14.81	1.93	1.84	0.08	0.06	142.94
On account of States—								
New South Wales	221.96	34.71	9.70	0.54	0.40	0.32	..	267.63
Victoria	216.13	17.81	7.27	0.57	0.42	0.34	..	242.54
Queensland	211.09	36.46	10.13	0.56	0.42	0.33	..	258.99
South Australia	354.83	40.60	10.87	0.92	0.69	0.51	..	408.42
Western Australia	333.63	50.77	10.59	0.86	0.64	0.52	..	397.01
Tasmania	529.25	27.83	14.57	1.40	1.05	0.83	..	574.93
<i>Total, States</i>	<i>249.38</i>	<i>31.66</i>	<i>9.41</i>	<i>0.64</i>	<i>0.47</i>	<i>0.37</i>	<i>..</i>	<i>291.93</i>
<b>Total, Commonwealth and States</b>	<b>362.40</b>	<b>40.21</b>	<b>24.13</b>	<b>2.56</b>	<b>2.31</b>	<b>0.45</b>	<b>0.06</b>	<b>432.12</b>

**GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATES—  
ANNUAL INTEREST PAYABLE, 30th JUNE, 1963—AUSTRALIAN CURRENCY**

Particulars	Currency in which repayable—							Total
	Australian currency	Sterling	United States dollars	Canadian dollars	Swiss francs	Nether- lands guilders	German Deutsche marks	
AMOUNT (£A.'000)								
For Commonwealth purposes .. ..	41,275	4,379	7,907	971	825	44	34	55,435
On account of States—								
New South Wales .. ..	39,346	6,133	1,917	124	73	64	..	47,657
Victoria .. ..	29,555	2,293	1,116	100	59	52	..	33,175
Queensland .. ..	14,310	2,096	750	51	29	26	..	17,262
South Australia .. ..	15,911	1,416	550	53	31	26	..	17,987
Western Australia .. ..	11,401	1,321	407	39	22	20	..	13,210
Tasmania .. ..	8,541	388	272	29	17	15	..	9,262
<i>Total, States</i> .. ..	<i>119,064</i>	<i>13,647</i>	<i>5,012</i>	<i>396</i>	<i>231</i>	<i>203</i>	<i>..</i>	<i>138,553</i>
<b>Total, Commonwealth and States</b>	<b>160,339</b>	<b>18,026</b>	<b>12,919</b>	<b>1,367</b>	<b>1,056</b>	<b>247</b>	<b>34</b>	<b>193,988</b>

**PER HEAD OF POPULATION**

(£A.)

For Commonwealth purposes .. ..	3.78	0.40	0.73	0.09	0.08	..	..	5.08
On account of States—								
New South Wales .. ..	9.72	1.51	0.47	0.03	0.02	0.02	..	11.77
Victoria .. ..	9.67	0.75	0.37	0.03	0.02	0.02	..	10.86
Queensland .. ..	9.14	1.33	0.48	0.03	0.02	0.02	..	11.02
South Australia .. ..	15.77	1.40	0.55	0.05	0.03	0.03	..	17.83
Western Australia .. ..	14.76	1.71	0.52	0.05	0.03	0.03	..	17.10
Tasmania .. ..	23.64	1.07	0.75	0.08	0.05	0.04	..	25.63
<i>Total, States</i> .. ..	<i>11.01</i>	<i>1.26</i>	<i>0.46</i>	<i>0.04</i>	<i>0.02</i>	<i>0.02</i>	<i>..</i>	<i>12.81</i>
<b>Total, Commonwealth and States</b>	<b>14.69</b>	<b>1.65</b>	<b>1.18</b>	<b>0.13</b>	<b>0.10</b>	<b>0.02</b>	<b>..</b>	<b>17.77</b>

4. Government Securities on Issue and Annual Interest Payable, 30th June, 1959 to 1963.—In the following table, particulars of government securities on issue and annual interest payable thereon are shown in Australian currency equivalents calculated at rates of exchange ruling at 30th June in each year.

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

Particulars	30th June—				
	1959	1960	1961	1962	1963
<b>SECURITIES ON ISSUE</b>					
<b>For Commonwealth purposes—</b>					
Treasury Bills, Internal .. ..	269,600	233,500	251,100	240,900	279,800
Other short-term .. ..	171,000	201,000	186,000	208,000	192,538
Other .. ..	1,315,222	1,232,363	1,170,228	1,110,775	1,087,998
<i>Total, Commonwealth</i> .. ..	<i>1,755,822</i>	<i>1,666,863</i>	<i>1,607,328</i>	<i>1,559,675</i>	<i>1,560,336</i>
<b>On account of States—</b>					
New South Wales .. ..	875,770	924,707	976,284	1,028,308	1,083,506
Victoria .. ..	571,859	612,003	653,756	696,270	741,130
Queensland .. ..	320,714	340,118	361,154	382,885	405,637
South Australia .. ..	326,614	347,914	369,749	390,323	412,093
Western Australia .. ..	242,019	257,047	272,878	289,380	306,698
Tasmania .. ..	156,790	168,812	181,419	194,139	207,734
<i>Total, States</i> .. ..	<i>2,493,766</i>	<i>2,650,601</i>	<i>2,815,240</i>	<i>2,981,305</i>	<i>3,156,798</i>
<b>Total, Commonwealth and States—</b>					
Treasury Bills, Internal .. ..	269,600	233,500	251,100	240,900	279,800
Other short-term .. ..	171,000	201,000	186,000	208,000	192,538
Other .. ..	3,808,988	3,882,964	3,985,468	4,092,080	4,244,796
<b>Grand Total</b> .. ..	<b>4,249,588</b>	<b>4,317,464</b>	<b>4,422,568</b>	<b>4,540,980</b>	<b>4,717,134</b>
<b>ANNUAL INTEREST LIABILITY</b>					
<b>For Commonwealth purposes</b> .. ..	<b>56,576</b>	<b>56,009</b>	<b>55,987</b>	<b>55,545</b>	<b>55,435</b>
<b>On account of States—</b>					
New South Wales .. ..	34,985	37,827	42,126	45,042	47,657
Victoria .. ..	23,581	25,798	28,812	31,211	33,175
Queensland .. ..	12,381	13,427	15,025	16,335	17,262
South Australia .. ..	13,094	14,290	15,890	17,086	17,987
Western Australia .. ..	9,374	10,318	11,479	12,457	13,210
Tasmania .. ..	6,389	7,002	7,862	8,532	9,262
<i>Total, States</i> .. ..	<i>99,804</i>	<i>108,662</i>	<i>121,194</i>	<i>130,663</i>	<i>138,553</i>
<b>Total, Commonwealth and States</b> .. ..	<b>156,380</b>	<b>164,671</b>	<b>177,181</b>	<b>186,208</b>	<b>193,988</b>

5. Government Securities on Issue at Each Rate of Interest.—(i) *Commonwealth*. The following table shows particulars of the securities on issue for Commonwealth purposes at 30th June, 1963, at each rate of interest.

**GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH—AMOUNTS AT EACH RATE OF INTEREST, 30th JUNE, 1963**

Rate of interest per annum (per cent.)	Currency in which repayable							Total— Aus- tralian currency equiva- lents(a)
	Aus- tralian currency	Sterling	United States dollars	Can- adian dollars	Swiss francs	Nether- lands guilders	German deutsche marks	
	£A.'000	£Stg.'000	U.S. \$ '000	Can. \$ '000	Sw. fr. '000	f.'000	D.M. '000	
6.0		15,593						19,490
5.75			55,111	3,217				25,932
5.5		23,529	49,078					51,321
5.375	36,687							36,687
5.25	21,208		12,412					26,749
5.0	332,643		38,385			7,150		350,661
4.75	111,674		90,105	30,406	451		6,355	165,210
4.625			29,992	4,259				15,149
4.5	91,581		2,267		69,704			99,709
4.2625	22							22
4.25	48,424		67,994	1,341	6,394			79,985
4.0	4,208	5,655		11,725	60,000			22,244
3.875	32							32
3.75	3,449		11,794		60,000			14,839
3.5		5,652	4,887					9,247
3.4375	49,369							49,369
3.25		17,129						21,411
3.233	20,169							20,169
3.125	70,331							70,331
3.0		9,769						12,212
1.0	402,800							402,800
Overdue	3,883							3,883
Special bonds	62,884							62,884
<b>Total—</b>								
Currencies in which								
Repayable	1,259,364	77,327	362,025	50,948	196,556	7,150	6,355	..
Australian Currency								
Equivalents (a)	£A.'000	96,658	161,618	21,039	20,066	882	709	1,560,336

(a) For rates of exchange to £A. ruling at 30th June, 1963, see p. 952.

(ii) *States.* The following table shows particulars of the securities on issue for State purposes at 30th June, 1963, at each rate of interest.
**GOVERNMENT SECURITIES ON ISSUE: STATES—AMOUNTS AT EACH RATE OF INTEREST, 30th JUNE, 1963**

Rate of interest per annum (per cent.)	Currency in which repayable						Total— Aus- tralian currency equiva- lents(a)
	Aus- tralian currency	Sterling	United States dollars	Can- adian dollars	Swiss francs	Nether- lands guilders	
	£A.'000	£Stg.'000	U.S. \$ '000	Can. \$ '000	Sw. fr. '000	f.'000	
6.0		43,913					54,891
5.75					16,668		6,883
5.5		41,832	83,897				89,744
5.375	126,742						126,742
5.25	56,259		40,153				74,184
5.0	687,603	1	28,976			32,850	704,591
4.75	277,553		18,379				285,758
4.5	544,688		19,008		50,296		558,309
4.25	318,625						318,625
4.125	9,600						9,600
4.0	103,745	21,665					130,826
3.875	702						702
3.75	67,661		5,942				70,314
3.625	107						107
3.5	4,459	25,135	31,575				49,973
3.4875	2						2
3.25	10,880	51,276					74,975
3.125	314,958						314,958
3.1	3,225						3,225
3.0	20,995	55,784					90,725
2.75		15,794					19,743
2.7125	308						308
2.5	1	18,441					23,053
2.325	1,398						1,398
1.5	2,936						2,936
1.0	30,515						30,515
Overdue			2				3
Special Bonds	113,708						113,708
<b>Total—</b>							
Currencies in which							
Repayable	2,696,670	273,843	227,930	16,668	50,296	32,850	..
Australian Currency							
Equivalents(a)	£A.'000	342,304	101,755	6,883	5,135	4,051	3,156,798

(a) For rates of exchange to £A. ruling at 30th June, 1963, see p. 952.

