

CHAPTER 18

PUBLIC FINANCE

This chapter deals with the financial activities of the organisations which make up the three levels of government in the Australian political system—Federal, State and Local—and which collectively constitute the public sector. The chapter is organised into seven main groupings of topics. An account is given of the activities of each level of government, with particular emphasis being given to Authorities of the Australian Government. Tables are then presented which bring together the transactions of all public authorities to highlight the role of the public sector as a whole in the Australian economy. Then follows a section on government borrowing activities at all levels; and a section which looks at some major groups of State authorities that have been created to provide specific services, such as roads, water supply, etc.

For further detailed information on the subjects covered by this chapter *see* the annual bulletins published by this Bureau: *Australian National Accounts—National Income and Expenditure* (7.1); *Public Authority Finance—Authorities of the Australian Government* (5.12); and *Commonwealth Taxation Assessments* (5.29). Additional information may be found in *Public Authority Finance* (5.33), and in the mimeographed bulletins *Public Authority Finance—State and Local Authorities* (5.43) and *Public Authority Finance—Taxation* (5.30). Current information in summarised form is given in *Quarterly Estimates of National Income and Expenditure* (7.5), and is also contained in *Quarterly Summary of Australian Statistics* (1.3), the *Monthly Review of Business Statistics* (1.4), and the *Monthly Digest of Current Economic Statistics* (1.5).

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

AUSTRALIAN GOVERNMENT FINANCE

Financial provisions of the Constitution

The main provisions of the Constitution relating to the initiation and development of the financial system of the Commonwealth of Australia are contained in Sections 81 to 105A of the Commonwealth Constitution (*see* pages 16–19 of this Year Book). Two other sections which have a most important bearing on questions of Commonwealth (i.e. Australian Government) 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. The full text of the Financial Agreement of 1927 was given in Year Book No. 31, page 21; accounts of this Agreement as affected by subsequent Agreements were included in later issues of the Year Book up to No. 37 (*see* pages 685–90); details of the main provisions appeared in further issues of the Year Book up to No. 50 (*see* pages 952–3). Details of current provisions for financial assistance to the States are given on pages 577 to 584.

The *Audit Act* 1901–1969 lays down the procedure which must be followed in accounting for the receipt and disbursement of public funds. The general administration of Australian Government finances is the responsibility of the Australian Government Treasurer.

Australian Government Budget

The Australian Government Budget records the transactions of those authorities of the Australian Government whose receipts and payments are summarised in the statements of Treasury balances. In 1972-73 the change in cash balances was represented by the following—

	\$'000
Cash receipts of the Consolidated Revenue Fund	9,278,207
plus cash receipts of Loan Fund	1,392,188
plus cash receipts of Trust Fund	4,614,939
<i>Total</i>	15,285,334
less cash payments from Consolidated Revenue Fund	9,278,207
less cash payments from Loan Fund	1,392,188
less cash payments from Trust Fund (including increase in investments of the Trust Fund)	4,474,047
<i>Total</i>	15,144,442
<i>equals increase in cash balances</i>	140,892

Revenues from taxation and other sources are paid into the Consolidated Revenue Fund, from which the main expenditures are for defence, social services, payments to the States and general administration. The Trust Fund covers special transactions outside the ordinary operations of departmental expenditures, such as pension funds and moneys held for expenditure by the Australian Government at some future time. The Loan Fund receives its funds from the sale of Australian Government securities, and the expenditures from the Fund are made in accordance with the purpose of issue of each loan. The main disbursements from the Loan Fund are to the States by way of distribution of the proceeds of loans raised by the Australian Government on their behalf and capital assistance grants, the remaining disbursements being mainly for Australian Government purposes such as defence or war service land settlement.

The receipts and outlay of the Budget for 1973-74 are set out in the table which follows, together with figures for the years 1969-70 to 1972-73. The national accounting presentation of the budget is shown in order to be consistent with other transactions figures given in this chapter.

It should be noted that some transactions undertaken by authorities covered by the Budget are not reflected in the change in cash balances, usually because they are not cash transactions or because a receipt and a payment are offset against each other so that only a net amount is included in published totals. The national accounting presentation of the Budget includes these additional transactions, further details of which may be found in the Appendix to the Supplement to the *Treasury Information Bulletin*, August 1970.

RECEIPTS AND OUTLAY OF THE AUSTRALIAN GOVERNMENT

(\$ million)

(Source: Supplement to the *Treasury Information Bulletin*, August 1973)

	1969-70	1970-71	1971-72	1972-73	1973-74 Budget Estimate
Outlay—					
Net expenditure on goods and services—					
Current	1,813	1,981	2,186	2,386	2,645
Capital(a)	183	218	218	230	311
Total	1,996	2,199	2,404	2,616	2,956
Transfer payments—					
Cash benefits to persons	1,589	1,762	2,047	2,542	3,049
Grants to States	1,631	2,217	2,383	2,764	3,331
Interest paid	546	576	616	674	704
Transfers overseas	179	184	205	252	289
Subsidies	247	308	384	325	318
Grants for private capital purposes	34	37	42	53	89
Unfunded employee retirement benefits . . . . .	..	..	..	..	34
Purchases of existing assets	6	10	28	17	28
Total	4,231	5,093	5,705	6,627	7,843
Total expenditure	6,227	7,292	8,109	9,243	10,799
Net advances—					
States	669	521	587	663	846
Australian Government authorities	271	341	375	342	439
Other sectors	(b)221	(b) - 17	(b)10	(b) - 17	84
Total	1,161	845	972	987	1,369
Total outlay	7,387	8,137	9,081	10,230	12,168
Receipts—					
Taxation—					
Indirect taxes	2,247	2,505	2,530	2,634	3,128
Income tax on companies	1,197	1,444	1,535	1,634	1,943
Income tax on persons	2,855	3,175	3,765	4,085	5,173
Estate and gift duties	80	78	76	73	68
Other direct taxes, fees, fines, etc.	47	48	60	66	69
Unfunded employee retirement contributions . . . . .	..	..	..	1	25
Total	6,426	7,249	7,966	8,492	10,405
Other receipts—					
Interest, rent and dividends	722	801	885	951	1,007
Public enterprises income	34	53	55	31	13
Net sales of existing assets(c)	12	23	41	47	56
Total	768	877	981	1,028	1,076
Total receipts	7,195	8,127	8,947	9,521	11,481
Deficit	191	10	134	709	687

(a) Expenditure on new fixed assets plus increase in stocks less sales of previously rented houses. (b) Includes net advances to the Australian Wheat Board which in the past has been treated as financing transactions and thus formed part of the deficit. (c) Excludes sales of previously rented houses.

Financing of the Australian Government deficit

The deficit shown in the last line of the preceding table represents the net excess of Budget outlay over receipts. In other words, the estimated deficit shown for 1973-74 represents the Australian Government budget sector's 'financing requirements', and the actual deficits shown for earlier years represents the net outcome of the financing transactions of the budget sub-sector. Most such transactions involve the issue, repurchase, redemption or acquisition of Australian Government securities, but some involve or are represented by changes in other assets or liabilities of the Australian Government.

Specifically the deficit is financed as follows.

Net sales of Australian Government securities (new issues, *less* redemptions, *less* net purchases from Australian Government balances in the Trust Fund);

less net purchases of other investments from Australian Government balances in the Trust Fund

plus minor items of indebtedness (such as borrowing by Australian Capital Territory and Northern Territory housing trust accounts)

less net additions to cash balances, and funds provided for the International Monetary Fund and the Australian Wheat Board.

The following table summarises the financing transactions of the Australian Government budget sector for recent years. Further details of Australian Government loan transactions and of government securities on issue on account of the Australian Government and the States are given in a later section of this chapter.

AUSTRALIAN GOVERNMENT FINANCING TRANSACTIONS

(\$ million)

(Source: Statement No. 7 attached to the *Budget Speech*, 1973-74)

	1968-69	1969-70	1970-71	1971-72	1972-73
Overseas—					
Credit arrangements for defence purchases in the United States of America	91	51	64	46	51
Less—repayments	37	54	57	63	59
Net drawings	55	-3	7	-16	-8
Aircraft loans for Qantas and Australian National Airlines Commission	15	11	47	85	31
Less—repayments	27	27	28	33	38
Net drawings	-12	-16	20	52	-7
Other overseas loan proceeds	169	48	15	26	28
Less—redemptions, etc.	69	160	87	109	78
Net proceeds	100	-112	-72	-83	-50
<i>Total net proceeds overseas</i>	142	-131	-46	-47	-66
Funds provided for International Monetary Fund	-5	..	-37	..	..
Australia—					
Proceeds of loans raised in Australia	616	678	770	917	971
Less—redemptions, etc.	235	414	566	197	232
Net proceeds of loans raised in Australia	381	263	205	720	739
Net change in Treasury Notes on issue	-68	47	18	-10	165
	313	310	222	711	904
Other financing transactions	62	45	27	38	46
Residual Financing—					
Net increase in Treasury Bills on issue	-127	-14	..	..	..
Use of cash balances . . . . .	..	-19	-157	-567	-175
<i>Total residual financing</i>	-127	-33	-157	-567	-175
<i>Total Australian financing transactions</i>	248	322	92	181	775
Total financing transactions	385	191	10	134	709

AUTHORITIES OF THE AUSTRALIAN GOVERNMENT

In addition to the group of authorities of the Australian Government whose transactions are covered by the Budget (i.e. itemised in the Consolidated Revenue Fund or recorded in a Trust Fund), there are a number of organisations owned or controlled by the Australian Government whose transactions do not, for the most part, pass through the Public Account. This category consists largely of public enterprises such as the Post Office, Qantas, Trans-Australia Airlines, the Overseas Telecommunications Commission, the Australian Coastal Shipping Commission, the Snowy Mountains Hydro-electric Authority, the Reserve Bank and the Commonwealth Banking Corporation. Public enterprises, it

should be noted, are bodies which aim at covering the bulk of their expenses by revenue either from sales of goods and services (trading enterprises), or by charges for services and net interest receipts (financial enterprises). As well as these enterprises, there are other public authorities which record most of their transactions outside the Public Account but have only minor independent sources of revenue, and are financed almost entirely from funds voted to them each year from the Consolidated Revenue Fund. In order that the national accounting presentation may indicate as completely as possible the direct effect of the budget on demand, appropriations to this group of authorities are treated as final expenditure in the Budget. Authorities in this category include the Australian Broadcasting Commission, Australian National University, National Capital Development Commission, and the Australian Atomic Energy Commission.

The transactions of Australian Government bodies not covered by the Budget may be brought together and consolidated with the transactions recorded in the Budget to yield figures of the transactions of all authorities of the Australian Government. The remaining tables in this section have been prepared on that basis. These tables for all authorities of the Australian Government exclude borrowing and the corresponding advances in respect of State works programs: borrowing by the Australian Government on behalf of the States is treated as borrowing by the States, and recorded in the table of receipts and outlay of State authorities given in the next section.

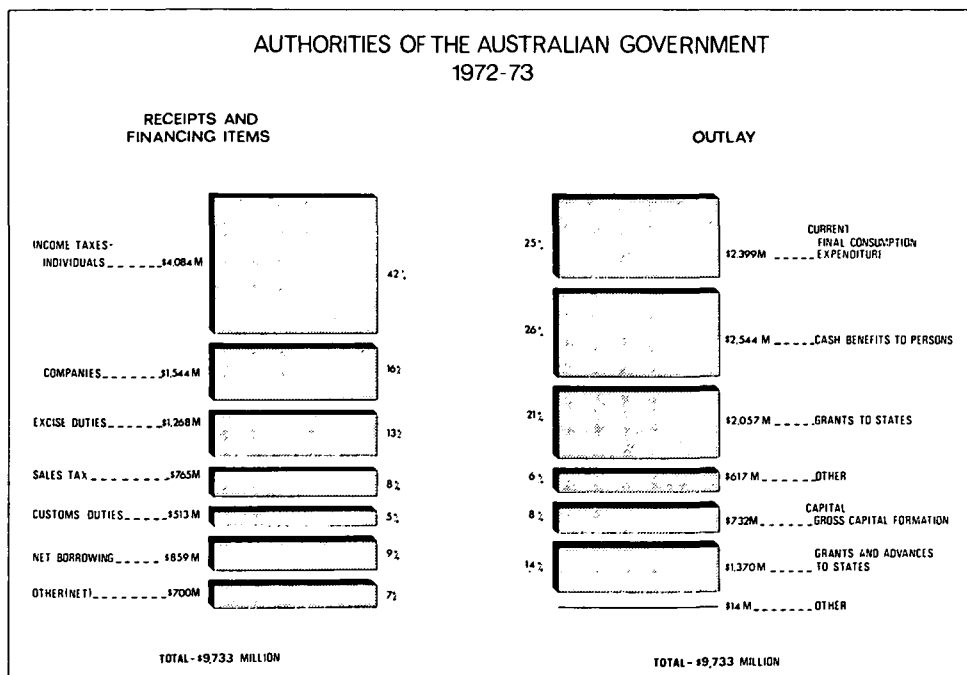


PLATE 39

Summary of receipts and outlay

The receipts and outlay of all authorities of the Australian Government for the latest five-year period are given in the following table.

AUTHORITIES OF THE AUSTRALIAN GOVERNMENT(a): RECEIPTS AND OUTLAY
(\$ million)

	1968-69	1969-70	1970-71	1971-72	1972-73
RECEIPTS					
Current receipts—					
Taxes, fees, fines, etc.	5,528	6,380	7,183	7,937	8,469
Income from public enterprises	194	206	229	304	310
Interest, etc., received	45	50	60	62	73
<i>Total current receipts</i>	<i>5,767</i>	<i>6,636</i>	<i>7,472</i>	<i>8,303</i>	<i>8,852</i>
Capital receipts—					
Depreciation allowances	157	177	192	207	221
Net sale of securities—					
Australian Government securities—					
Australia	177	299	247	721	904
Overseas	142	-131	-45	-47	-66
Public corporation securities	-1	15	-8	7	29
Other funds available (including errors and omissions)	37	110	20	3	-1
<i>Total capital receipts</i>	<i>512</i>	<i>470</i>	<i>406</i>	<i>891</i>	<i>1,087</i>
Reduction in cash and bank balances	-21	-36	-103	-587	-207
Total receipts	6,258	7,070	7,774	8,608	9,733
OUTLAY					
Current outlay—					
Final consumption expenditure	1,720	1,788	1,984	2,156	2,399
Interest, etc., paid	26	23	12	-14	12
Cash benefits to persons	1,397	1,590	1,764	2,048	2,544
Subsidies	208	242	262	359	300
Transfers overseas	158	179	184	205	252
Grants for private capital purposes	32	34	37	42	53
Grants to States	1,167	1,320	1,663	1,756	2,057
<i>Total current outlay</i>	<i>4,709</i>	<i>5,175</i>	<i>5,905</i>	<i>6,553</i>	<i>7,617</i>
Capital outlay—					
Expenditure on new fixed assets	560	642	690	833	800
Expenditure on existing assets	3	-5	-9	-5	-23
Increase in stocks . . . . .	..	2	52	-25	-45
Advances to other sectors	95	275	61	40	14
Grants to States	264	311	554	626	706
Advances to States	627	669	521	587	664
<i>Total capital outlay</i>	<i>1,549</i>	<i>1,895</i>	<i>1,869</i>	<i>2,055</i>	<i>2,116</i>
Total outlay	6,258	7,070	7,774	8,608	9,733

(a) Excluding financial enterprises.

Outlay classified by economic type and purpose

In the following two tables the outlay of all authorities of the Australian Government is shown classified by economic type and purpose. The table on this page presents for 1972-73 the outlay according to purpose, classified by economic type, showing the Government's own demand for goods and services and the redistributive effect of its outlay.

**AUTHORITIES OF THE AUSTRALIAN GOVERNMENT: OUTLAY, CLASSIFIED BY
ECONOMIC TYPE AND PURPOSE, 1972-73**
(\$ million)

Purpose	Economic type					
	Final consumption expenditure	Gross capital formation		Transfer payments		
		Expenditure on new fixed assets	Other(a)	Interest	Transfers to persons(b)	Subsidies
General public services—						
General administration, n.e.c.	316	32	..	..	..	..
External affairs	50	15	..	..	..	..
Law, order and public safety	37	3	..	..	..	..
General research	74	9	..	..	..	..
Total general public services	477	60	..	..	..	..
Defence	1,190	..	2	..	..	..
Education	81	30	—1	..	73	..
Health	158	20	..	..	581	1
Social security and welfare	76	3	..	..	1,871	..
Housing and community amenities	17	36	—39	..	..	..
Recreation and related cultural services	100	14	1	..	..	..
Economic services—						
General administration, regulation and research	105	6	1	..	7	14
Agriculture, forestry and fishing	75	16	—48	..	..	160
Mining, manufacturing and construction	12	2	1	..	..	120
Electricity and water supply	..	27	—2	..	..	..
Transport and communication	65	592	15	..	..	2
Other economic services	17	..	..	..	..	26
Total economic services	273	643	—34	..	7	322
Other purposes—						
General purpose inter-authority transfers	..	..	..	..	..	..
Natural disaster relief	..	..	..	..	..	..
Interest	..	..	..	15	..	..
Total	2,370	804	—70	15	2,533	323

(a) Includes increase in stocks, expenditure on existing assets (net), and expenditure on land (net). (b) Includes cash benefits to persons and unfunded employee retirement benefits.