6. Government Securities on Issue at Dates of Maturity.—(i) *Commonwealth*. In the following tables, government securities on issue on account of the Commonwealth at 30th June, 1963, are classified according to the earliest and latest years of maturity.

GOVERNMENT SECURITIES ON ISSUE, 30th JUNE, 1963: COMMONWEALTH—  
BY EARLIEST YEAR OF MATURITY

Particulars	Currency in which repayable							Total— Aus- tralian currency equiva- lents(a)
	Aus- tralian currency	Sterling	United States dollars	Can- adian dollars	Swiss frances	Nether- lands guilders	German deutsche marks	
	£A.'000	£Stg.'000	U.S. \$ '000	Can. \$ '000	Sw. fr. '000	fl.'000	D.M. '000	£A.'000
Before 30th June, 1963 ..	73,780	11,307	201,742	47,731	6,852	..	6,355	203,096
1963-64 .. ..	513,521	..	13,830	..	..	..	..	515,695
1964-65 .. ..	29,068	122	1,250	..	60,000	..	..	35,904
1965-66 .. ..	24,437	17,007	..	..	60,000	..	..	51,820
1966-67 .. ..	46,319	..	51,174	..	..	..	..	69,165
1967-68 .. ..	43,124	..	3,653	..	..	7,150	..	45,636
1968-69 .. ..	40,457	..	3,486	..	..	..	..	42,013
1969-70 .. ..	9,072	..	26,853	..	60,000	..	..	27,185
1970-71 .. ..	31,323	6,951	3,934	3,217	9,704	..	..	44,087
1971-72 .. ..	18,275	..	16,005	..	..	..	..	25,420
1972-73 .. ..	34,288	..	40,098	..	..	..	..	52,189
1974-75 .. ..	61,818	..	..	..	..	..	..	61,818
1975-76 .. ..	46,951	22,214	..	..	..	..	..	74,719
1976-77 .. ..	..	11,910	..	..	..	..	..	14,888
1979-80 .. ..	67,276	..	..	..	..	..	..	67,276
1980-81 .. ..	9,110	..	..	..	..	..	..	9,110
1981-82 .. ..	62,208	7,816	..	..	..	..	..	71,978
1982-83 .. ..	33,165	..	..	..	..	..	..	33,165
1984-85 .. ..	18,676	..	..	..	..	..	..	18,676
1985-86 .. ..	16,106	..	..	..	..	..	..	16,106
1986-87 .. ..	13,558	..	..	..	..	..	..	13,558
Special bonds .. ..	62,884	..	..	..	..	..	..	62,884
Overdue .. ..	3,883	..	..	..	..	..	..	3,883
Half-yearly instalments ..	33	..	..	..	..	..	..	33
Peace savings certificates	32	..	..	..	..	..	..	32
<b>Total—</b>								
Currencies in which Repayable ..	1,259,364	77,327	362,025	50,948	196,556	7,150	6,355	..
Australian Currency Equivalents (a) £A.'000	1,259,364	96,658	161,618	21,039	20,066	882	709	1,560,336

(a) For rates of exchange to £A. ruling at 30th June, 1963, see p. 952.

**GOVERNMENT SECURITIES ON ISSUE, 30th JUNE, 1963: COMMONWEALTH—  
BY LATEST YEAR OF MATURITY**

Particulars	Currency in which repayable							Total— Aus- tralian currency equiva- lents (a)
	Aus- tralian currency	Sterling	United States dollars	Can- adian dollars	Swiss francs	Nether- lands guilders	German Deutsche marks	
	£A.'000	£Stg.'000	U.S. \$ '000	Can. \$ '000	Sw. fr. '000	f.'000	D.M. '000	
1963-64 .. ..	555,478	5,655	4,370	..	..	..	..	564,498
1964-65 .. ..	57,431	..	3,900	..	..	..	..	59,172
1965-66 .. ..	27,897	..	1,000	..	..	..	..	28,343
1966-67 .. ..	46,319	5,652	14,117	..	..	..	..	59,686
1967-68 .. ..	43,124	..	4,600	..	..	..	..	45,178
1968-69 .. ..	40,457	..	42,898	8,988	60,000	..	..	69,445
1969-70 .. ..	9,072	17,007	41,786	4,299	60,007	..	..	56,870
1970-71 .. ..	31,323	..	1,017	11,725	..	..	..	36,619
1971-72 .. ..	18,275	..	40,039	2,243	..	..	6,355	37,785
1972-73 .. ..	34,288	6,951	18,077	19,175	451	..	..	59,011
1974-75 .. ..	61,818	122	..	..	60,000	..	..	68,095
1975-76 .. ..	46,951	7,776	67,994	1,341	16,098	..	..	89,222
1977-78 .. ..	..	11,973	..	..	..	..	..	14,966
1978-79 .. ..	..	2,465	3,486	..	..	..	..	4,637
1979-80 .. ..	67,276	11,910	26,853	..	..	..	..	95,152
1980-81 .. ..	9,110	..	3,934	3,217	..	..	..	11,194
1981-82 .. ..	62,208	..	16,005	..	..	7,150	..	70,235
1982-83 .. ..	33,165	..	40,098	..	..	..	..	51,066
1983-84 .. ..	..	7,816	..	..	..	..	..	9,770
1984-85 .. ..	18,676	..	..	..	..	..	..	18,676
1985-86 .. ..	16,106	..	..	..	..	..	..	16,106
1986-87 .. ..	13,558	..	31,851	..	..	..	..	27,778
Special bonds .. ..	62,884	..	..	..	..	..	..	62,884
Overdue .. ..	3,883	..	..	..	..	..	..	3,883
Half-yearly instalments ..	33	..	..	..	..	..	..	33
Peace savings certificates	32	..	..	..	..	..	..	32
<b>Total—</b>								
Currencies in which Repayable .. ..	1,259,364	77,327	362,025	50,948	196,556	7,150	6,355	..
Australian Currency Equivalents (a) £A.'000	1,259,364	96,658	161,618	21,039	20,066	882	709	1,560,336

(a) For rates of exchange to £A. ruling at 30th June, 1963, see p. 952.



(ii) *States.* Particulars of government securities on issue on account of the States at 30th June, 1963, are classified in the following tables according to the earliest and latest years of maturity.

**GOVERNMENT SECURITIES ON ISSUE, 30th JUNE, 1963: STATES—  
BY EARLIEST YEAR OF MATURITY**

Particulars	Currency in which repayable						Total— Aus- tralian currency equiva- lents(a)
	Aus- tralian currency	Sterling	United States dollars	Can- adian dollars	Swiss francs	Nether- lands guilders	
	£A.'000	£Stg.'000	U.S. \$ '000	Can. \$ '000	Sw.fr. '000	f.'000	
Before 30th June, 1963 .. ..	379,054	46,920	56,525	..	..	..	462,938
1963-64 .. ..	108,556	9,590	..	..	..	..	120,544
1964-65 .. ..	118,574	12,616	..	..	..	..	134,344
1965-66 .. ..	287,402	64,044	..	..	..	..	367,457
1966-67 .. ..	128,719	..	12,017	..	..	..	134,084
1967-68 .. ..	168,383	15,795	18,379	..	..	32,850	200,383
1968-69 .. ..	205,951	..	16,959	..	..	..	213,522
1969-70 .. ..	70,762	20,282	19,767	..	..	..	104,939
1970-71 .. ..	103,592	..	20,386	16,668	50,296	..	124,711
1971-72 .. ..	98,222	22,175	38,995	..	..	..	143,349
1972-73 .. ..	182,839	10,000	44,902	..	..	..	215,385
1973-74 .. ..	3,816	..	..	..	..	..	3,816
1974-75 .. ..	53,916	15,850	..	..	..	..	73,729
1975-76 .. ..	90,115	38,192	..	..	..	..	137,855
1976-77 .. ..	6,481	..	..	..	..	..	6,481
1977-78 .. ..	6,640	13,845	..	..	..	..	23,946
1978-79 .. ..	8,289	..	..	..	..	..	8,289
1979-80 .. ..	106,473	..	..	..	..	..	106,473
1980-81 .. ..	86,151	..	..	..	..	..	86,151
1981-82 .. ..	105,002	2,134	..	..	..	..	107,670
1982-83 .. ..	37,328	..	..	..	..	..	37,328
1983-84 .. ..	1,615	..	..	..	..	..	1,615
1984-85 .. ..	53,633	..	..	..	..	..	53,633
1985-86 .. ..	141,248	..	..	..	..	..	141,248
1986-87 .. ..	1,834	..	..	..	..	..	1,834
1987-88 .. ..	4,224	..	..	..	..	..	4,224
Special bonds .. ..	113,708	..	..	..	..	..	113,708
Overdue .. ..	..	2	..	..	..	..	2
Half-yearly instalments .. ..	14,634	..	..	..	..	..	14,634
Indefinite .. ..	9,509	..	..	..	..	..	9,509
Interminable .. ..	..	1	..	..	..	..	1
Treasurer's option .. ..	..	2,397	..	..	..	..	2,996
<b>Total—</b>							
Currencies in which Repayable	2,696,670	273,843	227,930	16,668	50,296	32,850	..
Australian Currency Equiva- lents(a) .. .. £A.'000	2,696,670	342,304	101,755	6,883	5,135	4,051	3,156,798

(a) For rates of exchange to £A. ruling at 30th June, 1963, see p. 952.