AUTHORITIES OF THE AUSTRALIAN GOVERNMENT: OUTLAY, CLASSIFIED BY
ECONOMIC TYPE AND PURPOSE, 1972-73—*continued*

(\$ million)

Purpose	Economic type					Total
	Transfer payments			Net advances		
	Transfers overseas	Grants for private capital purposes	Grants to States	to States	to other sectors	
General public services—						
General administration, n.e.c.	2	..	..	..	..	351
External affairs	229	..	..	..	10	304
Law, order and public safety	..	..	..	..	..	40
General research	..	..	6	..	..	90
Total general public services	231	..	6	..	10	785
Defence	20	..	..	6	..	1,218
Education	..	1	259	..	..	444
Health	..	1	21	..	..	781
Social security and welfare	..	27	126	..	1	2,103
Housing and community amenities	..	24	19	—10	41	86
Recreation and related cultural services	..	..	..	..	1	115
Economic services—						
General administration, regulation, and research	..	2	2	..	..	136
Agriculture, forestry and fishing	..	..	43	51	—69	228
Mining, manufacturing and construction	..	..	..	..	—1	134
Electricity and water supply	..	..	2	14	..	41
Transport and communication	..	..	292	—4	—2	960
Other economic services	..	..	..	..	17	59
Total economic services	1	3	339	61	—56	1,558
Other purposes—						
General purpose inter-authority transfers	..	..	2,012	616	..	2,628
Natural disaster relief	..	..	..	—5	..	—5
Interest	..	..	..	..	..	15
Total	252	55	2,782	668	4	9,728

AUTHORITIES OF THE AUSTRALIAN GOVERNMENT: OUTLAY, CLASSIFIED BY PURPOSE
(\$ million)

Purpose	1968-69	1969-70	1970-71	1971-72	1972-73
General public services—					
General administration, n.e.c.	201.8	216.6	249.6	313.7	348.4
External affairs	183.2	197.9	244.1	239.9	277.1
Law, order and public safety	19.8	23.2	27.2	33.6	41.3
Immigration	70.0	76.1	73.9	59.9	47.8
General research	52.7	61.9	74.9	80.8	88.9
<i>Total general public services</i>	<i>527.4</i>	<i>575.6</i>	<i>669.7</i>	<i>728.0</i>	<i>803.4</i>
Defence	1,105.2	1,050.6	1,097.6	1,147.7	1,233.4
Education—					
General administration, regulation and research	4.0	5.3	7.1	8.4	10.9
Transportation of students	0.4	0.5	0.8	0.8	1.0
Primary and secondary education	35.7	60.6	84.5	99.4	128.2
Vocational training	9.5	11.8	14.6	9.8	18.6
University education	108.9	116.7	136.9	159.3	193.3
Other higher education	23.1	37.7	41.7	55.7	69.8
Other education programs	6.6	10.7	11.7	12.7	20.2
<i>Total education</i>	<i>188.3</i>	<i>243.3</i>	<i>297.3</i>	<i>346.0</i>	<i>441.9</i>
Health—					
General administration, regulation and research	12.1	14.5	17.9	22.7	25.3
Hospital and clinical services	176.3	210.3	233.6	297.1	349.5
Other health services	207.1	236.9	308.0	366.7	405.7
Ambulance services	0.1	0.2	0.4	0.3	0.3
<i>Total health</i>	<i>395.6</i>	<i>461.9</i>	<i>559.9</i>	<i>686.7</i>	<i>780.8</i>
Social security and welfare—					
Care of and assistance to—					
Aged persons			610.0	713.9	922.2
Incapacitated and handicapped persons	575.9	664.7	126.4	148.1	197.0
Unemployed and sick persons	16.8	18.6	23.5	71.8	181.4
Ex-servicemen	232.6	240.6	256.2	281.9	320.1
Widowed and deserted spouses	70.2	83.6	94.2	110.5	150.3
Families and children	201.5	228.5	207.4	225.7	262.8
Other social security and welfare services	27.0	34.2	61.4	45.8	65.8
<i>Total social security, etc.</i>	<i>1,124.1</i>	<i>1,270.3</i>	<i>1,379.2</i>	<i>1,597.6</i>	<i>2,100.6</i>
Housing and community amenities—					
Housing	163.7	174.6	195.6	63.6	75.4
Community and regional development	11.3	8.1	9.0	14.4	—1.5
Protection of the environment	3.4	3.8	5.3	6.9	10.0
Community amenities, n.e.c.	..	0.6	..	..	0.3
<i>Total housing, etc.</i>	<i>178.4</i>	<i>187.1</i>	<i>209.9</i>	<i>85.0</i>	<i>84.2</i>
Recreation and related cultural services—					
Cultural facilities	4.6	6.4	6.8	8.7	10.4
Support of the creative and performing arts	1.8	2.9	4.0	4.9	6.8
Broadcasting services and film production	58.4	61.5	72.6	83.6	90.9
Recreational facilities and services	4.7	5.6	5.3	5.7	6.5
Other programs	1.8	2.2	1.1	0.7	0.6
<i>Total recreation, etc.</i>	<i>71.4</i>	<i>78.5</i>	<i>89.9</i>	<i>103.9</i>	<i>115.2</i>
Economic services—					
General administration, regulation and research	52.5	57.9	68.5	85.4	95.1
Agriculture, forestry and fishing	216.5	425.9	262.0	294.2	238.2
Mining, manufacturing and construction	47.9	64.6	67.2	107.5	134.3
Electricity and water supply	42.9	56.3	46.9	34.5	43.2
Transport and communication	661.9	782.2	839.3	981.0	968.0
Other economic services	29.8	34.9	61.8	51.8	59.3
<i>Total economic services</i>	<i>1,051.5</i>	<i>1,421.8</i>	<i>1,345.7</i>	<i>1,554.4</i>	<i>1,538.1</i>
Other purposes—					
General purpose inter-authority transfers	1,569.9	1,745.5	2,097.8	2,370.4	2,628.4
Natural disaster relief	19.8	11.6	15.1	2.4	—5.2
Interest	26.3	23.2	12.2	—14.4	12.1
Other	..	..	..	—0.1	..
<i>Total other purposes</i>	<i>1,616.0</i>	<i>1,780.1</i>	<i>2,125.1</i>	<i>2,358.3</i>	<i>2,635.3</i>
Total outlay, all purposes	6,258.1	7,069.9	7,774.5	8,607.9	9,732.6
Of which—					
Current outlay	4,708.9	5,174.5	5,904.7	6,553.2	7,615.5
Capital outlay	1,549.2	1,895.4	1,869.8	2,054.7	2,117.1

Main components of outlay

The following tables give further details of the main components of the outlay of authorities of the Australian Government, i.e. expenditure on goods and services, cash benefits, subsidies and payments to the States. More detailed information relating to outlay under specific function headings such as defence, education, health and welfare, may be found in the relevant chapters of this Year Book.

Expenditure on goods and services

Final consumption expenditure by authorities of the Australian Government (i.e. the demand by these authorities for the output of the producing sectors of the economy) consists essentially of purchases of goods and services for current consumption *less* any charges made by the authorities for goods and services which they themselves provide, together with expenditure on the acquisition of new fixed assets and existing assets (net of any sales of assets) and any change in stocks. The following tables show functional dissections of net current expenditure on goods and services and expenditure on new fixed assets for the five years ended 1972-73.

AUTHORITIES OF THE AUSTRALIAN GOVERNMENT, FINAL CONSUMPTION EXPENDITURE CLASSIFIED BY PURPOSE (\$ million)

Purpose	1968-69	1969-70	1970-71	1971-72	1972-73
General public services—					
General administration	176	201	233	279	315
External affairs	30	38	40	45	50
Law, order and public safety	18	21	25	31	38
Immigration	55	60	61	52	42
General research	42	50	57	66	75
<i>Total general public services</i>	<i>321</i>	<i>370</i>	<i>417</i>	<i>474</i>	<i>520</i>
Defence	1,017	989	1,073	1,108	1,177
Education	35	41	55	64	82
Health	90	101	117	139	160
Social security and welfare	36	44	50	60	74
Housing and community amenities	11	10	11	12	17
Recreation and related cultural services	60	67	77	87	100
Economic services—					
General administration, regulation and research	35	41	49	59	70
Agriculture, forestry, fishing	58	59	66	72	105
Mining, manufacturing and construction	11	11	10	11	12
Transport and communication	36	41	47	56	65
Other	11	13	13	15	18
<i>Total economic services</i>	<i>152</i>	<i>165</i>	<i>185</i>	<i>212</i>	<i>269</i>
Other purposes . . . . .	..	..	..	..	..
<i>Grand total</i>	<i>1,720</i>	<i>1,788</i>	<i>1,984</i>	<i>2,156</i>	<i>2,399</i>

AUTHORITIES OF THE AUSTRALIAN GOVERNMENT: EXPENDITURE ON NEW FIXED ASSETS, CLASSIFIED BY PURPOSE

I. GENERAL GOVERNMENT

(\$ million)

Purpose	1968-69	1969-70	1970-71	1971-72	1972-73
General public services—					
General administration	22.4	18.5	15.8	18.4	32.4
External affairs	7.0	3.4	2.3	3.5	15.4
Law, order and public safety	1.6	1.5	2.0	2.6	3.0
Immigration	3.8	4.9	2.0	0.6	0.4
General research	7.2	8.6	13.0	10.0	8.0
<i>Total general public services</i>	<i>42.0</i>	<i>36.9</i>	<i>35.1</i>	<i>35.2</i>	<i>59.2</i>
Education—					
General administration, regulation and research	0.3	0.4	0.2	0.3	..
Transportation of students . . . . .	..	..	..	..	..
Primary and secondary education	5.5	8.8	9.5	13.1	14.6
Vocational training	0.2	0.1	..	..	2.8
University education	6.6	4.4	7.1	7.2	8.8
Other higher education	0.8	1.6	3.4	4.0	1.7
Other education programs	0.4	2.8	0.9	0.4	2.3
<i>Total education</i>	<i>13.8</i>	<i>18.1</i>	<i>21.1</i>	<i>25.0</i>	<i>30.2</i>

EXPENDITURE ON NEW FIXED ASSETS, CLASSIFIED BY PURPOSE—*continued*I. GENERAL GOVERNMENT—*continued*

(\$ million)

Purpose	1968-69	1969-70	1970-71	1971-72	1972-73
Health—					
General administration, regulation and research	0.6	0.6	0.4	0.6	1.0
Hospital and clinical services	4.2	5.7	9.7	20.7	17.0
Other health services	1.1	1.2	6.0	1.0	1.5
Ambulance services	..	0.1	0.3	0.2	0.2
Total health	5.9	7.6	16.4	22.4	19.6
Social security and welfare—					
Care of and assistance to—					
Aged persons	..	..	..	..	0.1
Incapacitated and handicapped persons	0.8	..	0.1	..	0.1
Unemployed and sick persons	..	..	..	..	..
Ex-servicemen	0.3	0.3	2.2	0.2	0.3
Widowed and deserted spouses	..	..	..	..	..
Families and children	..	..	..	..	..
Other social security and welfare programs	1.4	2.0	3.9	2.4	2.1
Total social security, etc.	2.4	2.4	6.2	2.6	2.5
Housing and community amenities—					
Housing	3.2	5.0	2.3	-1.6	-0.9
Community and regional development	12.0	11.0	16.4	22.3	25.6
Protection of the environment	1.4	1.4	2.3	3.8	6.6
Community amenities, n.e.c.	0.3	0.8	0.3	..	..
Total housing, etc.	16.9	18.2	21.3	24.4	31.3
Recreation and related cultural services—					
Cultural facilities	0.8	1.7	0.9	1.8	1.3
Support of the creative and performing arts	..	..	..	..	..
Broadcasting services and film production	7.2	5.1	9.5	11.7	10.5
Recreational facilities and services	0.8	1.1	0.9	0.9	1.4
Other programs	1.7	2.0	0.9	0.6	0.2
Total recreation, etc.	10.5	9.9	12.2	15.0	12.9
Economic services—					
General administration, regulation and research	4.6	3.7	3.7	5.3	4.7
Agriculture, forestry, fishing	0.9	2.2	2.0	3.5	19.9
Mining, manufacturing and construction	1.0	1.1	0.6	0.6	0.5
Electricity and water supply	3.0	5.1	6.6	7.7	3.7
Transport and communication	57.1	59.9	73.7	57.9	45.5
Other economic services	0.2	0.4	0.3	0.2	0.1
Total economic services	66.9	72.3	86.9	75.2	74.4
Other purposes	..	..	..	..	..
Total general government	158.5	165.4	199.3	199.9	230.1

II. PUBLIC ENTERPRISES

(\$ million)

Public trading enterprises—					
General public services—Immigration	5.8	5.7	5.3	1.6	0.8
Housing and community amenities—Housing	6.3	4.1	4.7	5.6	2.5
Recreation and related cultural services—Cultural facilities	..	..	..	..	..
Economic services—					
Manufacturing activities	0.7	0.8	1.2	1.4	1.8
Electricity, water supply	36.4	41.1	36.5	23.5	22.9
Transport and communication—					
Air transport	23.1	27.1	46.4	137.8	38.9
Rail transport	9.5	10.6	13.3	17.1	10.7
Sea transport	12.1	35.5	6.6	16.3	20.1
Road transport	1.7	1.6	2.2	2.5	2.2
Pipelines	..	..	..	..	10.4
Communications services	306.4	350.5	374.4	426.4	459.6
Total	352.7	425.2	442.9	600.1	541.9
Other economic services	-0.1	..	0.1	0.4	0.4
Total public trading enterprises	401.9	476.9	490.8	632.6	570.3
Public financial enterprises	14.4	15.4	14.4	22.3	29.1
Total public enterprises	416.2	492.4	505.2	654.9	599.3

Cash benefits to persons

Total payments of cash benefits to persons during the latest five years are shown in the next table. Further information relating to items in this table is given in the appropriate chapter of this Year Book, and figures of cash benefits paid to persons in each State and Territory may be found in *Public Authority Finance: Authorities of the Australian Government*.

AUTHORITIES OF THE AUSTRALIAN GOVERNMENT: CASH BENEFITS TO PERSONS
(\$'000)

	1968-69	1969-70	1970-71	1971-72	1972-73
General public services—					
Immigration—					
Maintenance of migrant families	4,286	4,626	4,927	4,298	4,385
Hostel tariffs of unemployed migrants	648	678	729	602	252
Total	4,934	5,304	5,656	4,900	4,637
General research—					
Queen Elizabeth fellowships	190	195	226	282	330
Total general public services	5,124	5,499	5,882	5,182	4,967
Education—					
Primary and secondary education—					
Student assistance	6,558	6,738	6,791	6,924	8,663
Australian Capital Territory and Northern Territory					
scholarships and allowances	157	176	209	193	161
Assistance to isolated children . . . . .	..	..	..	..	2,588
Total	6,715	6,914	7,000	7,117	11,412
Vocational training—					
Student assistance	1,123	1,162	1,096	1,048	1,008
University education—					
Australian National University scholarships	1,094	1,218	1,346	1,295	1,261
Student assistance—					
post-graduate	3,588	4,526	5,209	5,888	6,671
under-graduate	16,268	18,160	22,519	28,127	36,827
Australian Agricultural Council scholarships	50	52	51	54	59
Wool research studentships	360	341	368	334	240
Forestry scholarships	57	66	67	69	76
Other	17	14	19	12	11
Total	21,434	24,377	29,579	35,779	45,145
Other higher education—					
Student assistance	1,001	1,628	2,793	3,552	5,397
Teaching scholarships at Canberra College of Advanced					
Education . . . . .	..	..	12	29	41
Commonwealth Teaching Service scholarships . . . . .	..	..	..	109	364
Pre-school teaching scholarships . . . . .	..	..	..	..	1,288
Total	1,001	1,628	2,805	3,690	7,090
Other education programs—					
Aboriginal study grants	62	190	326	474	631
Aboriginal secondary grants . . . . .	..	522	2,201	2,536	4,267
Soldiers' children education scheme	3,154	3,203	3,407	3,625	3,573
Other . . . . .	..	10	5	12	53
Total	3,216	3,925	5,939	6,647	8,524
Total education	33,489	38,006	46,419	54,280	73,179
Health—					
Hospital and clinical services—					
Hospital benefits, n.e.c.	29,779	40,258	49,807	67,305	82,270
Hospital benefits for pensioners	24,520	24,163	23,555	24,065	23,768
Nursing home benefits	31,643	46,960	49,477	70,593	92,836
Tuberculosis campaign—allowances	921	771	659	630	780
Rehabilitation of ex-servicemen . . . . .	..	..	..	..	134
Total	86,863	112,152	123,498	162,593	199,788
Other health services—					
Medical benefits for pensioners	16,912	19,224	19,904	27,804	30,822
Medical benefits, n.e.c.	49,556	56,863	95,604	132,574	160,238
Pharmaceutical benefits for pensioners	36,609	41,069	45,181	52,005	58,139
Pharmaceutical benefits, n.e.c.	81,764	95,650	115,094	121,263	119,493
Milk for school children	10,085	10,082	10,199	11,894	11,781
Domiciliary care . . . . .	..	..	..	..	1,022
Total	194,927	222,888	285,982	345,540	381,495
Total health	281,789	335,040	409,480	508,133	581,283

AUTHORITIES OF THE AUSTRALIAN GOVERNMENT
CASH BENEFITS TO PERSONS—*continued*
(\$'000)

	1968-69	1969-70	1970-71	1971-72	1972-73
Social security and welfare—					
Assistance to aged persons—					
Age pensions	(a)558,587	(a)641,982	582,889	680,322	887,750
Delivered meals . . . . .	..	196	341	338	587
Personal care . . . . .	..	1,133	1,592	1,830	3,273
Total	n.a.	n.a.	584,822	682,490	891,610
Assistance to incapacitated and handicapped persons—					
Invalid pensions	n.a.	n.a.	119,387	138,194	184,699
Sheltered employment allowances	288	436	590	742	1,161
Handicapped children's benefits	76	485	456	438	429
Rehabilitation services	2,123	2,403	3,107	3,945	4,658
Total	n.a.	n.a.	123,540	143,319	190,947
Assistance to unemployed and sick persons—					
Unemployment benefits	9,268	8,868	10,795	25,997	46,553
Sickness benefits	5,531	7,146	10,262	15,906	26,610
Special benefits	2,031	2,578	2,420	2,851	4,368
Total	16,830	18,592	23,477	44,754	77,531
Assistance to ex-servicemen—					
War and service pensions and allowances	216,958	223,366	234,979	260,150	297,303
Other benefits	3,640	3,826	3,821	4,056	3,715
Total	220,598	227,192	238,800	264,206	301,018
Assistance to widowed and deserted spouses—					
Widows' pensions	69,080	81,753	90,514	104,627	140,505
Assistance to deserted wives	1,149	1,882	3,691	5,876	9,748
Total	70,229	83,635	94,205	110,503	150,253
Assistance to families and children—					
Child endowment	193,263	220,121	198,442	216,581	253,890
Maternity allowances	7,960	8,000	8,554	8,617	7,970
Total	201,223	228,121	206,996	225,198	261,860
Other social security and welfare programs—					
Funeral benefits	1,571	1,512	1,653	1,583	1,579
Telephone rental concessions	2,366	2,807	3,617	4,608	5,035
Emergency assistance to wool-growers . . . . .	..	..	21,327	187	..
Compassionate allowances	94	94	91	98	104
Other	374	50	139	121	216
Total	4,405	4,463	26,827	6,597	6,934
Total social security and welfare	1,074,361	1,208,629	1,298,668	1,477,067	1,880,153
Economic services—					
General administration, regulation and research—					
Stevedoring industry—attendance money, etc.	1,410	1,141	1,140	1,207	1,352
Coal mining industry—long service leave	930	1,018	1,097	1,285	2,012
Other	137	380	773	1,256	516
Total	2,477	2,539	3,010	3,748	3,880
Agriculture, forestry, fishing—					
War service land settlement—rent, remissions, etc.	88	90	51	30	9
Total economic services	2,565	2,629	3,061	3,778	3,889
Total	1,397,329	1,589,772	1,763,510	2,048,444	2,543,471

(a) Includes invalid pensions. Separate figures are not available for years prior to 1970-71.