**GOVERNMENT SECURITIES ON ISSUE, 30th JUNE, 1963: STATES—  
BY LATEST YEAR OF MATURITY**

Particulars	Currency in which repayable						Total— Aus- tralian currency equiva- lents(a)
	Aus- tralian currency	Sterling	United States dollars	Can- adian dollars	Swiss francs	Nether- lands guilders	
	£A.'000	£ Stg. '000	U.S. \$ '000	Can. \$ '000	Sw. Fr. '000	f.'000	
1963-64 .. .. .	210,936	..	..	..	..	..	210,936
1964-65 .. .. .	293,425	12,655	..	..	..	..	309,244
1965-66 .. .. .	389,225	9,590	..	..	..	..	401,212
1966-67 .. .. .	128,719	23,294	31,575	..	..	..	171,933
1967-68 .. .. .	168,383	25,384	..	..	..	..	200,113
1968-69 .. .. .	205,951	..	..	..	..	..	205,951
1969-70 .. .. .	70,762	40,501	5,942	..	..	..	124,041
1970-71 .. .. .	103,592	10,971	19,008	..	..	..	125,791
1971-72 .. .. .	98,222	25,795	12,017	..	..	..	135,831
1972-73 .. .. .	182,839	10,000	18,379	..	..	..	203,544
1973-74 .. .. .	3,816	12,175	..	..	..	..	19,035
1974-75 .. .. .	53,916	31,057	..	..	..	..	92,737
1975-76 .. .. .	90,115	2,084	..	..	50,296	..	97,855
1976-77 .. .. .	6,481	15,850	..	..	..	..	26,294
1977-78 .. .. .	6,640	14,073	..	..	..	..	24,232
1978-79 .. .. .	8,289	22,035	16,959	..	..	..	43,404
1979-80 .. .. .	106,473	..	19,767	..	..	..	115,298
1980-81 .. .. .	86,151	13,845	20,386	16,668	..	..	119,441
1981-82 .. .. .	105,002	..	38,995	..	..	32,850	126,461
1982-83 .. .. .	37,328	..	44,902	..	..	..	57,374
1983-84 .. .. .	1,615	2,134	..	..	..	..	4,282
1984-85 .. .. .	53,633	..	..	..	..	..	53,633
1985-86 .. .. .	141,248	..	..	..	..	..	141,248
1986-87 .. .. .	1,834	..	..	..	..	..	1,834
1987-88 .. .. .	4,224	..	..	..	..	..	4,224
Special bonds .. .. .	113,708	..	..	..	..	..	113,708
Overdue .. .. .	..	2	..	..	..	..	2
Half-yearly instalments .. .. .	14,634	..	..	..	..	..	14,634
Indefinite .. .. .	9,509	..	..	..	..	..	9,509
Interminable .. .. .	..	1	..	..	..	..	1
Treasurer's option .. .. .	..	2,397	..	..	..	..	2,996
<b>Total—</b>							
Currencies in which Repayable	2,696,670	273,843	227,930	16,668	50,296	32,850	..
Australian Currency Equiva- lents(a) .. .. .	2,696,670	342,304	101,755	6,883	5,135	4,051	3,156,798

(a) For rates of exchange to £A. ruling at 30th June, 1963, see p. 952.

7. **Short-term Securities on Issue.**—Particulars of the short-term securities (Treasury bills, Treasury notes and seasonal securities) of the Commonwealth and States in Australia at intervals from 30th June, 1959, to 30th June, 1963, are shown in the following table. These securities are included in the government securities on issue as shown elsewhere. No short-term securities have been raised overseas since September, 1956, when all such securities held in London were expatriated to Australia.

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

**MATURING IN AUSTRALIA**  
(£A.'000)

Date	Commonwealth		States(c)	Total
	Treasury bills	Treasury notes(b)		
30th June, 1959 .. ..	171,000	..	..	171,000
.. .. 1960 .. ..	201,000	..	..	201,000
.. .. 1961 .. ..	186,000	..	..	186,000
30th September, 1961 .. ..	236,000	25,099	2,000	263,099
31st December, 1961 .. ..	303,000	49,350	11,000	363,350
31st March, 1962 .. ..	213,000	86,125	5,500	304,625
30th June, 1962 .. ..	208,000	..	..	208,000
30th September, 1962 .. ..	187,000	59,966	2,000	248,966
31st December, 1962 .. ..	265,000	70,989	4,000	339,989
31st March, 1963 .. ..	142,000	142,862	2,000	286,862
30th June, 1963 .. ..	123,000	69,538	..	192,538

(a) Excludes overdrafts and internal Treasury bills.  
1962. (c) Treasury bills.

(b) Seasonal securities before 30th June,

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

In 1962-63, daily issues of Treasury notes replaced those of seasonal securities which had, during the three previous financial years, all matured in the course of the same financial year in which they were issued. Treasury notes with a currency of thirteen weeks were issued in multiples of £1,000 over the minimum subscription of £5,000 and increases in value were subject to the usual income tax rebate of two shillings in the pound. In April, 1963, the terms of issue of these notes were altered from the price of £99.10 per cent. yielding £3.64 per cent. per annum to a price of £99.15 yielding £3.44 per cent. per annum.

8. **Government Securities on Issue on Account of the States; Local Government and Semi-governmental Authority Securities on Issue.**—In some States, certain public utilities, such as tramways, water supply and sewerage, harbour services, etc., are controlled by boards or trusts, which in addition to receiving advances from the central government, raise loans by borrowing on their own behalf, while in other States these services are controlled by the central government. Direct comparisons between States of the securities on issue on account of the several States should therefore be made with caution. The table following shows for 1957-58 to 1961-62 particulars of the securities on issue on account of the States, the securities on issue by local government and semi-governmental authorities, and the aggregates of these.

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

Particulars	State	Local government (a)	Semi-gov- ernmental (a)	Total
<b>SECURITIES ON ISSUE</b>				
<b>(£A.'000)(b)</b>				
<b>30th June, 1962</b>				
New South Wales .. .. .	1,028,308	87,157	314,012	1,429,477
Victoria .. .. .	696,270	51,536	519,139	1,266,945
Queensland .. .. .	382,885	110,715	87,506	581,106
South Australia .. .. .	390,323	7,922	41,472	439,717
Western Australia .. .. .	289,380	15,249	22,460	327,089
Tasmania .. .. .	194,139	17,032	17,403	228,574
<b>Total, 30th June, 1962 .. .. .</b>	<b>2,981,305</b>	<b>289,611</b>	<b>1,001,992</b>	<b>4,272,908</b>
1961 .. .. .	2,815,240	257,945	921,247	3,994,432
1960 .. .. .	2,650,601	235,852	855,623	3,742,076
1959 .. .. .	2,493,766	214,182	771,354	3,479,302
1958 .. .. .	2,342,869	197,691	703,810	3,244,370

**PER HEAD OF POPULATION**

**(£A.)(b)**

**30th June, 1962**

New South Wales .. .. .	258.58	21.92	78.96	359.46
Victoria .. .. .	232.75	17.23	173.54	423.52
Queensland .. .. .	248.20	71.77	56.73	376.70
South Australia .. .. .	394.51	8.01	41.92	444.44
Western Australia .. .. .	383.55	20.21	29.77	433.53
Tasmania .. .. .	543.90	47.72	48.76	640.38
<b>Total, 30th June, 1962 .. .. .</b>	<b>280.95</b>	<b>27.29</b>	<b>94.42</b>	<b>402.66</b>
1961 .. .. .	270.12	24.75	88.39	383.26
1960 .. .. .	259.94	23.13	83.91	366.98
1959 .. .. .	249.72	21.45	77.24	348.41
1958 .. .. .	239.58	20.22	71.97	331.77

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

#### § 4. Commonwealth Loan Raisings

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

2. **New Loans Raised, 1960-61 to 1962-63.**—(i) *Australia.* The following table shows details of new loans raised in Australia by the Commonwealth during the three years 1960-61 to 1962-63.

## COMMONWEALTH NEW LOANS(a) RAISED IN AUSTRALIA

Month of raising	Amount invited	Amount subscribed	Rate of interest per annum	Year of maturity	Price of issue	Allocation of loan		
						Commonwealth		States
						War (1939-45) etc.	Other purposes	
£'000	£'000	Per cent.	Per cent.	£'000	£'000	£'000		
1960-61—								
September (Loan No. 124) ..	30,000	{ 12,568 6,847 13,542	{ 4½ 4½ 5	1962	100	}	24	32,933
		{ 23,638 3,692 7,584	{ 5½ 5½ 5½	1969	98½			
February (Loan No. 126) ..	35,000	{ 24,747 1,338 8,425	{ 5½ 5½ 5½	1963	100	}	4	34,910
		{ 25,000	{ 5½	1970	98½			
May (Loan No. 127) ..	25,000	{ 24,747 1,338 8,425	{ 5½ 5½ 5½	1963	100	}	9	34,501
		{ 55,000	{ 5½	1970	98½			
June (Loan No. 129) (b) ..	90,000	{ 10,000 25,000	{ 5½ 5½	1963	100	}	1,304	31,614
		{ 25,000	{ 5½	1970	98½			
July-June (Special bonds) (c) ..	..	11,501	4-5	{ 1967 1968 }	100	2,216	1,502	7,783
1961-62—								
September (Loan No. 130) ..	40,000	{ 28,376 9,438 35,685	{ 4½ 5½ 5½	1964	100	}	5	73,494
		{ 47,787 17,404 25,495	{ 4½ 4½ 5	1970	100			
February (Loan No. 132) ..	55,000	{ 47,787 17,404 25,495	{ 4½ 4½ 5	1964	100	}	27,758	62,928
		{ 14,824 2,750 21,004	{ 4½ 4½ 5	1971	99½			
May (Loan No. 134) ..	40,000	{ 2,750 21,004 2,000	{ 4½ 4½ 4½	1965	100	}	6,131	32,447
		{ 5,000	{ 5	1984	100			
June (Loan No. 136) (b) ..	7,000	{ 2,000 5,000	{ 4½ 5	1971	98½	}	7,000	..
		{ 5,000	{ 5	1984	100			
July-June (Special bonds) (c) ..	..	20,312	4½-5½	{ 1968 1969 }	100	385	7,325	12,602
1962-63—								
September (Loan No. 137) ..	50,000	{ 28,953 10,464 40,743	{ 4½ 4½ 5	1965	99½	}	14,718	65,444
		{ 43,161 11,665 71,858	{ 4½ 4½ 5	1972	100			
February (Loan No. 139) ..	60,000	{ 43,161 11,665 71,858	{ 4½ 4½ 5	1966	100	}	38,457	88,227
		{ 71,858	{ 5	1972	99			
July-June (Special bonds) (c) ..	..	31,233	4-5	{ 1969 1970 }	100	3,590	12,318	15,325

(a) Includes loans raised for redemption of Treasury Bills, but excludes conversion loans, loans for redemption of debt maturing in London, short-term debt and certain miscellaneous debt (see p. 971).  
 (b) Special issue. For details see following paragraph. (c) Special bonds open for continuous subscription, redeemable at prices commencing at par and increasing to a premium of £3 per cent. if held until maturity in 1966-69. Interest increases from 4 per cent. to 5 per cent. over period of currency.

The loans of £90,000,000 and £7,000,000, raised in June, 1961 and 1962, respectively, were for the purpose of fulfilling an undertaking given by the Commonwealth that the States would have access to loan funds for their works programmes up to the approved Loan Council borrowing programmes. These programmes totalled £230,000,000 in 1960-61, £247,500,000 in 1961-62 and £255,000,000 in 1962-63. Subscriptions to these special loans for the two years covered came from the Loan Consolidation and Investment Reserve Trust Account.

Finance for the approved Loan Council programmes from 1960-61 to 1962-63 was provided from the following sources.

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

Source	1960-61	1961-62	1962-63
Public loans, domestic raisings, etc. . . . .	117,900	225,100	203,147
Oversea loans and special Commonwealth assistance	112,100	22,400	51,853
<b>Total . . . . .</b>	<b>230,000</b>	<b>247,500</b>	<b>255,000</b>

In addition to the new loans raised as shown in the table on the previous page and the redemption and conversion loans shown in paragraph 3 below, there were other miscellaneous loan operations in Australia (*see* p. 971).

(ii) *London.* The only new loan raised in London during the three years ended 1962-63 was for £Stg.12,000,000, 5½ per cent. interest, price of issue £Stg.98 per £Stg.100, maturing 1978, raised during 1962-63.

(iii) *New York.* The following table gives details of the loans raised during the period 1960-61 to 1962-63.

**COMMONWEALTH NEW LOANS RAISED IN NEW YORK**

Month of raising	Amount of loan	Rate of interest per annum	Price of issue	Year of maturity	Allocation of loan	
					Commonwealth	States
	\$'000	Per cent.	Per cent.		\$'000	\$'000
1960-61—						
September ..	25,000	5½	98	1980	4,044	20,956
July-June ..	3,517	5½	100	(a) 1962-68	(c) 3,517	..
July-June ..	2,000	5½	100	(b) 1961-65	(d) 2,000	..
1961-62—						
July ..	25,000	5½	97	1981	4,469	20,531
July-June ..	26,483	5½	100	1962-68	(c) 26,483	..
1962-63—						
July ..	30,000	5½	97½	1982	5,508	24,492
October ..	25,000	5½	99	1982	4,590	20,410
April ..	30,000	5	97½	1983	30,000	..
July-June ..	4,600	5½	100	1967	(c) 4,600	..
July-June ..	1,250	4½-4¾	100	1971	(d) 1,250	..

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

3. Conversion and Redemption Loans, 1960-61 to 1962-63.—(i) *Australia.* Particulars of conversion loans raised in Australia during the three years 1960-61 to 1962-63 are given in the following table.

## COMMONWEALTH CONVERSION AND REDEMPTION LOANS RAISED IN AUSTRALIA

Month of raising	Old loan		New loan				Increase in annual liability for interest
	Amount	Rate of interest per annum	Amount	Rate of interest per annum	Price of issue	Year of maturity	
1960-61—							
September ..	{ 39,561 118,431	{ 3½ 3½	{ 19,286 31,724 52,954	{ 4½ 4½ 5	{ 100 98½ 100	{ 1962 1969 1982	{ 195
May ..	{ 5,000	{ 4	{ (a)7,172 5,000	{ 4½-5 5½	{ 100 99½	{ 1968 1963	{ 62
May ..	{ 179,210	{ 4	{ 82,274 26,214 48,178 (a) 989	{ 5½ 5½ 5½ 4½-5½	{ 99½ 98½ 100 100	{ 1963 1970 1981 1968	{ 1,162
July-June (Special bonds) ..	{ 7,596	{ 4-5	{ 7,596	{ 4-5½	{ 100	{ 1967 1968	{ ..
1961-62—							
September ..	{ 123,517 24,397	{ 3½ 4½	{ 34,205 26,783 37,616 (a)5,743	{ 4½ 5½ 5½ 4½-5½	{ 100 100 100 100	{ 1964 1970 1982 1968	{ 198
February ..	{ 60,594	{ 4	{ 35,036 9,447 8,343 (a)1,440	{ 4½ 4½ 5 4½-5½	{ 99½ 99½ 100 100	{ 1964 1971 1984 1969	{ - 4
May ..	{ 48,484 29,831	{ 4 4½	{ 31,552 21,676 8,994 (a)1,052	{ 4½ 4½ 5 4½-5	{ 99½ 99½ 100 100	{ 1965 1971 1984 1969	{ -341
July-June (Special bonds) ..	{ 7,057	{ 4-5½	{ 7,057	{ 4½-5½	{ 100	{ 1968 1969	{ 18
1962-63—							
September ..	{ 76,573 101,044	{ 3½ 4½	{ 50,397 49,707 39,725 (a)5,801	{ 4½ 4½ 5 4½-5	{ 99½ 100 100 100	{ 1965 1972 1985 1969	{ -204
February ..	{ 39,986	{ 4	{ 21,483 12,707 2,153 (a) 596	{ 4½ 4½ 5 4½-5	{ 100 99 100 100	{ 1966 1972 1985 1970	{ 19
April ..	{ 62,892	{ 5	{ 99,790	{ 4	{ 100	{ 1966	
July-June (Special bonds) ..	{ 179,786 7,849	{ 5½ 4-5½	{ 91,539 (a)15,084 7,849	{ 4½ 4½-5 4-5	{ 98½ 100 100	{ 1972 1970 1969 1970	{ -4,061

(a) Special bonds.

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

(ii) *London.* The following table shows particulars of loans raised in London during the years 1958-59, 1960-61 and 1962-63 for the purpose of redeeming and converting London loans. None was raised during 1961-62.

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

Month of raising	Old loan		New loan				Increase in annual liability for interest and exchange		
	Amount	Rate of interest per annum	Amount raised in—		Rate of interest per annum	Price of issue	Year of maturity		
			Australia	London					
	£Stg. '000	Per cent.	£A.'000	£Stg. '000	Per cent.	Per cent.	£Stg. '000	£A.'000 (a)	
1958-59—									
March ..	20,675	3½	..	20,000	5½	99	{ 1973 1979	400	500
1960-61—									
July ..	13,925	3	..	13,925	6	98	{ 1977-80 1975	418	523
January ..	20,579	3½	..	20,000	6	97½	{ 1981-83	531	664
1962-63—									
July ..	11,790	4	..	10,000	6	97	1972	128	160

(a) No account has been taken of the cost of issuing the conversion loans at a discount. Exchange calculated at £A.125 = £Stg. 100 (the International Monetary Fund par rate of exchange in the years shown).

(iii) *New York*. During 1946-47, four loans totalling \$128,000,000 were raised in New York to redeem loans which became due for redemption or which the Commonwealth had the option of redeeming. No further loans were raised in New York for this purpose until December, 1954. The loan raised in New York for this purpose in March, 1957, amounted to \$17,114,000, at 5 per cent. interest, issued at par, maturing in 1972. No loans were raised for the purpose of redeeming loans which became due for redemption or which the Commonwealth had the option of redeeming during 1957-58 to 1960-61 or in 1962-63. In 1961-62, a re-financing loan of \$30,000,000 was raised at 5½ per cent. interest, issued at £98½, maturing in 1982.

4. **International Bank for Reconstruction and Development Loans.**—To provide dollar funds for the purchase of certain types of capital equipment and plant which were indispensable to the furtherance of development in Australia and which could be obtained only in the United States of America or Canada, the Commonwealth Government arranged five loans from the International Bank for Reconstruction and Development between August, 1950, and December, 1956, amounting to \$308,500,000, repayable over periods of from 10 to 25 years, at rates of interest of from 4½ to 4¾ per cent. The proceeds of the latest of these loans were finally drawn in March, 1959.

The capital equipment and plant purchased from the proceeds of these loans are made available to Commonwealth and State Government departments and agencies and private firms and individuals for use in the development of Australian resources. The goods are imported and distributed through normal channels and payment made through the Australian banking system.

The loan on behalf of Qantas Empire Airways of \$9,230,000 at 4½ per cent. maturing in 1966-87 was finally drawn at the end of July, 1958, and in 1962-63 drawings of \$31,851,000 were made from the loan (at 5½ per cent. maturing in 1966-87) raised for the purposes of the Snowy Mountains Hydro-electric Authority.

5. **Swiss Loans.**—To foster industrial development in Australia and to stimulate trade relations between the two countries, the Commonwealth Government arranged for the issue in Switzerland in November, 1953, February, 1955, March, 1960, and March, 1961, of four public loans each of 60,000,000 Swiss francs. The loans were underwritten by a Swiss banking group headed by the Swiss Bank Corporation, the Crédit Suisse and the Union Bank of Switzerland. Certain Swiss taxes connected with the issue and servicing of the loans were paid on an agreed basis by the Australian Government.

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

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

The loans were fully subscribed, and Swiss franc proceeds, after deducting borrowing expenses, were sold by the Commonwealth Government to the Reserve Bank in return for an equivalent amount of Australian currency.

6. **Canadian Loans.**—In October, 1955, the Commonwealth Government arranged for the issue in Canada of a public loan of 15,000,000 Canadian dollars raised to assist Australia's development programme. The loan was for a period of 15 years with an option on the part of the Australian Government to repay the loan in full or in part at any time prior to 1st November, 1970. The rate of interest was 4 per cent., payable half-yearly, and the issue price \$98.50. A second loan, of 20,000,000 Canadian dollars, was raised in March, 1961, on the security of the Commonwealth of Australia, 5½ per cent. twenty-year bonds being issued at the rate of \$98½ per cent. Bonds and interest are payable in Canadian dollars in each case.



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

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

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

8. Summary of Loan Transactions, 1958-59 to 1962-63.—The following table contains a summary of loan transactions on behalf of the Commonwealth and State Governments during the five years 1958-59 to 1962-63.