Subsidies

The following table shows details of Australian Government outlay on subsidies and bounties. Other assistance to primary producers is included in, for example, tables relating to cash benefits and payments to the States, and additional information is given in Chapter 22, Rural Industry.

AUSTRALIAN GOVERNMENT AUTHORITIES: SUBSIDIES
(\$'000)

	1968-69	1969-70	1970-71	1971-72	1972-73
Housing and community amenities—					
Assistance to public housing bodies—					
Commonwealth-State housing agree-					
ment—contributions to rental losses	60	74	131	151	142
Economic services—					
Assistance to employers—					
Stevedoring industry assistance	9,121	9,322	12,289	15,709	14,623
Apprenticeship training	415	496	570	788	1,209
Total	9,536	9,818	12,859	16,497	15,832
Assistance to agricultural and pastoral enter-					
prises—					
Dairy products subsidy	27,000	27,000	41,500	39,882	28,500
Wheat prices stabilisation payments	42,870		29,008	58,357	41,371
Phosphate fertilisers bounty	31,665	45,820	40,815	45,795	56,568
Nitrogenous fertilisers bounty	11,044	9,876	9,716	9,757	13,138
Cotton bounty	4,620	3,531	2,973	795	
Processed milk products bounty	638	516	2,729	2,052	884
Poultry industry assistance	10,920	11,350	12,505	13,223	13,063
Egg industry assistance					750
Devaluation compensation	34,764	29,000	21,000	7,204	175
Dried vine fruits stabilisation payments		1,241	1,161	276	856
Wool marketing assistance			2,900	4,100	2,481
Wool Commission subsidy				130	339
Deficiency payments for wool				52,671	—1,640
Apple and pear stabilisation payments				2,584	3,858
Northern Territory railway freight con-					
cessions	113	87	114	80	131
Northern Territory superphosphate sea					
subsidy	23	50	55	194	142
Northern Territory transport of stud stock	175	245	129	100	69
Total	163,832	128,716	164,605	237,200	160,685
Assistance to mining enterprises—					
Oil search subsidy	12,333	14,298	9,643	7,536	8,084
Gold mining industry assistance	1,791	1,812	2,828	1,712	295
Pyrites bounty			568	1,205	972
Total	14,124	16,110	13,039	10,453	9,351
Assistance to manufacturing enterprises—					
Sulphate of ammonia bounty	430	1,081	538	—2	
Sulphuric acid bounty	988	740	489	896	880
Agricultural tractor bounty	2,249	1,757	2,750	3,160	2,800
Cellulose acetate flake bounty	179	276	200	166	171
Urea bounty	424	496	449		
Book bounty		1,374	3,217	3,181	2,984
Industrial research and development grants	5,300	8,915	16,250	13,000	14,000
Ship construction subsidy	12,551	18,758	18,646	13,396	30,632
Export incentive grants				50,674(a)	58,340(a)
Devaluation compensation	862	1,069	600	23	
Metal-working machine tools bounty					657
Serum laboratories				479	607
Other					
Total	22,983	34,466	43,139	84,973	111,071
Assistance to air transport services—					
Air services subsidy	1,780	1,800	2,000	1,900	2,000
Assistance to sea transport services—					
Northern Territory coastal shipping service					
subsidy	24	27	12	36	24
Assistance to King Island shipping service	141	150	160	143	
South American shipping service subsidy	180	157	113	38	
Total	345	334	285	217	24
Other assistance to enterprises—					
Petrol prices equalisation	17,948	20,625	21,737	23,064	23,305
Northern Territory petrol prices equalisa-	1,316	1,742	2,092	2,165	2,393
tion					
Total	19,264	22,367	23,829	25,229	25,698
Natural disaster relief—					
Northern Territory drought relief freight					
concessions	2	239	149	210	27
Adjustment to payable basis	—24,400	27,500	1,800	—18,300	—24,800
Total	207,526	241,424	261,836	358,530	300,030

(a) Offset against gross receipts of pay-roll tax prior to 1971-72.

Grants and advances to the States

Australian Government financial assistance to the States takes two main forms: (i) direct financial assistance in the form of grants for general and specific purposes, and (ii) assistance for developmental and other specific purposes in the form of repayable advances. Some information about the more important or most recent of these forms of financial assistance is given on pages 577-85, but for more complete information reference should be made to the Australian Government Budget paper *Payments to or for the States*. Further information also appears in chapters of this Year Book dealing with the specific function which the payments are designed to serve.

Grants to the States

The following tables show details of grants to the States for general and specific purposes. More detailed figures appear in *Public Authority Finance: Authorities of the Australian Government*.

AUTHORITIES OF THE AUSTRALIAN GOVERNMENT: GRANTS TO THE STATES, 1972-73
(S'000)

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
FOR CURRENT PURPOSES							
General public services	2,149	1,650	669	870	395	183	5,917
Education	52,955	45,843	20,113	13,344	12,794	4,578	149,627
Health	3,867	3,285	2,361	929	1,070	298	11,811
Social security and welfare	38,764	26,213	18,162	9,970	9,811	6,018	108,938
Housing and community amenities	2,292	1,679	527	1,093	771	388	6,750
Economic services	2,975	2,712	2,290	994	1,071	482	10,524
Other purposes—							
Financial assistance grants	521,963	396,087	271,946	181,430	196,369	79,498	1,647,293
Special grants . . . . .	..	..	10,000	21,900	..	7,600	38,600
Payments under Financial Agreement—							
Interest on States' debt	5,835	4,254	2,192	1,408	947	534	15,170
Sinking fund on States' debt	9,197	6,809	3,636	3,689	2,715	1,934	27,979
Debt charges assistance	11,399	8,348	4,576	4,487	3,317	2,385	34,512
Natural disaster payments . . . . .	..	40	..	..	..	..	40
<i>Total other purposes</i>	<i>548,394</i>	<i>415,538</i>	<i>292,350</i>	<i>212,014</i>	<i>203,348</i>	<i>91,951</i>	<i>1,763,594</i>
Total grants for current purposes	651,396	496,920	336,472	239,214	229,260	103,898	2,057,161
FOR CAPITAL PURPOSES							
General public services	10	..	14	..	..	..	24
Education	35,988	29,498	13,608	11,427	10,693	4,355	105,569
Health	945	1,763	1,998	1,266	887	292	7,150
Social security and welfare	2,884	1,701	1,434	521	972	171	7,683
Housing and community amenities	2,624	377	3,686	776	4,088	100	11,651
Economic services—							
Soil and water resources management	6,990	1,122	6,976	1,337	1,049	172	17,646
Assistance to agricultural and pastoral activities	3,765	3,537	2,360	2,050	2,170	665	14,547
Electricity, gas, water supply . . . . .	..	..	1,500	..	..	..	1,500
Rail transport . . . . .	..	..	..	425	515	476	1,416
Sea transport . . . . .	..	..	..	2,500	..	557	3,057
Road transport	85,590	57,240	57,624	29,000	45,835	12,150	287,439
<i>Total economic services</i>	<i>96,345</i>	<i>61,899</i>	<i>68,460</i>	<i>35,312</i>	<i>49,569</i>	<i>14,020</i>	<i>325,605</i>
Other purposes—							
Capital assistance	79,051	63,405	31,429	34,074	23,213	17,367	248,539
Total grants for capital purposes	217,846	158,643	120,629	83,376	89,422	36,305	706,221
TOTAL GRANTS							
Total grants to the States	869,242	655,563	457,101	322,590	318,682	140,203	2,763,382

AUTHORITIES OF THE AUSTRALIAN GOVERNMENT: GRANTS TO THE STATES
(\\$'000)

	1968-69	1969-70	1970-71	1971-72	1972-73
FOR CURRENT PURPOSES					
General public services	2,995	3,562	4,320	4,491	5,917
Education	49,967	73,559	99,146	115,909	149,627
Health	11,622	10,715	10,887	10,186	11,811
Social security and welfare	29	177	558	28,164	108,938
Housing and community amenities . . . . .	..	..	..	4,000	6,750
Economic services	3,836	4,708	6,416	8,163	10,524
Other purposes—					
Financial assistance grants	1,018,193	1,141,319	1,418,518	1,440,878	1,647,293
Special grants	17,392	21,900	18,680	23,800	38,600
Special revenue assistance	14,000	16,000	43,000	55,000	..
Payments under Financial Agreement—					
Interest on State's debt	15,170	15,170	15,170	15,170	15,170
Sinking fund on State's debt	21,619	23,271	24,550	26,323	27,979
Debt charges assistance . . . . .	..	..	11,504	23,008	34,512
Natural disaster payments	11,755	9,279	10,003	1,188	40
<i>Total other purposes</i>	<i>1,098,129</i>	<i>1,226,939</i>	<i>1,541,425</i>	<i>1,585,367</i>	<i>1,763,594</i>
Total grants for current purposes	1,166,577	1,319,660	1,662,752	1,756,280	2,057,161
FOR CAPITAL PURPOSES					
General public services	446	65	142	372	24
Education	55,377	71,160	74,035	85,969	105,569
Health	5,861	7,053	5,404	6,127	7,150
Social security and welfare	125	1,081	5,419	8,703	7,683
Housing and community amenities	2,202	3,545	5,136	5,276	11,651
Economic services—					
Soil and water resources management	12,396	17,246	25,587	22,843	17,646
Assistance to agricultural and pastoral activities . . . . .	..	..	2,579	13,796	14,547
Electricity, gas, water supply . . . . .	..	..	..	..	1,500
Rail transport	11,436	11,835	3,850	2,841	1,416
Sea transport . . . . .	..	..	..	..	3,057
Road transport	176,065	199,332	227,049	255,464	287,439
<i>Total economic services</i>	<i>199,897</i>	<i>228,413</i>	<i>259,065</i>	<i>294,944</i>	<i>325,605</i>
Other purposes—					
Natural disaster relief . . . . .	..	130	5,091	5,494	..
Capital assistance . . . . .	..	..	200,000	219,000	248,539
Total grants for capital purposes	263,908	311,447	554,292	625,885	706,221
TOTAL GRANTS					
Total grants to the States	1,430,485	1,631,107	2,217,044	2,382,165	2,763,382

General purposes grants

The Financial Assistance Grants. Details of the financial assistance grants arrangements existing in 1972-73 and prior years are given in earlier issues of the Year Book (see No. 58, page 548). Revised arrangements to apply over the five years 1971-72 to 1975-76 are embodied in the *States Grants Act (No. 2) 1972*.

The financial assistance grants, which are the main general revenue grants to the States, will continue to increase each year in proportion to the increase in average wages in Australia as a whole in the year ending 31 March in the year of payment and to the increase in each States' population in the year ending 31 December in the year of payment and by a further 'betterment factor' of 1.8 per cent. Further grants are provided for over the years 1971-72 to 1975-76 to New South Wales and Victoria (equal to two dollars per head of their population, increasing to \$3.50 in 1972-73) to Queensland (by way of an annual addition of \$2 million to the base on which its grant is calculated) and to Western Australia (the amount being \$9.5 million in 1971-72, \$10.0 million in 1972-73, \$10.0 million in 1973-74 and \$0.4 million in 1974-75). Compensatory grants payable to the States for the loss of receipts duty are subject to increases under the formula. As from 1971-72,

financial assistance grants otherwise payable are to be reduced to offset the transfer of payroll taxation from the Australian Government to the States. The following table shows details of the calculation of the financial assistance grants for 1972-73.

CALCULATION OF FINANCIAL ASSISTANCE GRANTS FOR 1972-73

(\$'000)

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
'Base' grants—							
1971-72 Formula Grants	545,753	405,929	256,479	176,688	179,238	75,006	1,639,092
Plus additions to Queensland's base . . . . .	..	..	2,000	..	..	..	2,000
Plus share of \$22.3 million	8,203	5,687	3,081	2,122	2,267	901	22,261
Plus \$3 million differential growth adjustment (a)	1,000	744	462	318	340	135	3,000
less reduction to offset the transfer of payroll tax (b)	135,224	94,114	37,572	27,278	26,834	9,190	330,213
Total base grants	419,732	318,246	224,450	151,851	155,011	66,852	1,336,141
Plus additions under formula (c)	48,631	37,619	29,768	17,550	19,074	7,551	160,194
Plus additional \$112 million (d)	37,164	27,700	17,728	12,029	12,284	5,094	112,000
Plus additional grants to particular States	(e)16,436	(e)12,522	..	..	(f)10,000	..	38,958
Total financial assistance grants	521,963	396,087	271,946	181,430	196,369	79,498	1,647,293

(a) Representing an allowance to compensate for the probable slightly lower growth rate in revenue from payroll tax as compared with that from financial assistance grants. (b) This amount was agreed between the Australian and State Treasuries and was formally determined by the Treasurer in accordance with the *States Grants Act 1971-1972*. (c) Calculated from population increases in each State in the year ended 31 December 1972 (the weighted average of these increases was 1.32 per cent), the increase in average wages in Australia as a whole in the year ending March 1973 (8.57 per cent) and the betterment factor of 1.8 per cent. (d) Additional grants agreed to at the June 1972 Premiers' Conference. (e) Equal to \$3.50 per capita of the State's population at 31 December 1972. (f) Made up of \$6.5 million additional grant reduced from the \$9.5 million paid in 1971-72 plus a temporary addition of \$3.5 million.

Special Grants. These grants are paid to the financially weaker States as supplements to the financial assistance grants. They are subject to annual recommendation by the Commonwealth Grants Commission. Each recommendation by the Commission for payment of a special grant consists of two parts: (i) One part is based on an estimate of the claimant State's financial need in the current financial year, and is treated as an advance payment subject to adjustment two years later when the Commission has compared in detail the audited budget results and standards of effort and of services provided in that year for both the claimant State and the States which the Commission takes as 'standard' (New South Wales and Victoria at present). (ii) The other part represents the final adjustment to the advance payment made two years earlier and is known as the completion payment. The following table shows special grants paid in recent years.

COMMONWEALTH GRANTS COMMISSION: SPECIAL GRANTS

(\$'000)

	1969-70	1970-71	1971-72	1972-73	1973-74
Queensland—					
Advance payment . . . . .	..	..	9,000	10,000	10,000
Completion payment(a) . . . . .	..	..	..	9,750	(b)
Total . . . . .	..	..	9,000	19,750	(b)
South Australia—					
Advance payment . . . . .	..	5,000	7,000	13,500	15,000
Completion payment(a) . . . . .	..	7,500	4,900	8,500	(b)
Total . . . . .	..	12,500	11,900	22,000	(b)
Tasmania—					
Advance payment	22,000	(c)22,000	11,000	10,000	10,000
Completion payment(a)	-3,200	-2,400	-1,350	..	..
Total	18,800	(c)19,600	9,650	10,000	10,000
Grand total	18,800	32,100	30,550	51,750	(b)

(a) Adjustment to estimated grant paid two years previously. (b) Not yet determined. (c) The special grant recommended by the Commission was \$23,680,000. However, by agreement between the Australian Government and Tasmania \$10 million was added to Tasmania's 1970-71 financial assistance grant with a corresponding reduction in the special grant.

Minus sign (—) denotes excess of repayment.

Capital assistance grants. Also as part of the new revenue assistance arrangements, the Australian Government has undertaken to pay grants to the States to finance capital works. The grants replace State borrowings and thereby relieve them of debt charges they would otherwise have had to pay. These grants, which were authorised by the *States Grants (Capital Assistance) Act 1970*, totalled \$219.1 million in 1971-72, \$248.5 million in 1972-73, and will amount to \$278.3 million in 1973-74.

Specific purpose grants

Education

Payments to the States for universities were first introduced in 1951-52, and details of the States Grants (Universities) Acts under which they were continued are given in earlier issues of the Year Book (see No. 51 page 923 and No. 52 page 770). The *States Grants (Universities) Act (No. 2) 1972* authorised grants totalling approximately \$343.5 million for the Australian Government share of the agreed program of development of State universities for the years 1970 to 1972. (See also Chapter 19, Education.)

The Australian Government, in the 1970-72 triennium, is meeting the full cost of a \$13.5 million research program approved by the Australian Research Grants Committee. In addition, the Australian Government has agreed to finance a program of research costing \$20 million in the 1973-75 triennium.