## COMMONWEALTH LOAN TRANSACTIONS: SUMMARY

Details	1958-59	1959-60	1960-61	1961-62	1962-63
New loans(a) raised in—					
Australia .. .. £A.'000	184,683	198,462	203,881	230,075	238,079
London .. .. £Stg.'000	15,000	12,000	..	..	12,000
New York(b) .. .. \$'000	58,351	60,400	30,517	51,483	122,701
Switzerland .. .. francs '000	..	60,000	60,000	..	..
Canada .. .. \$'000	..	..	20,000	..	..
Netherlands .. .. guilders '000	..	..	..	40,000	..
Miscellaneous debt in Australia(c) £A.'000	3,230	5,224	3,676	4,465	17,397
Net increase in short-term debt—					
Australia—Public .. £A.'000	31,000	30,000	-15,000	22,000	-85,000
Internal .. £A.'000	5,300	-36,100	17,600	-10,200	38,900
Loans raised for conversion or redemption of existing securities maturing in—					
Australia .. .. £A.'000	259,249	229,732	281,387	228,944	396,831
London .. .. £Stg.'000	20,000	..	33,925	..	10,000
New York .. .. \$'000	..	..	..	30,000	..

(a) Includes loans raised for redemption of Treasury Bills. (b) Includes amounts drawn of \$100,000,000, \$50,000,000, \$54,000,000, \$54,500,000, \$9,230,000, \$50,000,000 and \$31,851,000 loans from International Bank for Reconstruction and Development. (c) Treasury notes, advance loan subscriptions (net increase), "over the counter sales" (instalment stock and inscribed stock and bonds issued by State Governments) and Peace Savings Certificates (interest credited).

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

9. Government Securities on Issue maturing in Australia, Classified by Holder.—The following table shows details of government securities maturing in Australia classified according to holder as at the 30th June, 1962 and 1963.

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

*(Source: Reserve Bank of Australia Statistical Bulletin)*

Holder	30th June—			
	1962		1963	
	Amount	Proportion of total	Amount	Proportion of total
	£ million	Per cent.	£ million	Per cent.
Reserve Bank of Australia .. .. .	463	12.1	394	10.0
Trading banks .. .. .	385	10.1	419	10.6
Savings banks .. .. .	837	21.9	916	23.2
Life insurance offices .. .. .	259	6.8	311	7.9
Fire, marine and general insurance offices	42	1.1	42	1.1
Other private financial institutions—				
Pension and provident funds .. .. .	37	1.0	45	1.1
Friendly societies, hospitals and medical funds .. .. .	9	0.2	9	0.2
Trustee companies .. .. .	74	1.9	70	1.8
Pastoral finance companies .. .. .	7	0.2	7	0.2
Money market dealers .. .. .	123	3.2	148	3.7
Miscellaneous .. .. .	7	0.2	12	0.3
Government financial institutions—				
Insurance offices and funds .. .. .	39	1.0	41	1.0
Pension and provident funds .. .. .	64	1.7	66	1.7
Public trustees .. .. .	18	0.5	16	0.4
Stabilization funds .. .. .	..	..	..	..
All other(b) .. .. .	10	0.3	6	0.1
Public authorities (excluding finance)—				
Commonwealth Government (including Commonwealth semi-government) ..	706	18.4	668	16.9
State Government .. .. .	19	0.5	30	0.8
Local government and State semi-government .. .. .	75	1.9	96	2.4
Companies (excluding finance) .. .. .	70	1.8	95	2.4
Other holders—				
Marketing boards .. .. .	4	0.1	4	0.1
Farmers .. .. .	74	1.9	67	1.7
Non-profit organizations .. .. .	28	0.7	26	0.6
All other .. .. .	479	12.5	468	11.8
<b>Total .. .. .</b>	<b>3,829</b>	<b>100.0</b>	<b>3,956</b>	<b>100.0</b>

(a) Total stock inscribed, bonds in circulation, amounts paid up on outstanding applications, in transit claims and advance applications, Commonwealth Treasury Bills, debentures, and Savings Certificates. (b) Includes securities held by Commonwealth Development Bank of Australia.

### § 5. National Debt Sinking Fund

1. **Securities on Issue on behalf of the Commonwealth.**—Particulars relating to the creation of sinking funds are included in issues of the Year Book prior to No. 23.

The old sinking funds were merged in the National Debt Sinking Fund on 11th August, 1923. Particulars of receipts and expenditure of the Commonwealth Account for the years 1958–59 to 1962–63 are as follows.

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

Particulars	1958-59	1959-60	1960-61	1961-62	1962-63
<b>Receipts—</b>					
From Consolidated Revenue .. ..	14,376	19,533	23,092	25,161	27,230
Loans and advances repaid .. ..	3,213	3,398	3,751	3,834	3,992
War Service Homes money repaid ..	7,560	9,589	9,808	9,422	11,087
Half net profit Commonwealth Bank ..	5,749	2,808	(a)	(a)	(a)
Reparation moneys .. ..	20	43	16	8	..
Interest on investments .. ..	(b) 9,015	(b) 8,303	(b) 7,830	(b) 6,617	(b) 6,041
Loan (International Bank for Reconstruction and Development) Act .. ..	7,492	..	..	..	..
Other contributions .. ..	..	..	..	..	..
<b>Total, Receipts .. ..</b>	<b>47,425</b>	<b>43,674</b>	<b>44,497</b>	<b>45,042</b>	<b>48,350</b>
<b>Expenditure—</b>					
Securities repurchased and redeemed in—					
Australia .. ..	64,799	59,357	58,539	52,525	15,654
London .. ..	189	218	594	170	82
New York .. ..	(c) 6,029	(c) 7,969	(c) 8,062	(c) 10,331	(c) 9,675
Canada .. ..	..	..	..	..	8
<b>Total, Expenditure .. ..</b>	<b>71,017</b>	<b>67,544</b>	<b>67,195</b>	<b>63,026</b>	<b>25,419</b>
Balance at 30th June .. ..	206,752	182,882	160,184	142,200	165,131
<b>Face value of securities repurchased and redeemed in—</b>					
Australia .. ..	65,421	59,556	59,354	52,686	15,639
London .. ..	185	220	481	150	65
New York .. ..	(c) 2,783	(c) 3,681	(c) 3,720	(c) 4,767	(c) 4,457
Canada .. ..	..	..	..	..	4
<b>Total, Face Value .. ..</b>	<b>68,389</b>	<b>63,457</b>	<b>63,555</b>	<b>57,603</b>	<b>20,165</b>

(a) Amounts of £3,352,000 in 1960-61, £4,487,000 in 1961-62 and £1,676,000 in 1962-63 were transferred to the Commonwealth Consolidated Revenue Fund from the profits of the central banking business of the Reserve Bank. (b) Includes interest received under *National Debt Sinking Fund (Special Payment) Act 1951*—£3,382,000 in 1958-59, £3,082,000 in 1959-60, £2,799,000 in 1960-61, £1,906,000 in 1961-62 and £1,732,000 in 1962-63. (c) Includes instalment repayments of loans from International Bank for Reconstruction and Development:—1958-59, net cost, £5,688,000, face value, £2,618,000; 1959-60, net cost, £7,235,000, face value, £3,326,000; 1960-61, net cost, £7,563,000, face value, £3,481,000; 1961-62, net cost, £7,910,000, face value, £3,643,000; 1962-63, net cost, £8,289,000, face value, £3,812,000.

2. Securities on Issue on behalf of States.—(i) States, 1962-63. A sinking fund for the redemption of the securities on issue on behalf of States was established under the Financial Agreement. Details of contributions to be made to this fund are given on page 953. Particulars of the transactions of the National Debt Sinking Fund (States' Account) for each State during the year 1962-63 are shown below.

**NATIONAL DEBT SINKING FUND: STATES' ACCOUNT, 1962-63**  
(£'000)

Particulars	N.S.W.	Vic.	Q'land	S. Aust.	W. Aust.	Tas.	Total
<b>Receipts—</b>							
Contributions under Financial Agreement—							
Commonwealth .. ..	2,491	1,695	913	963	702	486	7,250
States .. ..	8,650	6,687	3,259	3,291	2,714	1,452	26,053
Interest from States on cancelled securities .. ..	11	9	5	5	1	2	33
Special contributions by States .. ..	48	51	31	38	3	1	172
Interest on investments, etc. .. ..	-13	-13	-3	-5	-4	-2	-40
<b>Total, Receipts .. ..</b>	<b>11,187</b>	<b>8,429</b>	<b>4,205</b>	<b>4,292</b>	<b>3,416</b>	<b>1,939</b>	<b>33,468</b>
<b>Expenditure—</b>							
Securities repurchased and redeemed in—							
Australia .. ..	7,193	7,595	3,698	3,786	3,050	1,712	27,034
London .. ..	2,863	57	57	25	26	6	3,034
New York .. ..	764	471	288	244	205	97	2,069
Canada .. ..	13	10	5	5	4	3	40
<b>Total, Expenditure .. ..</b>	<b>10,833</b>	<b>8,133</b>	<b>4,048</b>	<b>4,060</b>	<b>3,285</b>	<b>1,818</b>	<b>32,177</b>
Balance at 30th June, 1963 .. ..	736	507	321	336	243	187	2,330
<b>Face value of securities repurchased and redeemed in—</b>							
Australia .. ..	7,216	7,599	3,696	3,786	3,050	1,711	27,058
London .. ..	1,980	45	45	20	20	5	2,115
New York .. ..	354	219	133	113	96	45	960
Canada .. ..	6	5	3	3	2	1	20
<b>Total, Face Value .. ..</b>	<b>9,556</b>	<b>7,868</b>	<b>3,877</b>	<b>3,922</b>	<b>3,168</b>	<b>1,762</b>	<b>30,153</b>

(ii) *All States, 1958-59 to 1962-63.* The following table is a summary of the transactions of the National Debt Sinking Fund (States' Account) for the years 1958-59 to 1962-63.

NATIONAL DEBT SINKING FUND: STATES' ACCOUNT

(£'000)

Particulars	1958-59	1959-60	1960-61	1961-62	1962-63
<b>Receipts—</b>					
Contributions under Financial Agreement—					
Commonwealth .. .. .	5,386	5,942	6,274	6,739	7,250
States .. .. .	19,161	21,280	22,808	24,658	26,053
Interest from States on cancelled securities .. .. .	8	14	17	15	33
Special contributions by States .. .. .	239	227	238	193	172
Interest on investments, etc. .. .. .	47	..	19	4	—40
<b>Total, Receipts .. .. .</b>	<b>24,841</b>	<b>27,463</b>	<b>29,356</b>	<b>31,609</b>	<b>33,468</b>
<b>Expenditure (net cost)—</b>					
Securities repurchased and redeemed in—					
Australia .. .. .	21,359	24,570	26,291	25,891	27,034
London .. .. .	1,799	797	944	624	3,034
New York .. .. .	1,024	2,342	1,840	5,057	2,069
Canada .. .. .	..	..	..	..	40
<b>Total, Expenditure .. .. .</b>	<b>24,182</b>	<b>27,709</b>	<b>29,075</b>	<b>31,572</b>	<b>32,177</b>
<b>Balance at 30th June .. .. .</b>	<b>967</b>	<b>721</b>	<b>1,002</b>	<b>1,039</b>	<b>2,330</b>
<b>Face values of securities repurchased and redeemed in—</b>					
Australia .. .. .	21,435	24,617	26,420	25,726	27,058
London .. .. .	1,330	761	414	530	2,115
New York .. .. .	481	1,103	871	2,278	960
Canada .. .. .	..	..	..	..	20
<b>Total, Face Value .. .. .</b>	<b>23,246</b>	<b>26,481</b>	<b>27,705</b>	<b>28,534</b>	<b>30,153</b>

TAXES ON INCOME

1. *General.*—A description of the development of income taxes in Australia appeared in Year Book No. 35, page 926. Since July, 1942, the Commonwealth, under the uniform tax arrangement, has been the only authority imposing taxes on income. Taxes on income are assessed and imposed under the *Income Tax and Social Services Contribution Assessment Act 1936-1963* and the *Income Tax and Social Services Contribution Act 1963*. The latter Act is an annual measure and its primary purpose is to declare the rates of tax and contribution payable for the financial year. The rates for the financial year are levied, in the case of individuals, on the income of that year, and in the case of companies, on the income of the preceding year. Thus tax for the financial year 1963-64 is levied on the income of individuals in 1963-64 and on the income of companies in 1962-63.

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

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

Certain types of Australian income are exempt from tax in Australia, the more important being (i) pensions, child endowment and other payments under the *Social Services Act 1947–1963* and the *Tuberculosis Act 1948*, (ii) income from gold-mining and uranium mining, (iii) twenty per cent. of certain mining profits, (iv) dividends paid out of exempt mining profits, and (v) income received from a scholarship, bursary or other education allowance.

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

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

Because of uncongenial climatic conditions, isolation, and high cost of living, taxpayers living in certain areas are allowed an additional deduction. Two zones have been prescribed, and the allowances are:—Zone A, £270 plus an amount equal to one half of the total deductions allowable to the taxpayer for the maintenance of dependants; and Zone B, £45 plus an amount equal to one twelfth of the deductions allowable to the taxpayer for the maintenance of dependants. A deduction equal to the deduction allowed to residents of Zone A is also allowed to members of the defence forces serving for more than one half of the year of income at declared localities outside Australia. The boundaries of Zones A and B are as defined in the Second Schedule, *Income Tax and Social Services Assessment Act 1936–1963*.

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

4. **Concessional Deductions.**—Concessional allowances for dependants, medical expenses, life insurance and superannuation contribution, etc., are made by way of a deduction from income. The maximum deduction allowed for each dependant or for a housekeeper employed by the taxpayer, for the financial year 1963–64, is shown in the following table.

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

(£)

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

(a) These deductions are allowed only if the dependant is a resident of Australia. If the dependant is maintained for part only of the year, a partial deduction is allowed. (b) Of a widower or widow.

(c) Caring for a spouse in receipt of an invalid pension, or caring for children under 16 years of age of a widower or widow. (d) Child, step-child, brother or sister over 16 years of age.

When the dependant maintained derives separate income, the amount of the concessional deduction is reduced by £1 for every £1 by which the separate net income exceeds £65. Separate net income includes age and invalid pensions but not child endowment. Scholarships are excluded except insofar as they relate to maintenance.

For the 1963-64 financial year, medical expenses paid by a taxpayer who is a resident, in respect of himself or dependants, including children under 21 years of age, are allowed as a concessional deduction. Medical expenses include payments made to a legally qualified medical practitioner, nurse or chemist, or to a hospital, in respect of an illness or operation, payments for dental services, payments for therapeutic treatment and eye tests, expenditure on medical or surgical appliances, artificial limbs or eyes, hearing aids and spectacles, the remuneration of an attendant of a person who is blind or confined to bed or invalid chair, and payments for the maintenance of a trained dog used for the guidance of a blind person.

Other concessional deductions allowed to resident taxpayers include (i) payments of life insurance premiums and contributions to superannuation funds and friendly societies, not exceeding an aggregate of £400, (ii) payments to medical or hospital benefits funds, (iii) funeral expenses of a dependant not exceeding £30 and (iv) expenditure incurred for the full-time education of children or dependants who are less than 21 years of age (maximum £150 per child or dependant).

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

5. **Effective Exemption from Tax.**—For the financial years 1950-51 to 1962-63, taxpayers without dependants were exempt from Income Tax and Social Services Contribution if their income did not exceed £104. For 1963-64 this exemption was £208. The effect of the deductions for dependants was to exempt resident taxpayers up to the incomes shown hereunder.

#### RESIDENT TAXPAYERS: EFFECTIVE EXEMPTIONS FROM TAX

(£)

Taxpayer with—	Financial years 1953-54 to 1956-57	Financial years 1957-58 to 1962-63	Financial year 1963-64
No dependants .. .. .	104	104	208
Wife .. .. .	234	247	351
Wife and one child .. .. .	312	338	442
"  "  two children .. .. .	364	403	507
"  "  three children .. .. .	416	468	572
"  "  four children .. .. .	468	533	637

For the 1963-64 financial year, an aged person (i.e., a man who has attained the age of 65 years or a woman who has attained the age of 60 years) is exempt from Income Tax and Social Services Contribution if his net income (i.e., gross income less expenses of earning that income) does not exceed £481. An aged person who contributes to the maintenance of his spouse is exempt from tax if the combined net incomes of the taxpayer and his spouse do not exceed £910.

6. **Rates of Income Tax and Social Services Contribution on Individuals.**—The following table shows the rates of income tax and social services contribution for the financial years 1953-54 to 1963-64.

**INCOME TAX AND SOCIAL SERVICES CONTRIBUTION—INDIVIDUALS: RATES  
OF INCOME TAX AND SOCIAL SERVICES CONTRIBUTION, 1953-54 TO 1963-64**

Total taxable income		1953-54		1954-55 to 1963-64(a)	
Column 1	Column 2	Tax and contribution on amount in column 1	Tax and contribution on each £1 of balance of income	Tax and contribution on amount in column 1	Tax and contribution on each £1 of balance of income
Exceeding—	Not exceeding—				
£	£	£ s. d.	d.	£ s. d.	d.
Nil	100	Nil	1	Nil	1
100	150	0 8 4	4	0 8 4	3
150	200	1 5 0	9	1 0 10	7
200	250	3 2 6	13	2 10 0	11
250	300	5 16 8	17	4 15 10	15
300	400	9 7 6	22	7 18 4	20
400	500	18 10 10	28	16 5 0	26
500	600	30 4 2	33	27 1 8	30
600	700	43 19 2	38	39 11 8	34
700	800	59 15 10	42	53 15 0	38
800	900	77 5 10	46	69 11 8	42
900	1,000	96 9 2	50	87 1 8	46
1,000	1,200	117 5 10	56	106 5 0	52
1,200	1,400	163 19 2	64	149 11 8	59
1,400	1,600	217 5 10	71	198 15 0	65
1,600	1,800	276 9 2	78	252 18 4	71
1,800	2,000	341 9 2	85	312 1 8	77
2,000	2,400	412 5 10	93	376 5 0	85
2,400	2,800	567 5 10	100	517 18 4	92
2,800	3,200	733 19 2	107	671 5 0	99
3,200	3,600	912 5 10	114	836 5 0	105
3,600	4,000	1,102 5 10	121	1,011 5 0	111
4,000	4,400	1,303 19 2	128	1,196 5 0	117
4,400	5,000	1,517 5 10	136	1,391 5 0	124
5,000	6,000	1,857 5 10	144	1,701 5 0	132
6,000	8,000	2,457 5 10	151	2,251 5 0	139
8,000	10,000	3,715 12 6	158	3,409 11 8	145
10,000	16,000	5,032 5 10	165	4,617 18 4	152
16,000	upwards	9,157 5 10	168	8,417 18 4	160

(a) For the 1959-60, 1961-62, 1962-63 and 1963-64 financial years a rebate of 5 per cent. was allowable on the tax and contribution calculated from this schedule.

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

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

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

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

7. **The Income Tax (International Agreements) Act 1953-1960.**—This Act provided relief from double taxation of income flowing between Australia and the United Kingdom, the United States of America, Canada and New Zealand.

8. **Taxes on Specified Incomes.**—The following table shows the Income Tax and Social Services Contribution payable by taxpayers, with various incomes and numbers of dependants, on income derived in each year from 1954-55 to 1963-64.