Colleges of Advanced Education. Under the States Grants (Advanced Education) Acts, the Australian Government is providing financial assistance to the States of \$172.3 million during the 1973-75 triennium for recurrent and capital expenditures.

The *States Grants (Science Laboratories) Act 1971* extended for the four years ending 30 June 1975 the operation of the scheme outlined in Official Year Book No. 54 page 745. A total payment of \$43.3 million is provided for with equal annual authorisations.

Grants for buildings and equipment for use in technical training in schools and colleges conducted by States only are provided for under the *States Grants (Technical Training) Act 1971* which provides for the payment of up to \$36 million in the years 1970-71 to 1972-73.

Under the *States Grants (Teacher Colleges) Act 1970* the Australian Government provided for a maximum amount of \$30 million over the three years ending 30 June 1973 for the construction and equipping of teachers colleges.

Under the *States Grants (Secondary School Libraries) Act 1971* grants totalling \$30 million were authorised over the three years commencing 1 January 1972 to finance buildings and associated capital facilities for libraries in government and non-government secondary schools.

The *States Grants (Pre-school Teachers Colleges) Acts 1968, 1971 and 1972* provided for capital grants totalling \$2.5 million to 31 December 1973 for the purpose of increasing the physical capacity of approved pre-school teachers colleges.

The *States Grants (Independent Schools) Act 1972* authorised payments to the States, for transmission to independent schools, of contributions to school running costs at rates of \$50 per primary pupil and \$68 per secondary pupil per annum as from the beginning of 1972.

The *States Grants (Capital Assistance) Act 1971-72* provides an amount of \$20 million over the eighteen months January 1972 to July 1973 for capital expenditure on government primary and secondary schools.

Health

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

The *States Grants (Mental Health Institutions) Act 1964-1970* authorised assistance to the States amounting to one-third of their total expenditure on building and equipping approved mental health institutions up to 30 June 1973.

Welfare

The *States Grants (Home Care) Act, 1969* the *States Grants (Paramedical Services) Act 1969* and the *States Grants (Nursing Homes) Act 1969* provide funds for a range of home care services, senior citizens' centres and nursing homes, mainly for aged persons. See Chapters 13, Social Security and Welfare Services, and 14, Public Health.

During December 1971 the Australian Government introduced a scheme of grants to the States for employment-creating activities in non-metropolitan areas. In 1972-73 these grants amounted to \$73 million.

*Development of resources and assistance to industry**Natural disasters*

Payments to the States for natural disaster relief (drought, flood, bushfire, earthquake, cyclone, mouse plague) include financial assistance to alleviate personal hardship and distress and to enable the States to meet budgetary problems arising from the effects on their revenues of such natural disasters. Such relief does not normally cover the full cost of restoration of private assets damaged by natural disasters, it being regarded as the individual's responsibility to provide against such losses by way of insurance. Apart from \$40,000 paid to Victoria for flood relief, no natural disaster assistance was paid to the States in 1972-73.

Water resources projects

Investigation and measurement of water resources. Australian Government commitments under the National Water Resources Development Programme up to 30 June 1973 included further grants of up to \$12.8 million to Queensland for Bundaberg Irrigation Works, further assistance of up to \$9 million to New South Wales for flood mitigation works on various of its coastal rivers, further grants of up to \$4.7 million to New South Wales and Queensland towards the cost of construction of a dam and associated works on Pike Creek in the border river region of the two States, \$2 million to Victoria towards the cost of construction of a pipeline and certain associated works to carry water from the River Murray to rural holdings in the Millewa district, and of \$15.1 million for additional investigation and measurement of State water resources in a three-year program commencing in 1973-74.

Fairbairn Dam. The *Queensland Grant (Maraboon Dam) Act* 1968 provided for grants to Queensland of up to \$20 million for the construction of a dam on the Nogoa River near Emerald.

Copeton Dam. Grants up to \$20 million will be made to New South Wales under the *New South Wales Grant (Gwydir River Dam) Act* 1969 for the construction of a dam on the Gwydir River near Copeton.

King River Dam. Under the *Victoria Grant (King River Dam) Act* 1969 the Australian Government is providing grants of up to \$4 million to Victoria for the construction of a dam on the King River south of Cheshunt.

Tailem Bend to Keith Pipeline. The construction of a pipeline and certain associated works to carry water from Tailem Bend to Keith in South Australia is being assisted financially by provision of grants up to \$6 million under the *South Australia Grant (Tailem Bend to Keith Pipeline) Act* 1969.

Ord River Irrigation Project. The *Western Australia (Ord River Irrigation) Act* 1968 provided for financial assistance to Western Australia on the basis of grants for dam construction and interest-bearing loans in respect of the irrigation works. Grants amounting to \$748,000 were paid during 1972-73.

River Murray Salinity Reduction. The *Victoria Grant (River Murray Salinity) Act* 1968 provides for grants to Victoria of up to \$3,600,000 for two salinity reduction projects on the River Murray.

Cressy-Longford Irrigation Works, Tasmania. Grants of up to \$750,000 to Tasmania for the construction of a channel system and associated works to carry water from the tailrace of the Poatina Power Station to supply rural holdings were provided for by the *Tasmania Grant (Cressy-Longford Irrigation Works) Act* 1969.

Assistance to Primary Industry

Marginal dairy farms reconstruction. Under the *Marginal Dairy Farms Agreement Act* 1970 the Australian Government may provide financial assistance to the States of up to \$25 million to enable the States to acquire marginal dairy farms from their owners by agreement, and dispose of them so as to encourage the most practicable and economic use of the land. The States are required to repay half of the sum paid out by the Australian Government under this scheme. Payments to the States in 1972-73 amounted to \$2,947,000.

Rural reconstruction. The *States Grants (Rural Reconstruction) Act* 1971 provides for the Australian Government to make available up to \$100 million over the period ended 30 June 1975 to finance schemes for farm debt reconstruction, farm build-up, and rehabilitation for persons forced to leave rural industry. After reviewing the scheme with the States, the Australian Government agreed to provide a further \$54 million. Three-quarters of the amount paid by the Australian Government over the period of the scheme is to be repaid by the States. Payments under the scheme in 1972-73 amounted to \$50.8 million.

*Transport and communication**Roads projects*

The *Commonwealth Aid Roads Act* 1969 provided for principal and supplementary grants totalling \$1,252,050,000 to be paid to the States over the five-year period commencing on 1 July 1969. Supplementary grants totalling \$52,050,000 are to be made to South Australia, Western Australia and Tasmania to assist in the transition from arrangements under the 1964 Act and the principal grant of \$1,200 million is to be allocated specifically as follows: Urban-arterial and sub-arterial roads \$600,690,000; Rural-arterial roads \$186,760,000 and other rural roads \$394,550,000; and planning and research \$18,000,000. Total grants of \$1,252,050,000 payable in the five-year period from 1969-70 to 1973-74 are to be allocated on the following basis: New South Wales, \$380,400,000; Victoria, \$254,400,000; Queensland, \$231,600,000; South Australia, \$129,000,000; Western Australia, \$200,400,000; and Tasmania, \$56,250,000. In addition, the Australian Government has agreed to provide up to \$2.5 million to South Australia towards the cost of completing the sealing of the Eyre Highway. For details of previous legislation see earlier year books.

Beef cattle roads. The *States Grants (Beef Cattle Roads) Act* 1968 provided for grants of \$39,500,000, \$9,500,000, and \$1,000,000 for Queensland, Western Australia, and South Australia respectively for a program of beef cattle road construction over a period of seven years commencing from 1 July 1967. Payments totalling \$7,750,000 were made to the States for this purpose during 1972-73.

Railway projects

The Australian Government is continuing to make grants to South Australia and Western Australia under its railway standardisation agreement with those two States. In addition, \$1,156,000 was paid to Tasmania to meet part of the cost of the construction of a new railway link between the existing system and Bell Bay, and upgrading the existing line from Launceston and associated works.

Shipping and Harbours

The Australian Government is providing up to \$1,355,000 to Tasmania under the *King Island Harbour Agreement Act* 1973, for the construction of port facilities at Grassy Harbour, King Island. In addition during 1972-73 the Australian Government made a grant of \$2.5 million to Western Australia for the purchase of a ship to maintain the State shipping service to Darwin.

Other functions

Housing. With the termination of the Commonwealth-State Housing Agreement, States' borrowings through the Loan Council are to be supplemented by: (i) cumulative grants of \$2.75 million a year payable for 30 years in respect of each of the years from 1971-72 to 1975-76 to replace interest concessions under the old agreement, the total sum over 30 years is to aggregate \$412.5 million; (ii) non-cumulative grants of \$1.25 million each year for the next five years, a total of \$6.25 million, for reducing rents of dwellings for families considered to have insufficient means to pay the rents ordinarily payable to State authorities in respect of these dwellings. In addition the Australian Government made \$6,550,000 available to the States during 1972-73 for the construction of additional rental dwellings.

Aboriginal Advancement. The *States Grants (Aboriginal Advancement) Acts* 1972 and 1973 provided grants of \$22 million to be paid to the States in 1972-73 for Aboriginal advancement particularly in the fields of housing, education and health. For 1973-74 an estimated \$31,175,000 will be paid to the States for Aboriginal advancement.

Development of Exmouth township, Western Australia. The Australian Government has assisted the Western Australian Government in financing the cost of developing a township at Exmouth in connection with the United States Naval Communications Station established at North West Cape. Payments to 30 June 1973 totalled \$4,182,000.

Other specific purpose grants

Contributions under Financial Agreement. Details of the Financial Agreement between the Australian Government and the States are given in Year Book No. 37, pages 685-90. Under this Agreement the Australian Government undertook to contribute \$15,169,824 per annum towards interest

payable on the State loan securities for a period of 58 years from 1 July 1927. This amount is distributed among the States as follows: New South Wales, \$5,834,822; Victoria, \$4,254,318; Queensland, \$2,192,470; South Australia, \$1,407,632; Western Australia, \$946,864; Tasmania, \$533,718. In addition, under the Financial Agreement the Australian Government agreed to make certain contributions to the National Debt Sinking Fund for redemption of State loan securities. Details of these are given on pages 629-32 of this chapter.

Debt Charges Assistance. As part of the revised revenue assistance arrangements to apply over the five years 1970-71 to 1974-75 the Australian Government is providing the States with grants to finance increasing portions of the interest and sinking fund charges on certain State debt amounting to \$1,000 million. The grants, which are authorised by the *States Grants (Debt Charges Assistance) Act* 1970 totalled \$11,504,000 in 1970-71 and will increase by that sum each subsequent year. Over the five years 1970-71 to 1974-75, the total assistance provided will amount to \$172,560,000.

Advances to the States

The following tables show figures of advances to the States and repayments of advances. More detailed figures appear in *Public Authority Finance: Authorities of the Australian Government*.

AUTHORITIES OF THE AUSTRALIAN GOVERNMENT: NET ADVANCES TO THE STATES 1972-73 (\$'000)

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
Defence	3,347	1,847	259	31	125	-2	5,608
Housing and community amenities	-2,354	-3,704	-1,081	-1,554	-1,105	-327	-10,125
Economic services—							
Soil and water resources management	533	524	693	-1,412	-1,064	-881	-1,606
Forest resources management	3,237	1,542	2,160	400	1,020	1,101	9,459
Assistance to agricultural and pastoral industries	11,004	11,072	3,005	6,398	6,202	1,660	39,341
Electricity, gas, water supply . . . . .	..	..	14,000	..	..	..	14,000
Rail transport	554	-96	-1,501	11	-685	608	-1,109
Sea transport	-273	..	-76	..	-151	518	18
Other . . . . .	..	..	-570	-1,875	..	..	-2,445
<i>Total economic services</i>	<i>15,055</i>	<i>13,042</i>	<i>17,711</i>	<i>3,522</i>	<i>5,322</i>	<i>3,006</i>	<i>57,658</i>
Other purposes—							
State works programs	189,210	154,650	75,935	83,389	54,774	43,307	601,265
Special revenue assistance	15,000	..	..	..	..	..	15,000
Natural disaster relief	-2,179	-725	-2,025	-69	..	-323	-5,321
<i>Total other purposes</i>	<i>202,031</i>	<i>153,925</i>	<i>73,910</i>	<i>83,320</i>	<i>54,774</i>	<i>42,984</i>	<i>610,944</i>
Total net advances	218,079	165,110	90,799	85,319	59,116	45,661	664,084

Minus sign (—) denotes excess of repayments.

AUTHORITIES OF THE AUSTRALIAN GOVERNMENT: ADVANCES TO THE STATES
(\\$'000)

	1968-69	1969-70	1970-71	1971-72	1972-73
GROSS					
Defence	6,899	9,461	9,227	7,033	6,163
Housing and community amenities	126,000	132,289	141,819	12	6,610
Economic services—					
Assistance to agricultural and pastoral industries . . . . .	..	..	10,708	33,996	41,477
Other	36,439	31,474	20,204	14,542	33,162
Other purposes—					
State works programs(a)	570,638	625,770	481,450	672,900	733,461
Other	10,434	15,120	4,829	17,850	15,000
Total gross advances	750,410	814,114	668,237	746,333	835,873
REPAYMENTS					
Defence	367	416	466	512	555
Housing and community amenities	13,046	14,151	15,182	16,131	16,735
Economic services—					
Assistance to agricultural and pastoral industries	136	115	1,944	2,032	2,136
Other	19,945	19,647	9,668	12,941	14,845
Other purposes—					
State works programs	87,107	107,895	115,067	123,280	132,196
Other	2,405	3,199	4,929	4,869	5,321
Total repayments	123,006	145,423	147,256	159,765	171,788
NET					
Defence	6,532	9,045	8,761	6,521	5,608
Housing and community amenities	112,954	118,138	126,637	-16,119	-10,125
Economic services—					
Assistance to agricultural and pastoral industries	-136	-115	8,764	31,964	39,341
Other	16,494	11,827	10,536	1,601	18,317
Other purposes—					
State works programs	483,531	517,875	366,383	549,620	601,265
Other	8,029	11,921	-100	12,981	9,679
Total net advances	627,404	668,691	520,981	586,568	664,084

(a) From 1971-72 funds for housing are provided under the State loan works program.
Minus sign (-) denotes excess of repayments.

Details of some of the more important State projects for which the Australian Government is providing financial assistance by way of advances are set out below.

Development of resources and assistance to industry

Water resources projects

Blowering Reservoir, New South Wales. The Blowering Reservoir was constructed at the expense of the State of New South Wales mainly by the Snowy Mountains Hydro-electric Authority, and the Australian Government has financed half the cost in the form of repayable interest-bearing loans to that State.

Under the *Western Australia (South-west Region Water Supplies) Agreement Act 1965-1971*, the Commonwealth is providing financial assistance of up to \$12,000,000 by way of interest-bearing loans to Western Australia to accelerate works undertaken by the State to extend the comprehensive water supply scheme in the south-west portion of the State.

Chowilla and Dartmouth Reservoirs. Under the River Murray Waters Agreement the Commonwealth provided assistance in the form of interest-bearing loans amounting to \$1,500,000 to meet the capital costs of the Chowilla Reservoir. Because of significant increases in the estimated cost of the project, it was decided in August 1967 to suspend work on it. Further investigations then followed, including a re-assessment of the likely yield from both Chowilla and alternative storages on the Upper Murray and Mitta Mitta Rivers. Following this re-assessment, the River Murray Commission in February 1969 agreed that a 4 million megalitres storage at Dartmouth on the Mitta Mitta River provided the greatest overall benefits in terms of cost and yield and should be the next development of the resources of the River Murray. The estimated cost of the Dartmouth Dam is \$64 million, and the Australian Government is making advances to the three States concerned (New South Wales, Victoria and South Australia) amounting to fifty per cent of each of their one-quarter share of the construction costs. The Australian Government itself will make its own quarter contribution of the cost of the project. Payments to the three States amounted to \$2 million in 1972-73. (Further information can be found in Chapter 23, Water Resources).

Rural industries development projects

Brigalow lands. Under the Brigalow Lands Agreement Acts, Australian Government 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 fixed at an overall limit of \$23 million. Repayments over a twenty-year period commenced in 1968 in respect of advances made prior to 1 July 1967 and in 1971 in respect of advances made after 1 July 1967.

Softwood forestry. The *Softwood Forestry Agreements Act* 1967 authorised the Australian Government to provide assistance during the five years ending 30 June 1971 for increased planting of softwood forests. Total assistance of the order of \$17.7 million is in the form of interest-bearing loans repayable over twenty-five years.

Transport and communications

Railway projects. The Australian Government is continuing to make advances to South Australia and Western Australia to finance 30 per cent of the cost associated with railway standardisation in those States. In 1971-72, \$2.5 million was made available to Tasmania to finance railway extensions and up-grading in that State.

Natural gas pipeline, South Australia. Under the *Natural Gas Pipeline (South Australia) Agreement Act* 1967 the Australian Government is providing a maximum of \$15 million by way of interest-bearing loans to help finance the construction of a pipeline to transport gas from natural gas fields at Gidgealpa and Moomba.

Power, fuel and light

The *Tasmania Agreement (Hydro-Electric Power Development) Act* 1968 provided for interest-bearing loans with an overall limit of \$47 million to Tasmania for the financing of a five-year programme of accelerated hydro-electric development based on the commencement of development of the Gordon River area in the south west of the State.

Main components of receipts

The main components of the receipts of Australian Government authorities are taxation, income of public enterprises and other factor income transfers, and borrowing and financing transactions. Taxation constitutes by far the major source of receipts. Borrowing is now of minor significance so far as Federal authorities are concerned, although, as may be seen in later tables, it has become an increasingly significant source of funds for the States. The realisation of the increasing commitment of State revenues to the servicing of a rapidly growing debt burden led to the arrangement agreed to at the 1970 Premiers' Conference whereby the Australian Government now makes interest-free capital grants to the States in lieu of moneys previously obtained by the States from borrowings (see page 580.)