### COMMONWEALTH TAXES ON INCOME

(£)

Income(a)	Income Tax and Social Services Contribution					
	1954-55 to 1956-57	1957-58 and 1958-59	1959-60	1960-61	1961-62 and 1962-63	1963-64
<b>TAXPAYER WITH NO DEPENDANTS</b>						
150 .. ..	1.05	1.05	1.00	1.05	1.00	..
200 .. ..	2.50	2.50	2.40	2.50	2.40	..
250 .. ..	4.80	4.80	4.55	4.80	4.55	4.55
300 .. ..	7.90	7.90	7.50	7.90	7.50	7.50
350 .. ..	12.10	12.10	11.50	12.10	11.50	11.50
400 .. ..	16.25	16.25	15.45	16.25	15.45	15.45
500 .. ..	27.10	27.10	25.75	27.10	25.75	25.75
600 .. ..	39.60	39.60	37.60	39.60	37.60	37.60
800 .. ..	69.60	69.60	66.10	69.60	66.10	66.10
1,000 .. ..	106.25	106.25	100.95	106.25	100.95	100.95
1,500 .. ..	225.85	225.85	214.55	225.85	214.55	214.55
2,000 .. ..	376.25	376.25	357.45	376.25	357.45	357.45
3,000 .. ..	753.75	753.75	716.05	753.75	716.05	716.05
5,000 .. ..	1,701.25	1,701.25	1,616.20	1,701.25	1,616.20	1,616.20

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



COMMONWEALTH TAXES ON INCOME—continued  
(£)

Income(a)	Income Tax and Social Services Contribution					
	1954-55 to 1956-57	1957-58 and 1958-59	1959-60	1960-61	1961-62 and 1962-63	1963-64
<b>TAXPAYER WITH DEPENDENT WIFE</b>						
150 .. ..	..	..	..	..	..	..
200 .. ..	..	..	..	..	..	..
250 .. ..	0.65	0.50	0.50	0.50	0.50	..
300 .. ..	1.60	1.25	1.20	1.25	1.20	..
350 .. ..	3.60	2.80	2.65	2.80	2.65	..
400 .. ..	6.05	5.25	5.00	5.25	5.00	5.00
500 .. ..	13.75	12.65	12.00	12.65	12.00	12.00
600 .. ..	23.85	22.40	21.30	22.40	21.30	21.30
800 .. ..	49.50	47.65	45.25	47.65	45.25	45.25
1,000 .. ..	81.85	79.55	75.55	79.55	75.55	75.55
1,500 .. ..	191.35	188.20	178.80	188.20	178.80	178.80
2,000 .. ..	334.55	330.35	313.85	330.35	313.85	313.85
3,000 .. ..	700.10	694.75	660.00	694.75	660.00	660.00
5,000 .. ..	1,634.10	1,627.35	1,546.00	1,627.35	1,546.00	1,546.00
<b>TAXPAYER WITH DEPENDENT WIFE AND ONE CHILD</b>						
150 .. ..	..	..	..	..	..	..
200 .. ..	..	..	..	..	..	..
250 .. ..	..	..	..	..	..	..
300 .. ..	..	..	..	..	..	..
350 .. ..	0.95	0.60	0.55	0.60	0.55	..
400 .. ..	2.25	1.50	1.45	1.50	1.45	..
500 .. ..	7.40	5.80	5.50	5.80	5.50	5.50
600 .. ..	15.60	13.40	12.75	13.40	12.75	12.75
800 .. ..	38.60	35.35	33.60	35.35	33.60	33.60
1,000 .. ..	68.30	64.20	61.00	64.20	61.00	61.00
1,500 .. ..	172.20	165.80	157.50	165.80	157.50	157.50
2,000 .. ..	309.70	302.00	286.90	302.00	286.90	286.90
3,000 .. ..	668.20	658.20	625.30	658.20	625.30	625.30
5,000 .. ..	1,593.80	1,580.35	1,501.35	1,580.35	1,501.35	1,501.35
<b>TAXPAYER WITH DEPENDENT WIFE AND TWO CHILDREN</b>						
150 .. ..	..	..	..	..	..	..
200 .. ..	..	..	..	..	..	..
250 .. ..	..	..	..	..	..	..
300 .. ..	..	..	..	..	..	..
350 .. ..	..	..	..	..	..	..
400 .. ..	0.90	..	..	..	..	..
500 .. ..	4.35	2.55	2.40	2.55	2.40	..
600 .. ..	11.25	8.00	7.60	8.00	7.60	7.60
800 .. ..	32.10	27.20	25.85	27.20	25.85	25.85
1,000 .. ..	60.10	53.90	51.20	53.90	51.20	51.20
1,500 .. ..	159.40	149.85	142.35	149.85	142.35	142.35
2,000 .. ..	294.35	282.80	268.65	282.80	268.65	268.65
3,000 .. ..	648.25	633.30	601.65	633.30	601.65	601.65
5,000 .. ..	1,566.90	1,546.75	1,469.40	1,546.75	1,469.40	1,469.40

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

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

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

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

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

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

**10. Lodgment of Returns and Assessment of Tax.**—All persons with assessable income in excess of £208 are required to lodge returns by 31st July each year (31st August for business incomes). The Income Tax and Social Services Contribution payable is assessed, and assessment notices showing the amounts payable are issued during the year following the year of income. The approximate amount payable, however, has already been collected during the income year from employees by deductions from wages and from non-employees by a provisional tax. The amount shown on the assessment notice is therefore adjusted against the amount already paid and any difference either collected or refunded.

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

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

(ii) *Rates of Tax.* The rates of Primary Tax, in the case of public companies, and Primary and Additional Tax for private companies, for the financial years 1956-57 to 1963-64 are shown in the table below.

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

**RATES OF TAX: COMPANIES, 1956-57 TO 1963-64 FINANCIAL YEARS**

(Pence per £)

Type of company	Rate of Income Tax and Social Services Contribution—						Rate of Additional Tax on undistributed income
	1956-57		1957-58 to 1959-60		1960-61 to 1963-64		1953-54 to 1963-64
	Up to £5,000	On remainder of taxable income	Up to £5,000	On remainder of taxable income	Up to £5,000	On remainder of taxable income	Undistributed amount—additional tax
Private .. .. .	60	84	54	78	60	84	120
Co-operative .. .. .	72	96	66	90	72	96	..
Non-profit(a)(b)—							
Friendly society dispensa-							
ries .. .. .	72	96	66	66	72	72	..
Other .. .. .	72	96	66	90	72	96	..
Life insurance—							
Mutual .. .. .	60	84	54	78	60	84	..
Other—							
(1) Mutual income ..	60	84	54	78	60	84	..
(2) Other income(c) ..	(d) 84	96	(d) 78	90	(d) 84	96	..
Other .. .. .	(d) 84	96	(d) 78	90	(d) 84	96	..
Interest paid to a non-resident(e) .. .. .	96	96	90	90	96	96	..

(a) Incomes not exceeding £104 (1956-57 to 1962-63) or £208 (1963-64) are exempt from tax.  
 (b) Where the taxable income does not exceed £228 (1956-57), £231 (1957-58 to 1959-60), £260 (1960-61 to 1962-63), or £520 (1963-64) the tax may not exceed eleven-twentieths (1956-57) or one-half (1957-58 to 1963-64) of the amount by which the taxable income exceeds £104 (1956-57 to 1962-63) or £208 (1963-64).  
 (c) The rate of 84d. (1956-57, 1960-61 to 1963-64) or 78d. (1957-58 to 1959-60) is levied on the amount of £5,000 less the mutual income.  
 (d) For non-resident companies, dividends included in this part of taxable income are taxed at 72d. (1956-57, 1960-61 to 1963-64) or 66d. per £1 (1957-58 to 1959-60). (A resident company is allowed a rebate of tax in respect of dividends received.)  
 (e) If the non-resident is not a company, tax is paid only on income in excess of £104 (1956-57 to 1962-63) or £208 (1963-64).

A private company incurs liability for additional tax on its undistributed income if it fails to make a sufficient distribution of income within a specified period after the close of the year of income. The tax is levied on the undistributed amount which, for practical purposes, is the taxable income less—(a) primary income tax and social services contribution payable; (b) retention allowance (i.e., the proportion of the reduced distributable income which a company may retain without incurring liability for undistributed income tax); and (c) certain dividends paid by the company.

For the financial years 1953-54 to 1958-59, the retention allowance was the following proportion of the reduced distributable income:—on the first £1,000 or part, 50 per cent.; on the next £1,000 or part, 40 per cent.; on the next £1,000 or part, 35 per cent.; on the next £1,000 or part, 30 per cent.; on the balance, 25 per cent.; and 10 per cent. of distributable income from property, except dividends from other private companies.

For 1959–60 to 1962–63, the minimum retention allowance from business profits was 35 per cent. The rates were:—on the first £1,000 or part, 50 per cent.; on the next £1,000 or part, 40 per cent.; on the balance, 35 per cent.; and 10 per cent. of distributable income from property, except dividends from other private companies.

For 1963–64, the minimum retention allowance from business profits is 40 per cent. The rates are:—on the first £5,000 or part, 50 per cent.; on the next £5,000 or part, 45 per cent.; on the balance 40 per cent.; and 10 per cent. of distributable income from property, except dividends from other private companies.

For the financial years 1953–54 to 1963–64, the reduced distributable income is calculated by deducting from the taxable income the primary tax payable and the amount of all property income included in taxable income. The additional tax on undistributed income was imposed at a flat rate of 10s. in the £1 on the undistributed amount.

12. Yield of Income Taxes.—(i) *Collections from Income Taxes.* The following table shows the collections of taxes imposed on income for the years 1958–59 to 1962–63.

**INCOME TAX COLLECTIONS**  
(£'000)

Year	Total		
	Commonwealth	State(a)	Total
1958–59 .. .. .	608,660	15	608,675
1959–60 .. .. .	671,294	8	671,302
1960–61 .. .. .	807,266	7	807,273
1961–62 .. .. .	828,150	..	828,150
1962–63 .. .. .	810,590	..	810,590

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

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

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

Tax	1957–58	1958–59	1959–60	1960–61	1961–62
Individuals— Income Tax and Social Services Contribution .. .. .	(a) 401,427	355,064	378,219	426,476	486,701
Companies— Income Tax .. .. .	212,707	214,683	231,610	292,856	276,477
Additional Tax on Undistributed Income of Private Companies .. .. .	2,512	1,835	1,274	1,460	1,301
<b>Total .. .. .</b>	<b>616,646</b>	<b>571,582</b>	<b>611,103</b>	<b>720,792</b>	<b>764,479</b>

(a) Includes assessments issued to 30th June, 1961.

13. *Commonwealth Income Tax and Social Services Contribution Assessments.*—(i) 1961–62 *Assessment Year.* The following tables show, for the 1961–62 assessment year, the number of taxpayers, income, and net income tax and social services contribution assessed for individuals and resident and non-resident companies. For further information of this nature, see the annual bulletin *Commonwealth Taxation* issued by this Bureau.