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

Australian Government taxation—summary

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

AUTHORITIES OF THE AUSTRALIAN GOVERNMENT: TAXATION BY TYPE OF TAX
(*\$'000*)

<i>Type of tax</i>	<i>1968-69</i>	<i>1969-70</i>	<i>1970-71</i>	<i>1971-72</i>	<i>1972-73</i>
Taxes—					
Income taxes—					
Individuals	2,377,407	2,854,857	3,174,983	3,764,686	4,084,492
Companies(a)	998,021	1,140,922	1,379,255	1,460,806	1,544,071
Dividend (withholding)	28,303	38,003	35,956	42,002	51,197
Interest (withholding)	4,456	8,019	12,318	15,650	21,406
<i>Total income taxes</i>	<i>3,408,187</i>	<i>4,041,801</i>	<i>4,602,512</i>	<i>5,283,144</i>	<i>5,701,166</i>
Estate duty	60,726	71,332	70,101	67,258	66,408
Gift duty	9,376	8,553	7,795	8,530	6,941
Rates on land	1,069	1,296	2,066	5,312	6,180
Customs duties	346,264	413,559	465,989	468,732	513,381
Excise duties	902,307	939,283	1,053,460	1,212,925	1,268,117
Sales tax	494,090	568,668	632,537	680,772	764,868
Primary production taxes	33,674	33,133	27,300	28,836	35,194
Broadcasting listeners' and television viewers' licences	45,125	48,389	49,563	61,785	67,050
Broadcast station licences	310	345	341	474	491
Television station licences	1,392	1,491	1,647	1,967	2,024
Stevedoring industry charge	14,402	13,726	13,131	15,987	16,979
Payroll tax	205,568	230,469	247,677	91,070	6,338
Other taxes	674	2,317	2,993	3,026	4,098
<i>Total taxes</i>	<i>5,523,164</i>	<i>6,374,362</i>	<i>7,177,112</i>	<i>7,929,818</i>	<i>8,459,235</i>
Fees from regulatory services	3,095	3,315	4,340	5,352	6,790
Fines	1,530	1,655	1,715	1,915	2,232
Other current transfers n.e.c.	167	177	190	385	1,126
<i>Total taxation</i>	<i>5,527,956</i>	<i>6,379,509</i>	<i>7,183,357</i>	<i>7,937,470</i>	<i>8,469,383</i>
<i>of which—</i>					
Taxation levied in the Territories only	3,589	5,597	7,664	11,547	14,156

(a) Excludes income tax paid by public enterprises: 1968-69, \$8.5m; 1969-70, \$10.4m; 1970-71, \$16.1m; 1971-72, \$16.7m; 1972-73, \$17.2m.

AUTHORITIES OF THE AUSTRALIAN GOVERNMENT: PROPORTION OF EACH TYPE OF TAXATION TO TOTAL TAXATION
(*Per cent*)

<i>Type of tax</i>	<i>1968-69</i>	<i>1969-70</i>	<i>1970-71</i>	<i>1971-72</i>	<i>1972-73</i>
Income tax	61.7	63.4	64.1	66.6	67.3
Estate duty	1.1	1.1	1.0	0.8	0.8
Gift duty	0.2	0.2	0.1	0.1	0.1
Rates on land . . . . .	..	..	..	0.1	0.1
Customs duties	6.3	6.5	6.5	5.9	6.1
Excise duties	16.3	14.7	14.7	15.3	15.0
Sales tax	8.9	8.9	8.8	8.6	9.0
Primary production taxes	0.6	0.5	0.4	0.4	0.4
Broadcasting listeners' and television viewers' licences	0.8	0.8	0.7	0.8	0.8
Stevedoring industry charge	0.3	0.2	0.2	0.2	0.2
Pay-roll tax	3.7	3.6	3.4	1.1	0.1
Other taxes, fees, fines, etc.	0.1	0.1	0.1	0.1	0.1
<i>Total taxation</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>

Taxes on income

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

The laws dealing with the assessment and imposition of Income tax at 30 June 1974 were—*Income Tax Assessment Act 1936–1973*, *Income Tax Act 1973*, *Income Tax (Non-Resident Dividends and Interest) Act 1967–1973*, *Income Tax (Drought Bonds) Act 1969*, and the *Income Tax Regulations*. The second-mentioned Act is an annual measure, and its primary purpose is to declare the rates of tax payable for the financial year.

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

The operation of the *Income Tax Assessment Act 1936–1973* is affected by the following Acts:

- (a) *Taxation Administration Act 1953–1968*, which provides for the administration of certain Acts relating to taxation;
- (b) *Income Tax (International Agreements) Act 1953–1973* which gives the force of law to comprehensive double taxation agreements between the Australian Government and the Governments of the United Kingdom, the United States of America, Canada, New Zealand, Singapore and Japan. This Act also gives the force of law to an agreement with the Government of France for the avoidance of double taxation on income derived from international air transport. An agreement with Italy dealing with airline profits has been signed, but has not yet been given the force of law. A comprehensive agreement with the Federal Republic of Germany was signed in November 1972, but is not yet law.
- (c) *Diplomatic Privileges and Immunities Act 1967–1972* which provides for the exemption from income tax of certain income of diplomatic representatives, their staff and families.
- (d) *International Organisations (Privileges and Immunities) Act 1963–1966*, and Regulations made under that Act, which provide for exemption from income tax of certain incomes of international organisations and their officials;
- (e) *Loan (Drought Bonds) Act 1969* which authorises the issue of drought bonds and empowers the Commissioner of Taxation to declare when drought bonds shall become redeemable.

Individuals with incomes in excess of \$1,040, non-profit companies with total incomes in excess of \$416, and all other companies, partnerships and trusts deriving income are required to lodge returns of income each year.

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

Taxes on income—individuals

Pay-as-you-earn-system

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

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

Under the stamp scheme used by employers other than group 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 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 Office. The employee's half is then used in the same way as a group certificate.

Individuals with taxable income of \$400 or more from other than salary or wages may be required to pay provisional tax in respect of that income. Collection of provisional tax for the current year is 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 for the current year. The provisional amount is intended as an approximation to the tax which will be assessed after the return of income for the current year has been lodged. It is ascertained by assuming that the income of the current year will

be the same as that for the previous year and applying to that income the rates for the current year. The assessment notice shows the provisional tax paid in the previous year as a credit against the tax assessed on the basis of the return for that year.

Assessable income

Assessable income includes all income, other than exempt income, derived directly or indirectly from sources in Australia and, in the case of resident taxpayers, includes income from sources outside Australia.

Income includes certain other receipts declared by the Assessment Act to be assessable income. Receipts such as gifts (other than gratuities received by an employee from his employer in the course of his employment), legacies, profits from the sale of property (not acquired for the purpose of profit making by sale), lottery wins, and most capital gains are not regarded as income and are not assessable.

Certain types of income are exempt from tax, including (i) war pensions (ii) invalid pensions and child endowment and certain other payments under the *Social Services Act* 1947-1973 and the *Tuberculosis Act* 1948, (iii) income from gold-mining and some other mining operations (iv) twenty per cent of certain mining profits, (v) income received from a scholarship, bursary or other educational allowance (vi) income of certain non-profit institutions and mutual income of some other organisations, (vii) income of specified superannuation funds, (viii) pay, allowances and bounties for part-time duty, and gratuity payable on a call out for continuous full-time service of members of the Defence Force Emergency Reserves, and (ix) pay allowances of members of the Defence Forces while allotted for duty in special areas.

Expenditure incurred in producing assessable income or in carrying on a business is an allowable deduction, except to the extent that is of a capital, private, or domestic nature, or is incurred in producing exempt income. Subscriptions paid to certain business associations and trade unions are also allowable deductions.

Special deductions for both resident and non-resident taxpayers include such items as trading losses incurred in previous years, bad debts, depreciation, annual rates and land taxes paid, gifts to various institutions, certain expenditure on scientific research, and, subject to certain conditions, one-third of amounts paid as calls to afforestation companies operating in Australia.

Special deductions may be allowed for certain expenditure of a capital nature incurred in mining or prospecting operations conducted for the purpose of earning assessable income and in the provision of certain transport facilities necessary for and directly related to those operations. In the case of primary producers certain developmental expenditure of a capital nature which was previously deductible in full in the year in which it was incurred is now allowable as a deduction by way of equal annual instalments over 10 years. For expenditures that give rise to depreciable structures, deduction is available by way of ordinary depreciation. In addition, deductions may be allowed to primary producers for the cost of purchasing drought bonds. Subject to a maximum permissible tax saving, a special rebate is allowed for certain expenditure on export market development incurred on or before 30 June 1974 but excluding expenditure in the development of meat export markets if incurred after 10 September 1973 unless incurred under a contract entered into on or before that date. The rebate is in addition to any normal deduction for the expenditure allowed as a business expense.

Residents of Zone A and Zone B, prescribed isolated areas subject to uncongenial climatic conditions and high costs of living are entitled to a zone allowance deduction. Members of the defence forces serving in certain overseas localities, are entitled to a deduction of the same amount as residents of Zone A.

Concessional deductions

Concessional allowances to residents for dependants, medical and dental expenses, life insurance, superannuation contributions, etc. are made as a deduction from income. The maximum deduction allowed for the income year 1973-74 for each dependant or for a housekeeper is shown below.

<i>Dependant, etc. (resident)</i>	<i>Maximum deduction(a)</i>
	\$
Spouse, daughter-housekeeper(b); housekeeper(c); parent or parent-in-law	364
One child under 16 years of age; invalid relative(d); student child 16 to under 25 years of age	260
Other children under 16 years of age	208

(a) 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.

If a dependant derives separate net income, which includes age or invalid pension but not child endowment, the deduction is reduced by the amount, by which the separate net income exceeds \$130. Scholarships are excluded except insofar as they relate to maintenance.

Medical expenses (less amounts recouped from hospital and medical funds) paid by a resident taxpayer in respect of himself, his spouse, children under 21 years of age and dependants for whom concessional deductions are allowed, are allowed as a concessional deduction. These expenses include payments to a legally qualified medical practitioner, dentist, nurse or chemist, or hospital, in respect of an illness or operation, therapeutic treatment or eye tests, expenditure on medical or surgical appliances, artificial limbs or eyes, hearing aids and spectacles, payment of an attendant of a blind or bed-ridden person or for the maintenance of a trained dog used by 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, (maximum \$1,200), (ii) payments to medical or hospital funds, (iii) funeral expenses (maximum \$100 for each dependant), (iv) expenditure incurred for the full-time education of children less than twenty-five years of age (maximum \$400 for each child), (v) subscriptions to trade, business or professional associations or unions (maximum \$42 to each), and (vi) self-education expenses paid by the taxpayer for the purpose of gaining qualifications for use in carrying on a profession or business, or in the course of employment.

Effective exemption from tax

For the income years from 1963-64 to 1971-72 inclusive, the income of a taxpayer without dependants was exempt from income tax if did not exceed \$416. For 1972-73 and 1973-74 the income of a taxpayer without dependants was exempt from income tax if did not exceed \$1,040. The effect of deductions for dependants was to exempt resident taxpayers up to the incomes shown in the samples hereunder.

RESIDENT TAXPAYERS: EFFECTIVE EXEMPTIONS FROM INCOME TAX

(\$)

<i>Income years ended June—</i>	<i>Taxpayer with—</i>		<i>Wife and—</i>			
	<i>No dependants</i>	<i>Wife only</i>	<i>one child</i>	<i>two children</i>	<i>three children</i>	<i>four children</i>
1964 to 1967 . . .	416	702	884	1,014	1,144	1,274
1968 to 1972 . . .	416	728	936	1,092	1,248	1,404
1973	1,040	1,404	1,664	1,872	2,080	2,288

For 1973-74 and subsequent income years certain pensions which had previously been exempt from income tax are subject to tax. These include age pensions and other social security pensions, allowances and benefits, repatriation pensions (other than war pensions), the tuberculosis allowance, and similar pensions paid to people of age pension-age, and wives pensions paid to women under age pension-age who are married to men of age pension-age. Other pensions that had previously been exempt from tax continue to be exempt.

For the 1973-74 income year a special age rebate had the effect of exempting from tax those taxpayers whose taxable income (including pension) did not exceed \$1,921. For income between \$1,922 and \$3,224 the rebate was \$156 and for incomes between \$3,225 and \$3,847 the rebate was \$156 less $\frac{1}{4}$ of the amount by which taxable income was more than \$3,224.

Rates of income tax on individuals

The table on page 590 shows the rates of income tax for income years 1954-55 to 1973-74 as set out in the First Schedule to the Income Tax Act.

Assessable income represents total actual income minus exempt income. Taxable income is the amount remaining after all allowable deductions have been made from assessable income.

Where the taxable income of a person does not exceed \$1,120 the amount of income tax payable is limited to two-thirds of the excess of the taxable income over \$1,040. The tax so ascertained is reduced by any rebate or credit to which the taxpayer is entitled.

The only cases in which incomes below \$1,040 attract tax are those for which special rates are payable in accordance with certain sections of the Income Tax Assessment Act.

For *primary producers* the rate of income tax for the current year is, in general, determined by the average of the taxable incomes for the five years up to and including the current year. In 1951 a taxpayer was given the right to elect not to have the averaging provisions applied but up to 1965-66 income year the election, if made under then existing legislation, was irrevocable. The *Income Tax Assessment Act* 1966 amended this and a primary producer who, prior to the 1966-67 income year, elected to withdraw from the averaging system, was able to review that decision, being permitted to return to the averaging system provided that the necessary election was made in respect of any one of the income years 1966-67 to 1969-70. In the year of re-entry the taxpayer was treated for averaging purposes as though he had never withdrawn from the system. However, with existing legislation, he does not have the right to withdraw again. The application of the averaging provisions is limited to that part of the taxable income which does not exceed \$16,000. When the taxable income does exceed \$16,000, the balance is taxed at ordinary rates applicable to that part. When the taxable income is less than \$16,000, the rate of tax for averaging purposes is limited to the rate on a taxable income of \$16,000.

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

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

FEDERAL INCOME TAX—INDIVIDUALS: GENERAL RATES, 1954-55 TO 1973-74 INCOME YEARS

Total taxable income		1954-55 to 1964-65(a)		1965-66 to 1969-70(b)		1970-71 to 1971-72(c)		1972-73 and 1973-74	
Column 1	Column 2								
More than—	Not more than—	Tax on amount in col. 1	Tax on each further \$ of income	Tax on amount in col. 1	Tax on each further \$ of income	Tax on amount in col. 1	Tax on each further \$ of income	Tax on amount in col. 1	Tax on each further \$ of income
\$	\$	\$	cents	\$	cents	\$	cents	\$	cents
Nil	200	Nil	0.42	Nil	0.40	Nil	0.30	Nil	0.2
200	300	0.83	1.25	0.80	1.20	0.60	1.20	0.40	0.8
300	400	2.08	2.92	2.00	2.90	1.80	2.70	1.20	2.4
400	500	5.00	4.58	4.90	4.50	4.50	4.10	3.60	3.8
500	600	9.58	6.25	9.40	6.10	8.60	5.50	7.40	4.9
600	800	15.83	8.33	15.50	8.20	14.10	7.40	12.30	6.5
800	1,000	32.50	10.83	31.90	10.80	28.90	9.70	25.30	8.2
1,000	1,200	54.17	12.50	53.50	12.50	48.30	11.30	41.70	9.8
1,200	1,400	79.17	14.17	78.50	14.20	70.90	12.80	61.30	11.3
1,400	1,600	107.50	15.83	106.90	15.90	96.50	14.30	83.90	12.7
1,600	1,800	139.17	17.50	138.70	17.60	125.10	15.80	109.30	14.1
1,800	2,000	174.17	19.17	173.90	19.30	156.70	17.30	137.50	15.4
2,000	2,400	212.50	21.67	212.50	21.60	191.30	19.50	168.30	17.2
2,400	2,800	299.17	24.58	298.90	24.60	269.30	22.10	237.10	19.6
2,800	3,200	397.50	27.08	397.30	27.10	357.70	24.40	315.50	22.0
3,200	3,600	505.83	29.58	505.70	29.60	455.30	26.70	403.50	24.4
3,600	4,000	624.17	32.08	624.10	32.10	562.10	28.80	501.10	26.8
4,000	4,800	752.50	35.42	752.50	35.40	677.30	31.90	608.30	30.3
4,800	5,600	1,035.83	38.33	1,035.70	38.30	932.50	34.50	850.70	33.3
5,600	6,400	1,342.50	41.25	1,342.10	41.20	1,208.50	37.00	1,117.10	35.7
6,400	7,200	1,672.50	43.75	1,671.70	43.80	1,504.50	39.40	1,402.70	37.9
7,200	8,000	2,022.50	46.25	2,022.10	46.30	1,819.70	41.70	1,705.90	39.9
8,000	8,800	2,392.50	48.75	2,392.50	48.70	2,153.30	43.90	2,025.10	41.8
8,800	10,000	2,782.50	51.67	2,782.10	51.70	2,504.50	46.50	2,359.50	44.1
10,000	12,000	3,402.50	55.00	3,402.50	55.00	3,062.50	50.60	2,888.70	48.2
12,000	16,000	4,502.50	57.92	4,502.50	57.90	4,074.50	56.40	3,852.70	54.6
16,000	20,000	6,819.17	60.42	6,818.50	60.40	6,330.50	62.40	6,036.70	60.3
20,000	32,000	9,235.83	63.33	9,234.50	63.30			8,448.70	64.0
40,000	40,000 upwards	16,835.83	66.67	16,830.50	66.70	8,826.50	66.70	21,248.70	66.7

(a) For the 1959-60 and 1961-62 to 1963-64 income years a rebate of 5 per cent was allowable on the tax calculated from this schedule. (b) Additional tax equal to 2.5 per cent of the tax calculated from this schedule was also payable. (c) Additional tax equal to 2.5 per cent and 4.375 per cent of the tax calculated from this schedule was also payable for 1970-71 and 1971-72 respectively.

Income tax payable on specified incomes

The following table shows, for the income years 1964-65 to 1973-74, the actual income tax payable by taxpayers with various incomes and numbers of dependants without regard to any rebate or refund which may apply.

**FEDERAL INCOME TAX PAYABLE ON SPECIFIED INDIVIDUAL INCOMES
1964-65 TO 1973-74 INCOME YEARS**

(\$)

<i>Income(a)</i>	1964-65	1965-66 and 1966-67	1967-68 to 1969-70	1970-71	1971-72	1972-73 and 1973-74
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TAXPAYER WITH NO DEPENDANTS

\$						
1,000	. . .	54.20	54.83	54.83	49.50	50.41
3,000	. . .	451.70	462.78	462.78	416.66	424.28
5,000	. . .	1,112.50	1,140.10	1,140.10	1,026.53	1,045.32
7,000	. . .	1,935.00	1,982.86	1,982.86	1,784.42	1,817.06
10,000	. . .	3,402.50	3,487.56	3,487.56	3,139.06	3,196.48
15,000	. . .	6,240.00	6,395.48	6,395.48	5,910.66	6,018.78
20,000	. . .	9,235.80	9,465.36	9,465.36	9,047.16	9,212.66

TAXPAYER WITH DEPENDENT WIFE

1,000	. . .	25.30	25.45	23.27	21.12	21.51
3,000	. . .	376.40	385.53	378.97	341.26	347.51
5,000	. . .	1,005.38	1,030.37	1,020.95	919.18	936.00
7,000	. . .	1,809.88	1,854.45	1,842.77	1,658.41	1,688.75
10,000	. . .	3,254.70	3,335.99	3,322.21	2,990.35	3,045.06
15,000	. . .	6,074.36	6,225.74	6,210.32	5,730.29	5,835.11
20,000	. . .	9,063.00	9,288.29	9,272.20	8,847.60	9,009.45

TAXPAYER WITH DEPENDENT WIFE AND ONE CHILD

1,000	. . .	11.60	11.63	8.71	7.97	8.12
3,000	. . .	331.60	339.65	326.54	294.15	299.54
5,000	. . .	940.91	964.33	945.48	851.18	866.75
7,000	. . .	1,730.25	1,772.74	1,749.40	1,574.42	1,603.22
10,000	. . .	3,160.70	3,239.55	3,212.00	2,891.21	2,944.11
15,000	. . .	5,968.95	6,117.73	6,086.88	5,610.05	5,712.67
20,000	. . .	8,953.10	9,175.61	9,143.43	8,714.57	8,873.98

TAXPAYER WITH DEPENDENT WIFE AND TWO CHILDREN

1,000	. . .	..	..	..	..	..
3,000	. . .	299.70	306.87	289.54	260.84	265.61
5,000	. . .	894.88	917.16	888.86	800.16	814.80
7,000	. . .	1,673.38	1,714.38	1,681.38	1,513.28	1,540.97
10,000	. . .	3,093.50	3,170.66	3,129.32	2,816.86	2,868.39
15,000	. . .	5,893.66	6,040.58	5,994.29	5,519.86	5,620.83
20,000	. . .	8,874.50	9,095.13	9,046.84	8,614.78	8,772.37

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

Income tax assessments—Individuals

The following table shows for the 1971-72 income year the number of taxpayers, income, and net income tax assessed for individuals.

**FEDERAL INCOME TAX ASSESSMENTS(a): TAXABLE INDIVIDUALS BY GRADE
OF NET INCOME AND BY OFFICE OF ASSESSMENT**

(Income derived in the year 1971-72)

<i>Grade of net income(b) and office of assessment</i>	<i>Taxpayers</i>			<i>Net income(b)</i>	<i>Total taxable income(c)</i>	<i>Net income tax assessed</i>
	<i>Males</i>	<i>Females</i>	<i>Total</i>			
\$ \$	No.	No.	No.	\$'000	\$'000	\$'000
1- 599 . . .	37,080	78,319	115,399	59,295	57,238	1,098
600- 799 . . .	49,747	99,638	149,385	104,447	97,417	2,881
800- 999 . . .	48,462	98,608	147,070	132,161	121,510	4,974
1,000- 1,199 . . .	49,008	101,015	150,023	164,728	149,077	7,702
1,200- 1,399 . . .	52,923	103,775	156,698	203,844	181,917	11,072
1,400- 1,599 . . .	60,369	108,916	169,285	253,970	225,897	15,415
1,600- 1,799 . . .	62,921	111,442	174,363	296,404	262,986	19,975
1,800- 1,999 . . .	67,469	115,360	182,829	347,358	307,749	26,023
2,000- 2,199 . . .	72,288	124,391	196,679	413,016	365,962	34,039
2,200- 2,399 . . .	75,791	125,887	201,678	463,948	410,532	41,762
2,400- 2,599 . . .	81,172	126,061	207,233	518,051	457,629	50,270
2,600- 2,799 . . .	90,614	118,253	208,867	563,600	494,853	57,831
2,800- 2,999 . . .	101,440	106,631	208,071	603,371	526,742	64,885
3,000- 3,999 . . .	707,222	351,147	1,058,369	3,696,893	3,125,252	436,928
4,000- 5,999 . . .	1,272,712	201,747	1,474,459	7,162,957	5,801,036	1,022,314
6,000- 7,999 . . .	476,513	55,288	531,801	3,626,197	2,886,141	635,253
8,000- 9,999 . . .	165,086	19,188	184,274	1,628,316	1,297,515	334,734
10,000-19,999 . . .	136,427	17,418	153,845	1,968,782	1,618,850	532,945
20,000-29,999 . . .	13,510	1,727	15,237	359,967	315,245	146,456
30,000 and over . . .	5,181	685	5,866	260,010	237,874	137,168
<hr/>						
New South Wales and Australian Capital Territory . . .	1,343,105	780,266	2,123,371	8,796,490	7,347,684	1,426,817
Victoria . . .	1,012,329	607,655	1,619,984	6,532,346	5,421,951	1,036,380
Queensland . . .	501,804	258,756	760,560	2,947,210	2,421,255	443,243
South Australia . . .	343,393	192,706	536,099	1,987,000	1,640,363	288,080
Western Australia . . .	298,015	162,599	460,614	1,816,669	1,510,234	281,359
Tasmania . . .	108,165	54,860	163,025	615,567	500,856	88,239
Northern Territory . . .	19,124	8,654	27,778	132,032	99,081	19,607
Total . . .	3,625,935	2,065,496	5,691,431	22,827,315	18,941,425	3,583,725

(a) Assessments in respect of 1971-72 incomes issued to 30 September 1973. Assessments issued after that date are not included. (b) Net income is 'Total assessable income less total deductions for expenses incurred in gaining assessable income'. (c) Taxable income is the income remaining after deducting from assessable income all allowable deductions.

Details of the number of individual taxpayers and net income tax assessed by grades of income for the income years 1968-69 to 1971-72 are shown in the following table.

FEDERAL INCOME TAX ASSESSMENTS: TAXABLE INDIVIDUALS, BY GRADE OF INCOME(a) (INCOME YEARS 1968-69 TO 1971-72)

Grade of income(a)	1968-69		1969-70		1970-71		1971-72	
	Tax-payers	Net income tax assessed	Tax-payers	Net income tax assessed	Tax-payers	Net income tax assessed	Tax-payers	Net income tax assessed
\$ \$	No.	\$'000	No.	\$'000	No.	\$'000	No.	\$'000
1- 599	135,021	1,422	131,879	1,341	125,849	1,186	115,399	1,098
600- 799	170,364	3,520	171,709	3,546	165,191	3,175	149,385	2,881
800- 999	172,733	6,311	167,120	6,132	162,961	5,524	147,070	4,974
1,000- 1,199	195,344	10,737	184,271	10,152	170,432	8,629	150,023	7,702
1,200- 1,399	210,000	16,039	195,401	14,966	179,330	12,540	156,698	11,072
1,400- 1,599	228,041	23,034	209,823	20,841	190,750	17,269	169,285	15,415
1,600- 1,799	249,694	32,141	228,329	28,849	203,195	23,206	174,363	19,975
1,800- 1,999	255,753	40,486	237,698	37,139	217,508	30,922	182,829	26,023
2,000- 2,199	254,830	47,369	246,669	46,192	229,209	39,382	196,679	34,039
2,200- 2,399	252,529	53,986	243,994	53,614	227,274	46,208	201,678	41,762
2,400- 2,599	251,985	60,644	243,829	61,193	226,008	53,309	207,233	50,270
2,600- 2,799	253,345	67,750	244,652	68,720	230,011	61,509	208,867	57,831
2,800- 2,999	249,760	74,460	239,232	74,007	229,094	68,171	208,071	64,885
3,000- 3,999	1,071,163	422,304	1,100,359	450,391	1,089,160	424,318	1,058,369	436,928
4,000- 5,999	877,478	592,676	1,060,822	737,150	1,284,172	847,729	1,474,459	1,022,314
6,000- 7,999	215,538	265,415	275,544	344,938	385,638	448,092	531,801	635,253
8,000- 9,999	72,276	140,707	89,392	175,662	127,980	229,740	184,274	334,734
10,000-19,999	75,702	290,566	86,974	337,285	110,083	387,829	153,845	532,945
20,000-29,999	8,875	85,763	10,462	100,957	12,212	117,004	15,237	146,456
30,000 and over	3,611	82,652	4,342	105,895	4,664	108,878	5,866	137,168
Total	5,204,042	2,317,982	5,372,501	2,678,970	5,570,721	2,934,618	5,691,431	3,583,725

(a) Actual income for 1968-69 and 1969-70; net income after 1970-71. Actual income is 'gross income including exempt income less expenditure incurred in gaining that income'. Net income is 'Total assessable income less total deductions for expenses incurred in gaining that income'.

Partnerships and trusts

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

The following table shows for the 1971-72 income year numbers, total business income and net income of partnerships and trusts. Greater detail is published in the annual bulletin *Commonwealth Taxation Assessments*.

PARTNERSHIPS AND TRUSTS—INCOME YEAR 1971-72

Item	Partnerships	Trusts	Total
Number	412,573	113,422	525,995
Total business income . . . \$'000	6,825,126	91,688	6,916,814
Net income \$'000	2,337,961	236,717	2,574,679

Taxes on income—companies

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

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

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

Rates of tax. The rates of primary income tax for all companies and additional tax for private companies applicable to income years 1959–60 to 1972–73 are shown in the following table.

RATES OF INCOME TAX: COMPANIES, 1959-60 TO 1972-73 INCOME YEARS
(Cents per \$)

Income years ended June	Resident private company			Resident public company(a)		Non resident company			
	On taxable income		Additional tax on un- distributed income	On taxable income		On dividends income		On other income	
	Up to \$10,000	On re- mainder		Up to \$10,000	On re- mainder	Up to \$10,000	On re- mainder	Up to \$10,000	On re- mainder
1960 to 1963 .	25	35	50	35	40	30	40	35	40
1964 to 1967 .	27.5	37.5	50	37.5	42.5	32.5	42.5	37.5	42.5
1968 and 1969 .	30	40	50	40	45	35	45	40	45
1970 .	32.5	42.5	50	42.5	47.5	37.5	47.5	42.5	47.5
1971 and 1972 .	37.5	42.5	50	47.5	47.5	42.5	47.5	47.5	47.5
1973 .	45.0	45.0	50	47.5	47.5	47.5	47.5	47.5	47.5

(a) Excludes co-operative, non-profit and life insurance for which the rates of tax (in cents per \$) for 1972–73 income year were:

Type of company	Taxable income	
	Up to \$10,000	On remainder
Co-operative	42.5	47.5
Non-profit—Friendly societies' dispensaries	37.5	37.5
Other	42.5	47.5
Mutual life insurance	47.5	47.5
Other life insurance—Mutual income	47.5	47.5
Other income	47.5	47.5

A non-profit company is not liable to income tax unless the taxable income exceeds \$416. Where the non-profit company is a friendly society dispensary and the taxable income does not exceed \$1,664 the maximum amount payable is one-half of the excess over \$416 less any rebate or credit to which the company is entitled. Where the taxable income of a non-profit company other than a friendly society dispensary does not exceed \$1,830, the tax payable by the company is limited to 55 per cent of the amount by which the taxable income exceeds \$416 less any rebate or credit to which the company is entitled. Other companies are assessed for income tax if the taxable income is \$1 or more.

Details in respect of company income tax assessments for the 1971-72 income year are shown in the following table.

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

(Income derived in the year 1971-72)

<i>Grade of taxable income(a) (\$) and office of assessment</i>	<i>Taxable</i>			<i>Non-taxable</i>		
	<i>Com- panies</i>	<i>Taxable income (a)</i>	<i>Net in- come tax assessed (b)</i>	<i>Com- panies</i>	<i>Taxable income (a)(c)</i>	<i>Loss(d)</i>
	No.	\$'000	\$'000	No.	\$'000	\$'000
Loss for year . . . . .	..	..	..	54,268	..	491,901
Nil . . . . .	..	..	..	24,405	..	..
1- 1,999	32,322	20,987	7,577	4,923	3,779	..
2,000- 9,999	38,141	210,905	74,709	5,772	28,906	..
10,000- 19,999	15,852	219,226	79,477	1,745	24,611	..
20,000- 39,999	8,669	241,548	89,442	1,034	28,834	..
40,000- 99,999	5,636	345,753	130,220	565	34,303	..
100,000- 199,999	2,116	294,735	111,247	180	24,495	..
200,000- 399,999	1,142	320,442	118,892	122	33,946	..
400,000- 999,999	813	500,817	177,923	71	42,819	..
1,000,000-1,999,999	308	433,288	150,153	14	21,242	..
2,000,000 and over	296	1,902,227	608,117	13	55,490	..
New South Wales	45,712	1,692,288	593,809	41,329	123,716	218,715
Victoria	30,128	1,978,873	646,272	21,975	97,726	145,893
Queensland	11,396	312,283	119,995	8,875	16,639	42,403
South Australia	8,283	232,760	87,932	8,443	13,964	30,046
Western Australia	5,715	182,663	71,229	7,619	8,981	41,898
Tasmania	1,854	47,904	16,539	1,812	2,385	7,196
Northern Territory	595	10,914	4,262	493	844	3,259
Australian Capital Territory	1,612	32,244	7,718	2,566	34,169	2,492
Total	105,295	4,489,929	1,547,756	93,112	298,424	491,901

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

Yield of income taxes

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

FEDERAL INCOME TAXES COLLECTED: COLLECTION YEARS 1968-69 TO 1972-73

Source of income tax	1968-69	1969-70	1970-71	1971-72	1972-73
NET AMOUNTS COLLECTED (\$'000)					
Individuals—					
Instalments—salaries and wages	1,727,290	2,084,219	2,432,062	2,888,547	3,160,681
Other payments	652,176	773,917	746,075	880,037	928,797
Companies	1,006,543	1,151,364	1,395,389	1,477,482	1,561,287
Withholding tax—Dividend	28,303	38,003	35,956	42,002	51,197
Interest	4,456	8,019	12,318	15,650	21,406
Total	3,418,768	4,055,523	4,621,800	5,303,717	5,723,369
PERCENTAGES					
Individuals—					
Instalments—salaries and wages	50.52	51.39	52.62	54.46	55.22
Other payments	19.08	19.08	16.14	16.59	16.23
Companies	29.44	28.39	30.19	27.86	27.28
Withholding tax—Dividend	0.83	0.94	0.78	0.79	0.89
Interest	0.13	0.20	0.27	0.30	0.37
Total	100.00	100.00	100.00	100.00	100.00

Income tax assessed. The amounts of income tax covered by statistical analyses of assessments for recent years are shown in the following table. The amounts are shown under the year of income of the taxpayer. Tax is usually paid by companies in the year following the year of income. Individuals pay tax in the year of income, but there is usually an adjustment in the following year. Tax assessed after the close of the normal assessing period (fifteen months after the close of the income year for individuals and eighteen months for companies) is not included.

FEDERAL INCOME TAXES ASSESSED: INCOME YEARS 1967-68 TO 1971-72
(\$'000)

Tax	1967-68	1968-69	1969-70	1970-71	1971-72
Individuals—					
Residents	1,985,293	2,316,451	2,678,970	2,934,618	3,583,725
Non-residents	1,550	1,531			
Companies—					
Primary tax	1,010,357	1,151,375	1,425,555	1,453,116	1,547,756
Additional tax on undistributed income of private companies	6,648	4,384	3,699	5,141	n.a.
Superannuation Funds	656	677	701	934	1,214
Total	3,004,504	3,474,418	4,108,925	4,393,809	n.a.

Refunds of revenue. Income tax collections, as previously shown, are net amounts after refunds of revenue made in the course of the year. Refunds are of two types—those charged to special appropriations under authority of the Income Tax Assessment Act and those charged to special appropriations under authority of the Audit Act. Income tax instalment refunds, by far the greatest part of income tax refunds, are made when the instalments deducted during the year exceed the tax assessed on incomes for that year. Refunds made from special appropriations under section 37A of the Audit Act include refunds of moneys paid to the revenue in error, refunds of tax overpaid, refunds due to the amendment of assessments, etc. Refunds of income tax to individuals during the collection years 1968-69 to 1972-73 were: 1968-69, \$477,965,000; 1969-70, \$514,065,000; 1970-71, \$594,748,000; 1971-72, \$697,057,000, and 1972-73, \$723,226,000.