**COMMONWEALTH INCOME TAX AND SOCIAL SERVICES CONTRIBUTION  
1961-62 ASSESSMENT(a): NUMBER OF TAXPAYERS, ACTUAL INCOME(b),  
TAXABLE INCOME(c) AND NET INCOME TAX AND SOCIAL SERVICES  
CONTRIBUTION ASSESSED—INDIVIDUALS**

(Income derived in the year 1960-61)

Grade of actual income(b) and State or Territory of assessment		Number of taxpayers			Actual income (b)	Taxable income (c)			Net Income Tax and Social Services Contribution assessed
		Males	Females	Total	Total	Salary and wages	Other income	Total	
£	£	No.	No.	No.	£'000	£'000	£'000	£'000	£'000
105- 199 ..	55,594	103,947	159,541	24,862	19,624	4,074	23,698	197	
200- 299 ..	62,746	122,483	185,229	46,266	34,654	8,071	42,725	770	
300- 399 ..	80,090	135,378	215,468	75,564	56,384	11,893	68,277	2,100	
400- 499 ..	93,978	150,409	244,387	109,978	80,463	17,316	97,779	4,134	
500- 599 ..	102,212	163,096	265,308	145,996	104,982	23,389	128,371	6,903	
600- 699 ..	110,705	181,255	291,960	189,547	136,916	27,876	164,792	10,486	
700- 799 ..	133,672	148,200	281,872	211,274	147,383	31,434	178,817	12,853	
800- 899 ..	200,696	102,038	302,734	257,629	173,321	34,861	208,182	16,285	
900- 999 ..	275,172	66,898	342,070	325,041	216,257	36,820	253,077	21,267	
1,000- 1,099 ..	310,209	42,970	353,179	370,714	241,822	38,493	280,315	25,227	
1,100- 1,199 ..	284,449	27,794	312,243	358,684	229,405	37,732	267,137	25,688	
1,200- 1,299 ..	246,957	19,583	266,540	332,821	210,601	37,372	247,973	25,518	
1,300- 1,399 ..	201,229	15,300	216,529	291,689	182,215	35,335	217,550	23,821	
1,400- 1,499 ..	155,332	11,924	167,256	242,151	147,460	33,450	180,910	21,009	
1,500- 1,999 ..	398,930	34,555	433,485	737,247	417,648	139,810	557,458	74,346	
2,000- 2,999 ..	185,046	23,490	208,536	493,926	211,981	175,804	387,785	67,925	
3,000- 3,999 ..	48,226	7,591	55,817	190,724	58,266	99,738	158,004	36,735	
4,000- 4,999 ..	20,334	3,270	23,604	104,624	26,675	62,886	89,161	24,841	
5,000- 9,999 ..	22,689	3,478	26,167	170,276	36,236	113,566	149,802	54,686	
10,000-14,999 ..	2,571	443	3,014	35,723	6,941	25,305	32,246	15,245	
15,000 and over	1,229	212	1,441	33,294	5,422	23,771	29,193	16,188	
Central Office	8,648	6,169	14,817	43,049	8,886	28,021	36,907	11,763	
New South Wales	1,122,877	519,065	1,641,942	1,828,099	1,109,074	344,017	1,453,091	188,653	
Victoria ..	849,044	422,937	1,271,981	1,388,160	817,050	298,335	1,115,385	145,872	
Queensland ..	409,629	161,297	570,926	587,807	306,101	144,786	450,887	54,937	
South Australia	279,216	123,206	402,422	418,990	233,865	97,749	331,614	39,480	
Western Australia	203,098	82,542	285,640	301,425	161,081	75,205	236,286	28,645	
Tasmania ..	94,820	38,720	133,540	135,788	79,864	25,081	104,945	12,099	
Nor. Territory ..	6,818	2,135	8,953	12,007	6,492	1,409	7,901	1,002	
Aust. Cap. Ter.	17,916	8,243	26,159	32,705	22,243	3,993	26,236	3,773	
<b>Total, Residents</b>	<b>2,992,066</b>	<b>1,364,314</b>	<b>4,356,380</b>	<b>4,748,030</b>	<b>2,744,656</b>	<b>1,018,596</b>	<b>3,763,252</b>	<b>486,224</b>	
<i>Total, Non-residents ..</i>	<i>936</i>	<i>489</i>	<i>1,425</i>	<i>2,525</i>	<i>1,290</i>	<i>974</i>	<i>2,264</i>	<i>477</i>	
<b>Total, Residents and Non-residents ..</b>	<b>2,993,002</b>	<b>1,364,803</b>	<b>4,357,805</b>	<b>4,750,555</b>	<b>2,745,946</b>	<b>1,019,570</b>	<b>3,765,516</b>	<b>486,701</b>	

(a) Assessments in respect of 1960-61 incomes issued to 30th September, 1962. Assessments issued after that date are not included. (b) Actual income is defined briefly as "Gross income including exempt income less expenses incurred in gaining that income". (c) Taxable income is the income remaining after deducting from assessable income all allowable deductions.

**COMMONWEALTH INCOME TAX AND SOCIAL SERVICES CONTRIBUTION  
1961-62 ASSESSMENT(a): NUMBER OF TAXPAYERS, ACTUAL INCOME(b),  
TAXABLE INCOME(c) AND NET TAX ASSESSED—RESIDENT AND NON-  
RESIDENT COMPANIES**

(Income derived in the year 1960-61)

Grade of taxable income(c) and State or Territory of assessment		Number of taxpayers	Actual income(b)	Taxable income(c)	Net tax assessed(d)
£	£	No.	£'000	£'000	£'000
1- 999 ..	..	16,935	8,134	5,953	1,480
1,000- 4,999 ..	..	20,098	59,415	53,878	12,809
5,000- 9,999 ..	..	8,063	57,814	55,561	14,517
10,000- 19,999 ..	..	4,259	62,713	59,241	17,100
20,000- 49,999 ..	..	2,869	95,351	88,546	26,681
50,000- 99,999 ..	..	1,107	80,338	76,221	23,552
100,000-199,999 ..	..	648	91,952	89,938	28,649
200,000-499,999 ..	..	341	106,278	102,946	30,915
500,000-999,999 ..	..	104	76,622	74,058	22,822
1,000,000 and over	..	102	340,047	297,113	98,132

For footnotes see end of table.

**COMMONWEALTH INCOME TAX AND SOCIAL SERVICES CONTRIBUTION  
1961-62 ASSESSMENT(a): NUMBER OF TAXPAYERS, ACTUAL INCOME(b),  
TAXABLE INCOME(c) AND NET TAX ASSESSED—RESIDENT AND NON-  
RESIDENT COMPANIES—continued**

Grade of taxable income(c) and State or Territory of assessment	Number of taxpayers	Actual income(b)	Taxable income(c)	Net tax assessed(d)
	No.	£'000	£'000	£'000
Central Office . . . . .	3,099	477,667	418,982	138,917
New South Wales . . . . .	22,380	210,758	204,595	57,984
Victoria . . . . .	15,631	147,828	143,259	39,595
Queensland . . . . .	4,400	49,533	48,393	15,013
South Australia . . . . .	4,977	43,848	42,712	12,357
Western Australia . . . . .	1,904	24,100	21,839	7,104
Tasmania . . . . .	1,083	11,973	11,812	3,620
Northern Territory . . . . .	123	1,770	1,281	380
Australian Capital Territory . . . . .	929	11,187	10,582	1,507
<b>Total</b> . . . . .	<b>54,526</b>	<b>978,664</b>	<b>903,455</b>	<b>276,477</b>

(a) Assessments in respect of 1960-61 incomes issued to 31st December, 1962. Assessments issued after that date are not included. (b) Actual income is defined briefly as "Gross income including exempt income less expenses incurred in gaining that income". (c) Taxable income is the income remaining after deducting from assessable income all allowable deductions. (d) Excludes additional tax levied on the undistributed income of private companies, £1,301,000.

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

**COMMONWEALTH INCOME TAXES AND SOCIAL SERVICE CONTRIBUTIONS:  
RESIDENT INDIVIDUALS, BY GRADES OF ACTUAL INCOME(a)**

Grade of actual income	1958-59		1959-60		1960-61		1961-62	
	No. of taxpayers	Tax	No. of taxpayers	Tax	No. of taxpayers	Tax	No. of taxpayers	Tax
£		£'000		£'000		£'000		£'000
105- 199 ..	158,213	202	157,786	194	159,479	187	159,541	197
200- 299 ..	188,743	827	185,069	786	183,675	732	185,229	770
300- 399 ..	228,533	2,285	225,492	2,208	215,557	1,999	215,468	2,100
400- 499 ..	256,931	4,427	250,645	4,245	237,864	3,818	244,387	4,134
500- 599 ..	306,044	8,090	296,189	7,774	261,256	6,468	265,308	6,903
600- 699 ..	295,996	10,366	297,370	10,500	288,149	9,849	291,960	10,486
700- 799 ..	318,592	13,413	303,738	13,066	284,299	12,187	281,872	12,853
800- 899 ..	388,292	18,856	376,967	18,902	321,739	16,069	302,734	16,285
900- 999 ..	391,561	22,865	395,366	23,259	360,892	20,933	342,070	21,267
1,000- 1,099 ..	327,691	22,593	346,733	23,456	355,821	24,046	353,179	25,227
1,100- 1,199 ..	244,267	19,903	266,226	21,424	307,052	24,193	312,243	25,688
1,200- 1,299 ..	177,799	16,857	198,622	18,526	247,214	22,453	266,540	23,821
1,300- 1,399 ..	133,529	14,750	149,980	16,100	191,397	19,921	216,529	21,009
1,400- 1,499 ..	94,540	12,148	110,477	13,701	146,275	17,480	167,256	17,346
1,500- 1,999 ..	224,489	39,708	265,013	45,733	364,735	59,128	433,485	67,925
2,000- 2,999 ..	109,571	38,476	127,985	43,667	171,906	53,851	208,536	55,817
3,000- 3,999 ..	34,207	23,975	38,367	26,194	48,000	30,186	55,817	36,735
4,000- 4,999 ..	15,512	17,199	17,297	18,706	21,205	24,441	23,604	24,841
5,000- 9,999 ..	18,403	40,127	19,669	41,721	24,441	48,805	26,674	54,686
10,000-14,999 ..	2,553	13,114	2,487	12,721	3,100	15,038	3,014	15,245
15,000-29,000 ..	988	9,319	971	9,377	1,269	11,424	1,237	11,396
30,000-49,999 ..	130	2,522	123	2,384	144	2,808	152	2,944
50,000 and over	44	1,947	43	2,020	57	2,395	52	1,848
<b>Total</b> ..	<b>3,916,718</b>	<b>353,969</b>	<b>4,032,615</b>	<b>376,876</b>	<b>4,195,526</b>	<b>425,414</b>	<b>4,356,380</b>	<b>486,224</b>

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