Estate duty

Under the *Estate Duty Assessment Act 1914-1973* 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, widower, children (including adopted children, step-children and ex-nuptial children) or grandchildren of the deceased person: (i) for qualifying estates of deceased primary producers—\$48,000; (ii) for other estates—\$40,000; decreasing by \$2 for every \$8 by which the value of the estate exceeds \$48,000 or \$40,000 as the case may be; (b) where no part of the estate passes to the relatives mentioned in (a): (i) for qualifying estates of deceased primary producers—\$24,000; (ii) for other estates—\$20,000; decreasing by \$2 for every \$8 by which the value of the estate exceeds \$24,000 or \$20,000 as the case may be; and (c) where part only of the estate passes to the relatives mentioned in (a): an amount calculated proportionately under (a) and (b) above.

As a general rule, the estate of a deceased primary producer would qualify for the higher level of statutory exemption if: (i) the death occurred on or after 25 September 1969; (ii) the deceased person was domiciled in Australia at the time of his death; (iii) during the period of five complete income tax years preceding death, more than one-half of the deceased person's gross income was derived from the carrying on by him of a primary production business in Australia; and (iv) the gross value of rural property in Australia—being land and certain other types of assets used in a primary production business such as livestock and agricultural plant—exceeded the gross value of all other property in the estate. In specified circumstances, dividends and certain other receipts from a family proprietary company in which a deceased person held shares may be treated as income derived from the carrying on by him of a primary production business and the value of the shares may be included, either wholly or in part, in the value of the estate's rural property.

Special exemptions are also allowed in respect of estates of defence personnel who die on active service or within three years of termination of their active service from injuries received or diseases contracted while on active service, and prescribed personal property held in Australia by certain United States personnel who are in Australia solely for purposes connected with projects of the United States Government.

A 'quick succession' rebate of estate duty may be allowable if the deceased was a beneficiary in an estate (upon which duty is payable or has been paid) of a person who pre-deceased him by not more than five years.

A 'rural property' rebate of part of any estate duty attributable to rural property included in the estate of a deceased primary producer may be allowable if the value of the estate (before deducting any statutory exemption) is less than \$250,000 and certain conditions are satisfied. The conditions are the same as those governing entitlements to higher levels of statutory exemptions for estates of deceased primary producers, as outlined in the explanations relating to statutory exemptions. If the value of a qualifying estate does not exceed \$140,000, the rebate is fifty per cent of any duty attributable to rural property in Australia. Rates of rebate gradually reducing from fifty per cent are applicable to estates having net values between \$140,000 and \$250,000.

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

Particulars of the number and value of dutiable estates and duty assessed, for recent assessment years 1968-69 to 1972-73 are given in the following table.

FEDERAL ESTATE DUTY ASSESSMENTS

	1968-69	1969-70	1970-71	1971-72	1972-73
Estates No.	14,105	16,358	16,502	18,505	16,734
Gross value as assessed . . . \$'000	841,462	1,068,213	993,610	1,045,418	969,778
Deductions(a) "	162,834	222,953	168,396	192,017	176,324
Statutory exemption "	152,206	170,755	179,419	209,377	202,793
Dutiable value "	526,422	674,504	645,791	644,024	590,660
Net duty assessed "	64,045	83,379	80,551	71,750	64,366
Average dutiable value . . . \$	37,322	41,234	39,134	34,803	35,297
Average duty assessed per estate \$	4,541	5,097	4,881	3,877	3,846

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

Gift duty

The *Gift Duty Act 1941-1972* and the *Gift Duty Assessment Act 1941-1973* impose a gift duty on gifts which are defined as dispositions of property 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. However, if a return is furnished by the donor, the donee is relieved of this obligation.

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

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

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

FEDERAL GIFT DUTY ASSESSMENTS

			1968-69	1969-70	1970-71	1971-72	1972-73
Assessments	.	No.	10,053	9,807	9,740	10,425	7,199
Value as assessed	.	\$'000	163,476	156,052	147,677	172,244	130,875
Duty assessed	.	"	9,501	8,399	7,796	9,878	7,158

Australian Capital Territory Stamp Duty and Tax

Stamp duty and tax on a range of instruments and transactions connected with the Australian Capital Territory, including Jervis Bay, came into operation on 1 July 1969.

The *Australian Capital Territory Taxation (Administration) Act 1969* provides for the administrative procedures necessary for assessment and collection of duty and tax.

Six additional Acts specify the range of dutiable instruments or transactions subject to duty or tax which are as under:

Cheques and other bills of exchange and promissory notes: Five cents on each.

Hire purchase agreements: 1½ per cent of the purchase price (if over \$100) after excluding any deposit and any terms or insurance charges.

Insurance business: Five per cent of premiums other than for life assurance, third party motor vehicles insurance or workers' compensation insurance.

Sales and purchases of marketable securities: Effected through a broker for full sale value. Up to \$100-7 cents for each \$25.00 or part thereof. Over \$100-30 cents for each \$100 or part thereof. The rate applies to the sale price and/or purchase price payable by the seller and purchaser respectively.

Transfer of marketable securities not through a broker: 15 cents for every \$25.00 of the value or part thereof.

Leases and realty: Transfers of freehold or leasehold interests in land situated in the Territory—at the rate of \$1.00 per \$100 (or part thereof) of the value of the interest in the land transferred.

Grant of lease: 30 cents for every \$100 rent or part thereof and if any other consideration not being rent—\$1.00 for every \$100 or part thereof of that other consideration.

A general exemption is provided from all duties for public hospitals, public benevolent institutions, religious institutions and public educational institutions and for visiting diplomatic personnel and their families. The total amount collected as Australian Capital Territory Stamp Duty and Tax was \$2,561,000 in 1971-72, \$3,589,000 in 1972-73, and \$3,995,000 in 1973-74.

Customs duties

A description of the Australian Customs Tariff System is given in Chapter 11, Overseas Transactions. Details of duties collected on the import of commodities classified in accordance with the "Brussels Nomenclature" are given in the following table.

CUSTOMS DUTIES ACCORDING TO BRUSSELS TARIFF DIVISIONS
(\$'000)

<i>Brussels Tariff Division</i>	<i>Source of receipts</i>	<i>1968-69</i>	<i>1969-70</i>	<i>1970-71</i>	<i>1971-72</i>	<i>1972-73</i>
1	Live animals; animal products	1,164	1,208	1,251	1,114	1,318
2	Vegetable products	1,831	2,536	1,442	1,507	1,540
3	Animal and vegetable fats and oils and their cleavage products; prepared edible fats; animal and vegetable waxes	1,191	2,541	1,987	1,184	1,481
4	Prepared foodstuffs; beverages, spirits and vinegar; tobacco	53,742	60,572	64,215	69,975	76,556
5	Mineral products	5,606	8,992	13,715	7,759	14,278
6	Products of the chemical industry and allied industries	12,995	13,999	16,002	14,625	14,967
7	Artificial resins and plastic materials, cellulose esters and ethers, and articles thereof; rubber, synthetic rubbers, factice and articles thereof	16,838	19,719	22,388	20,990	26,595
8	Raw hides and skins, leather, furskins and articles thereof; saddlery and harness; travel goods, handbags and similar containers; articles of gut (other than silk-worm gut)	2,906	3,495	3,842	4,349	4,619
9	Wood and articles of wood; wood charcoal; cork and articles of cork; manufactures of straw, of esparto and of other plaiting materials; basketware and wickerwork	7,941	8,741	9,182	9,025	10,401
10	Paper-making material; paper and paper-board and articles thereof	9,778	10,977	11,353	11,165	12,392
11	Textiles and textile articles	46,865	52,409	59,129	68,994	75,380
12	Footwear, headgear, umbrellas, sunshades, whips, riding-crops and parts thereof; prepared feathers and articles made therewith; artificial flowers; articles of human hair; fans	6,658	9,727	10,437	11,741	11,433
13	Articles of stone, of plaster, of cement, of asbestos, of mica and of similar materials; ceramic products; glass and glassware	9,418	11,379	11,193	11,982	12,607
14	Pearls, precious and semi-precious stones, precious metals, rolled precious metals, and articles thereof; imitation jewellery; coin	1,344	1,849	1,997	2,000	2,282
15	Base metals and articles of base metal	24,659	27,949	34,315	28,254	33,229
16	Machinery and mechanical appliances; electrical equipment; parts therefor	65,506	85,255	98,229	96,610	93,971
17	Vehicles, aircraft, and parts therefor; vessels and certain associated transport equipment	46,270	54,920	64,353	66,249	75,076
18	Optical, photographic, cinematographic measuring, checking, precision, medical and surgical instruments and apparatus; clocks and watches, musical instruments; sound recorders and reproducers; television image and sound recorders and reproducers, magnetic; parts therefor	12,246	14,440	15,786	16,173	16,887
19	Arms and ammunition; parts therefor	334	459	483	348	361
20	Miscellaneous manufactured articles	9,438	11,123	11,656	12,228	14,362
21	Works of art, collectors' pieces and antiques	13	10	12	-31	35
	Miscellaneous	4,195	5,132	6,750	7,063	7,535
	Primage	5,341	6,142	6,285	5,457	6,109
	<i>Total customs duties and primage</i>	<i>346,281</i>	<i>413,573</i>	<i>466,003</i>	<i>468,761</i>	<i>513,414</i>
	<i>Less Remission of duty under special circumstances</i>	<i>17</i>	<i>14</i>	<i>15</i>	<i>29</i>	<i>33</i>
	<i>Total</i>	<i>346,264</i>	<i>413,559</i>	<i>465,989</i>	<i>468,732</i>	<i>513,381</i>

Excise duties

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

FEDERAL EXCISE REVENUE: CLASSIFICATION OF NET RECEIPTS
(\$'000)

<i>Source of revenue</i>	<i>1968-69</i>	<i>1969-70</i>	<i>1970-71</i>	<i>1971-72</i>	<i>1972-73</i>
Beer	355,001	369,937	382,479	398,330	419,954
Potable spirits	24,440	26,525	25,923	27,180	30,501
Tobacco	15,711	14,799	15,450	16,979	15,584
Cigars and cigarettes	225,262	230,620	257,034	291,087	312,780
Cigarette papers	833	814	859	908	845
Petrol	253,007	266,627	328,584	420,856	438,486
Diesel fuel	21,520	23,852	30,815	38,352	42,399
Matches	2,384	2,346	2,289	2,519	2,677
Playing cards	127	136	134	149	148
Grape wine . . . . .	..	..	8,702	11,516	3,275
Coal	820	1,157	1,436	1,777	2,032
Canned fruit	1,698	315	333	303	312
Miscellaneous	1,625	2,168	-421	3,163	-469
<i>All items</i>	<i>902,428</i>	<i>939,295</i>	<i>1,053,617</i>	<i>1,213,118</i>	<i>1,268,524</i>
Diesel fuel taxation.	274	351	425	481	511
Less rebates	352	355	567	668	885
	-78	-4	-142	-187	-374
Other rebates	-43	-7	-15	-7	..
Total	902,307	939,283	1,053,460	1,212,925	1,268,150

The quantities of commodities on which excise duty were paid are given in Chapter 11, Overseas Transactions, page 335.

Sales Tax

The general rate of tax levied on all goods other than those specified in the schedules to the *Sales Tax (Exemptions and Classifications) Act 1935-1973* is 15 per cent and goods subject to special rates are taxed at either 2.5 per cent or 27.5 per cent. Prior to 19 August 1970 these special rates were 2.5 per cent and 25 per cent.

Particulars of the sales of taxable goods in each rate class in each State for 1972-73 are given in the following table. The figures relate to sales during the period 1 July to 30 June.

FEDERAL SALES TAX: SALE VALUE OF TAXABLE GOODS INCLUDED IN RETURNS IN EACH RATE CLASS, 1972-73

<i>State</i>	<i>Gross sales of goods taxable at various rates</i>				
	<i>2½ %</i>	<i>15 %</i>	<i>27½ %</i>	<i>Other</i>	<i>Total</i>
	\$'000	\$'000	\$'000	\$'000	\$'000
New South Wales and A.C.T.	463,110	1,101,857	544,975	319	2,110,261
Victoria	401,086	711,458	367,802	330	1,480,676
Queensland	128,588	343,426	166,399	2,442	640,855
South Australia	76,793	173,145	91,341	..	341,279
Western Australia	70,043	163,743	87,715	701	322,202
Tasmania	19,887	46,091	26,223	445	92,646
Northern Territory	1,326	5,624	1,559	..	8,509
Australia	1,160,833	2,545,344	1,286,014	4,237	4,996,428

Sales of taxable goods and sales tax payable for Australia are shown in the following table for recent years. The figures for sales tax payable differ from those for net collections shown on page 586 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.

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

Year of sale	Gross taxable sales	Estimated net taxable sales(a)	Net collections		Total
			Taxation Office	Department of Customs and Excise	
	(b)	(b)			
1968-69.	3,397	3,274	480	14	494
1969-70.	3,801	3,662	546	21	567
1970-71.	4,132	3,940	610	23	633
1971-72.	4,428	4,234	661	22	683
1972-73.	4,996	4,798	741	24	765

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

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 1935-1973*. 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.

Primary production taxes and charges

The following section shows current rates of charges, and receipts from, primary production and other charges. Further information relating to primary production charges is given in Chapter 22, Rural Industry.

Wheat export charge and wheat tax. For details see Chapter 22, Rural Industry.

Wool tax. The rate of wool tax applicable to transactions in wool in the period 1 August 1970 to 30 June 1973 was 1 per cent. From 1 July 1973 the rate has been 2.4 per cent.

Miscellaneous export charges. These consist of charges levied on exports of apples and pears (*Apple and Pear Export Charges Act 1928-1968*), canned fruits (*Canned Fruits Export Charges Act 1926-1966*), dried fruits (*Dried Fruits Export Charges Act 1924-1970*), and eggs (*Eggs Export Charges Act 1947-1965*).

Tobacco charge. The rates of tobacco charge currently in force are as follows:

(a) in respect of leaf grown in Australia and sold to a manufacturer:

(i) 1.1 cents per kilogram of leaf, payable by the grower or other persons who own the leaf immediately before sale, and

(ii) 2.2 cents per kilogram of leaf, payable by the manufacturer;

(b) in respect of leaf grown and used by grower-manufacturers:

(i) where the manufacturer grows nine-tenths of the Australian tobacco leaf used by him—1.1 cents per kilogram of leaf,

(ii) in other cases—2.2 cents per kilogram of leaf.

(See also Chapter 22, Rural Industry.)

Butter fat levy. The *Butter Fat Levy Act 1965-1966* provides for a maximum rate of \$0.48 per hundredweight of butterfat content of specified dairy produce and for the apportionment of the proceeds between overseas marketing (50 per cent) and local promotion (50 per cent). (See also Chapter 22, Rural Industry.)

Dairy Research Levy. The *Dairying Research Levy Act 1972* came into operation on 1 July 1972. It imposes a levy on all whole milk produced in Australia and is payable either on a butterfat or gallonage basis, according to the normal method of payment to producer by the purchaser. The present operative rates of levy are 10 cents per hundredweight butterfat (0.24 cents per kilogram) or 0.033 cents per gallon milk (7.3 cents per 1900 litres).

Canning-fruit charge. The present rate of canning-fruit charge is \$1.00 per tonne of fruit. This rate has operated since 1 December 1973.

Honey levy. The current rate of levy on honey sold for domestic consumption in Australia is 0.5 cents per pound.

Livestock slaughter levy. The present operative rate of levy for cattle is 46 cents per head of which 25 cents is for beef research, 1 cent for research into the meat processing industry and 20 cents to finance the operations of the Australian Meat Board. For sheep and lambs the levy is 3.85 cent per head and the components are 1.75 cents for sheep meat research, 0.1 cents for research into the meat processing industry and 2.00 cents for the Australian Meat Board.

Poultry industry levy. The rates of levy for each hen kept for commercial purposes (the first twenty hens being exempt) were 4.0 cents per fortnight from 1 July 1971 to 8 June 1972, nil per fortnight from 9 June 1972 to 30 June 1972 and 4.0 cents per fortnight from 1 July 1972.

Meat chicken levy. The rate of levy is 10 cents per hundred meat chickens hatched, payable by any hatchery with 20,000 chickens or more.

Pig slaughter levy. The present operative rate of levy is 5 cents for each pig slaughtered for human consumption.

Wine grapes charges. The *Wine Grapes Charges Act 1929-1969* imposes a levy, which is payable by the owner of a winery or distillery, on all grapes delivered to that winery for use in the manufacture of wine. No charge is payable unless 10 tonnes or more of grapes have been used in the manufacture of wine during a season. The operative rate of charge as from 25 January 1973 is \$2.40 per tonne of fresh grapes and \$7.20 in respect of dried grapes.

Dried vine fruits levy. The *Dried Vines Fruits Levy Act 1971* imposes a levy on dried vine fruit where the average return for a season exceeds by more than \$10 the amount per ton that constitutes the base price for that season, with a maximum of \$20 per ton.

Apple and pear stabilisation export duty. The *Apple and Pear Stabilisation Export Duty Act 1971* imposes an export duty on the exportation on consignment of fruit of a season where the average export return for a season exceeds the support price for that season. The maximum rate of export duty is 80 cents per reputed bushel.

Dried fruits levy. The *Dried Fruits Levy Act 1971* imposes a levy on dried fruits of a season received for packing. The rate of levy is in the case of dried vine fruits 50 cents per ton and in the case of dried tree fruits \$2.50 per ton.

FEDERAL PRIMARY PRODUCTION TAXES AND CHARGES RECEIPTS
(\$'000)

Source of revenue	1968-69	1969-70	1970-71	1971-72	1972-73
Apple and pear export charge	280	318	385	408	431
Butter fat levy	1,956	2,189	2,184	2,133	1,731
Canned fruit export charge	330	208	427	342	387
Canning fruit charge	164	99	218	171	136
Dairy research levy . . . . .	..	..	..	..	490
Dried fruits export charge	139	82	232	267	309
Dried fruits levy . . . . .	..	..	..	46	70
Dried vine fruits contributory charge—					
Currants	25	44	..	..	..
Raisins . . . . .	..	..	..	..	..
Sultanas . . . . .	..	..	..	..	..
Egg export charge	4	4	4	4	4
Honey levy	106	103	108	122	120
Livestock slaughter levy—					
Cattle	1,351	1,557	1,811	2,432	3,194
Pigs . . . . .	..	..	..	144	232
Sheep and lambs	1,027	1,229	1,409	1,932	1,637
Chicken meat levy . . . . .	..	68	114	118	118
Poultry industry levy	10,785	11,117	12,819	13,038	12,978
Tobacco charge	313	539	502	567	510
Wheat tax	1,276	788	607	712	639
Wine grapes charge	379	449	534	513	689
Wool tax	15,272	14,028	5,567	5,496	11,171
Other	265	311	377	391	350
Total	33,674	33,133	27,300	28,836	35,196

Pay-roll tax

Federal pay-roll tax came into operation on 2 May 1941 and provided for the imposition of a tax on wages paid or payable in respect of any period of time occurring after 30 June 1941. The tax was payable by employers on all wages and salaries paid or payable in excess of a general exemption. The rate of tax, 2.5 per cent, was unchanged since its inception but the general exemption was increased over the years from \$173.33 to \$1,733.33 per month (\$2,080 per annum to \$20,800 per annum).

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

The rate of tax payable in the Territories is 2.5 per cent with a statutory exemption of wages up to \$1,733.33 per month (\$20,800 per annum) or a proportion of that amount in the case of an employer who is an employer also in a State.

On vacating the pay-roll tax field in favour of the States the Australian Government introduced an export incentive grant scheme to provide grants in respect of the 1971-72 and 1972-73 financial years equal to the rebates which would have been payable for those years if the pay-roll tax rebate scheme which had operated from the 1960-61 financial year had continued in operation until it was due to expire on 30 June 1973.

Gross collections of pay-roll tax in 1972-73 amounted to \$6,338,017. Refunds of pay-roll tax during 1972-73 under the pay-roll tax rebate scheme amounted to \$17,980,948. For details of the pay-roll tax rebate scheme, see page 553 of the Official Year Book No. 57.

Stevedoring Industry Charge

The rates in operation since 10 February 1972 have been as follows:

<i>Class of Waterside Worker</i>			<i>Rate</i>
			\$
A	..	..	1.00 per man-hour
B	..	..	1.20 per man-hour
C	..	..	0.82 per man-hour

Class A waterside workers are regular waterside workers on weekly hire in permanent and non-permanent continuous ports. Class B are regular casual workers in non-permanent continuous ports and Class C are regular casual workers in non-continuous and seasonal ports and irregular workers in all ports.

Taxes levied in the Territories

Northern Territory. Taxes levied by the Australian Government in the Northern Territory in the past five years were as follows.

NORTHERN TERRITORY: TAXATION BY TYPE OF TAX
(\$'000)

<i>Type of tax</i>	<i>1968-69</i>	<i>1969-70</i>	<i>1970-71</i>	<i>1971-72</i>	<i>1972-73</i>
Rates on land	450	547	683	950	1,014
Vehicle registration fees	469	530	583	709	736
Drivers', etc., licences(a)	49	56	63	75	79
Liquor taxes(a)	89	120	366	443	486
Racing taxes	33	48	96	112	117
Fees from regulatory services, n.e.i. . . .	49	32	31	37	30
Stamp duties	86	94	176	158	184
Other taxes, fees, fines, etc. . . .	74	92	258	340	374
Total taxation	1,299	1,519	2,256	2,824	3,020

(a) Estimated.

Australian Capital Territory. Taxes levied by the Australian Government in the Australian Capital Territory in the past five years were as follows.

AUSTRALIAN CAPITAL TERRITORY: TAXATION BY TYPE OF TAX
(**\$'000**)

<i>Type of tax</i>	1968-69	1969-70	1970-71	1971-72	1972-73
Rates on land	619	749	1,383	4,362	5,166
Vehicle registration fees	747	830	937	1,090	1,236
Drivers', etc., licences	142	81	101	129	119
Liquor taxes	259	287	340	390	459
Fees from regulatory services, n.e.i.	115	137	150	179	552
Stamp duties . . . . .	..	1,969	2,475	2,561	3,589
Charges on conveyances of interests in land(a)	383	..	..	..	..
Other taxes, fees, fines, etc.	25	25	22	12	15
Total taxation	2,290	4,078	5,408	8,723	11,136

(a) These charges have been levied in the form of stamp duty from 1969-70 onwards.

Rates on land and stamp duties (*see also* page 598) are the principal taxes levied in the Australian Capital Territory.

Gross operating surplus of public enterprises

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

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

**PUBLIC TRADING ENTERPRISES: REVENUE, WORKING EXPENSES AND GROSS
OPERATING SURPLUS, CLASSIFIED BY INDUSTRY**
(\$ million)

Industry	1968-69	1969-70	1970-71	1971-72	1972-73
REVENUE					
Manufacturing	14.7	13.7	13.9	14.9	
Electricity	32.6	36.0	48.5	52.1	
Transport and communication—					
Air transport	257.2	299.3	331.8	333.7	
Rail transport	25.4	27.6	29.0	29.2	
Sea transport	46.1	61.4	70.1	79.1	
Road transport	5.2	5.5	6.9	7.6	
Communication	596.0	659.2	755.8	902.3	
Total	929.8	1,053.1	1,193.6	1,351.9	Not yet available
Commerce	4.9	5.5	15.9	75.3	
Property and business services—					
Housing	14.0	17.9	18.9	16.9	
Other . . . . .	..	..	6.6	8.1	
Total	14.0	17.9	25.5	25.0	
Community social and personal services	6.4	7.3	8.1	8.5	
Total revenue	1,002.5	1,133.4	1,305.5	1,527.8	1,648.8

WORKING EXPENSES(a)					
Manufacturing	11.5	11.2	12.9	14.9	
Electricity	7.8	9.8	11.5	13.0	
Transport and communication—					
Air transport	204.4	234.1	287.3	289.0	
Rail transport	20.9	23.0	24.9	26.7	
Sea transport	38.3	52.5	60.3	68.5	
Road transport	4.5	5.0	6.0	6.6	
Communication	372.9	420.5	486.8	540.2	
Total	640.9	735.1	865.3	931.0	Not yet available
Commerce	4.9	5.5	14.1	81.4	
Property and business services—					
Housing	14.0	17.1	17.6	15.5	
Other . . . . .	..	..	6.1	7.7	
Total	14.0	17.1	23.7	23.2	
Community social and personal services	5.1	5.4	5.9	6.3	
Total working expenses	684.2	784.1	933.4	1,069.8	1,147.9

GROSS OPERATING SURPLUS					
Manufacturing	3.2	2.4	1.1		
Electricity	24.9	26.3	37.0	39.1	
Transport and communication—					
Air transport	52.7	65.2	44.6	44.7	
Rail transport	4.5	4.6	4.0	2.5	
Sea transport	7.8	8.9	9.8	10.6	
Road transport	0.8	0.5	0.9	1.0	
Communication	223.1	238.7	269.0	362.1	
Total	288.9	317.9	328.3	420.8	Not yet available
Commerce . . . . .	..	..	1.8	-6.1	
Property and business services—					
Housing . . . . .	..	0.8	1.3	1.4	
Other . . . . .	..	..	0.5	0.5	
Total . . . . .	..	0.8	1.8	1.9	
Community, social and personal services	1.4	1.9	2.2	2.2	
Total gross operating surplus	318.3	349.3	372.1	458.1	500.9

(a) Excludes depreciation and interest charges.

STATE AUTHORITIES

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

The transactions of many of the State authorities are itemised in State Consolidated Revenue Funds or in Trust Funds, so that a satisfactory coverage of their transactions can be obtained from a detailed analysis and reclassification of the published accounts whose receipts and payments are summarised in the statement of Treasury balances for each State. The remaining statutory bodies and other publicly owned or controlled organisations maintain accounts entirely, or largely separate from the public accounts although there may be transactions between them and State governments (such as advances and capital contributions, interest and dividends, and votes for running expenses and capital works) which would affect the public accounts. The accounting reports of this group of organisations have to be collected and analysed in order to present a complete statement of the transactions of State authorities—or at least methods of analysis need to be adopted which adequately reflect their transactions so that they are, in principle, covered by the statistics. In the figures which follow in this section all expenditure by State central government authorities on certain institutions, whether direct (e.g. new building charged to Loan Fund) or indirectly by way of current or capital grants to the bodies administering them, has been treated as final expenditure on goods and services by State authorities; fees and gifts from persons or private businesses to these institutions are not included, and neither is the expenditure of the institutions from their own resources. Universities and hospitals are particular examples of organisations for which this practice has been adopted.

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

Details of the transactions of State authorities are given in the tables which follow. These figures have been prepared on a national accounting basis, and arranged in a form of presentation which is compatible with the figures given earlier for Australian Government authorities. The figures are generally consistent with those given for State and local authorities in *Australian National Accounts*, 1972–73. Reference should be made to the introduction of *Public Authority Finance, State and Local Authorities*, 1972–73, for definitions and descriptions of items appearing in these tables, and also for further details of the organisations covered by the figures. However because of the preliminary nature of the 1972–73 information at the time of compilation of the statistics State dissections have been shown only for 1971–72.

Additional information relating to the activities of the State authorities may also be found in the Year Books of the individual States.

Receipts and outlay

The receipts and outlay of State authorities for the five year period ended 1972-73 are given in the following table.

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

	1968-69	1969-70	1970-71	1971-72	1972-73
OUTLAY					
Final consumption expenditure	1,482.6	1,714.8	2,062.7	2,424.9	2,877.1
Gross capital formation—					
Increase in stocks	4.9	6.3	15.7	0.8	23.5
Expenditure on new fixed assets	1,505.5	1,604.2	1,690.8	1,881.1	2,019.5
Expenditure on existing assets (net)	0.2	17.7	37.1	100.2	69.0
<i>Total gross capital formation</i>	<i>1,510.6</i>	<i>1,628.3</i>	<i>1,743.6</i>	<i>1,982.1</i>	<i>2,112.0</i>
Transfer payments—					
Interest	604.2	664.0	721.9	812.8	872.1
Transfers to persons	35.1	40.4	46.5	64.3	79.0
Subsidies	15.5	20.8	15.9	16.0	14.0
Transfers overseas	0.2	0.2	0.3	0.3	0.3
Grants for private capital purposes	14.7	18.8	15.7	12.5	16.0
Grants to local authorities	75.4	74.5	92.5	105.2	153.8
<i>Total transfer payments</i>	<i>745.1</i>	<i>818.8</i>	<i>892.9</i>	<i>1,011.0</i>	<i>1,135.2</i>
Net advances—					
To the private sector	53.7	68.2	87.6	91.0	83.1
To public financial enterprises	26.1	21.9	35.4	37.7	42.0
To local authorities	5.4	7.9	4.0	4.5	4.9
<i>Total net advances</i>	<i>85.2</i>	<i>97.9</i>	<i>127.0</i>	<i>133.2</i>	<i>130.0</i>
<i>Total outlay</i>	<i>3,823.6</i>	<i>4,259.8</i>	<i>4,826.3</i>	<i>5,551.3</i>	<i>6,254.3</i>
of which—					
current outlay	2,227.8	2,533.6	2,955.6	3,435.9	4,012.3
capital outlay	1,595.9	1,726.2	1,870.6	2,115.4	2,242.0

RECEIPTS AND FINANCING ITEMS

Receipts—					
Taxes, fees, fines, etc.	860.4	960.9	1,008.7	1,412.4	1,777.1
Income from public enterprises	346.7	389.3	361.9	378.0	309.6
Interest, etc., received	139.3	164.7	201.4	215.9	238.4
Grants from the Australian Government—					
for current purposes	1,166.6	1,319.6	1,662.5	1,756.2	2,057.2
for capital purposes	263.9	311.3	554.3	625.9	706.1
<i>Total receipts</i>	<i>2,776.8</i>	<i>3,145.8</i>	<i>3,788.8</i>	<i>4,388.4</i>	<i>5,088.4</i>
Financing items—					
Net borrowing—					
Public Corporation securities	262.5	243.2	286.5	379.4	(b)
Other general government securities	3.4	11.9	32.2	27.5	(b)
Advances from the Australian Government (net)—					
For loan works purposes	483.5	517.9	366.4	549.6	601.3
Other	143.5	151.1	154.8	37.1	62.8
Net receipts of private trust funds	26.7	34.3	37.1	48.9	(b)
Reduction in cash and bank balances	-52.6	-32.9	-63.3	-73.3	(b)
Reduction in security holdings—					
Investments of private trust funds	-22.5	-24.1	-22.8	-40.2	(b)
Investments of governmental trust funds and public corporations	-16.2	-25.6	1.8	-11.1	(b)
Other funds available (including errors and omissions)—					
Depreciation allowances	188.7	213.6	208.7	231.5	247.4
Other	29.7	24.6	36.1	13.5	(c)254.5
<i>Total financing items</i>	<i>1,046.8</i>	<i>1,114.0</i>	<i>1,037.5</i>	<i>1,162.9</i>	<i>1,165.9</i>
<i>Total funds available</i>	<i>3,823.6</i>	<i>4,259.8</i>	<i>4,826.3</i>	<i>5,551.3</i>	<i>6,254.3</i>

(a) Excluding financial enterprises.

(b) Included in other funds available, other.

(c) See note (a).

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

STATE AUTHORITIES(a): RECEIPTS AND OUTLAY, BY STATE, 1971-72
(\$ million)

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
OUTLAY							
Final consumption expenditure	893.0	629.7	333.6	222.1	247.1	99.4	2,424.9
Gross capital formation—							
Increase in stocks	1.5	-1.9	-0.5	0.7	2.1	-1.0	0.8
Expenditure on new fixed assets	614.7	488.4	300.1	183.8	205.1	88.9	1,881.1
Expenditure on existing assets (net)	18.8	7.2	3.2	11.1	59.4	0.5	100.2
<i>Total gross capital formation</i>	<i>635.1</i>	<i>493.7</i>	<i>302.8</i>	<i>195.6</i>	<i>266.6</i>	<i>88.4</i>	<i>1,982.1</i>
Transfer payments—							
Interest	244.9	246.7	109.7	94.1	70.9	46.5	812.8
Transfers to persons	33.1	9.9	8.4	4.5	7.1	1.3	64.3
Subsidies	9.5	1.8	2.2	0.2	2.2	0.1	16.0
Transfers overseas . . . . .	..	0.3	..	..	..	..	0.3
Grants for private capital purposes	3.0	4.2	1.7	2.5	0.7	0.4	12.5
Grants to local authorities	42.8	9.1	30.6	4.7	14.5	3.5	105.2
<i>Total transfer payments</i>	<i>333.3</i>	<i>271.9</i>	<i>152.6</i>	<i>106.0</i>	<i>95.4</i>	<i>51.8</i>	<i>1,011.0</i>
Net advances—							
To the private sector	19.7	27.0	16.7	6.1	16.0	5.5	91.0
To public financial enterprises	26.5	..	..	11.2	0.1	..	37.7
To local authorities	-0.2	0.5	3.4	-0.4	0.1	1.1	4.5
<i>Total net advances</i>	<i>46.0</i>	<i>27.5</i>	<i>20.1</i>	<i>16.9</i>	<i>16.2</i>	<i>6.6</i>	<i>133.2</i>
<i>Total outlay</i>	<i>1,907.3</i>	<i>1,422.9</i>	<i>809.0</i>	<i>540.7</i>	<i>625.3</i>	<i>246.2</i>	<i>5,551.3</i>
of which—							
current outlay	1,226.3	901.7	486.2	328.1	342.5	151.2	3,436.0
capital outlay	681.0	521.2	322.8	212.5	282.8	95.0	2,115.4
RECEIPTS AND FINANCING ITEMS							
Receipts—							
Taxes, fees, fines, etc.	581.3	414.2	172.3	107.3	105.6	31.7	1,412.4
Income from public enterprises	132.7	107.0	44.6	40.4	35.2	18.2	378.0
Interest, etc., received	58.8	54.4	27.2	22.1	43.1	10.4	215.9
Grants from the Australian Government—							
for current purposes	564.0	427.6	283.8	194.1	197.0	89.7	1,756.2
for capital purposes	189.0	136.3	117.6	69.7	80.2	33.1	625.9
<i>Total receipts</i>	<i>1,525.8</i>	<i>1,139.5</i>	<i>645.4</i>	<i>435.6</i>	<i>461.1</i>	<i>183.1</i>	<i>4,388.3</i>
Financing items—							
Net borrowing—							
Public corporation securities	103.0	138.3	36.2	17.6	74.6	9.8	379.4
Other general government securities . . . . .	..	..	27.6	..	-0.1	..	27.5
Advances from the Australian Government (net)—							
For loan works purposes	173.1	141.4	69.4	76.2	50.0	39.6	549.6
Other	22.5	1.8	5.2	-0.3	4.7	3.2	37.1
Net receipts of private trust funds	5.8	23.7	9.2	0.8	6.8	2.5	48.9
Reduction in cash and bank balances	-13.9	-28.2	-21.7	-4.4	-5.4	0.4	-73.3
Reduction in security holdings—							
Investment of private trust funds	-5.8	-23.7	..	..	-8.5	-2.2	-40.2
Investment of governmental trust funds and public corporations	-7.3	-5.1	-1.8	3.2	-1.1	1.0	-11.1
Other funds available (including errors and omissions)—							
Depreciation allowances	103.6	59.3	24.6	18.8	18.4	6.8	231.5
Other	0.5	-24.1	14.9	-4.8	24.8	2.0	13.6
<i>Total financing items</i>	<i>381.5</i>	<i>283.4</i>	<i>163.6</i>	<i>107.1</i>	<i>164.2</i>	<i>63.1</i>	<i>1,163.0</i>
<i>Total funds available</i>	<i>1,907.3</i>	<i>1,422.9</i>	<i>809.0</i>	<i>540.7</i>	<i>625.3</i>	<i>246.2</i>	<i>5,551.3</i>

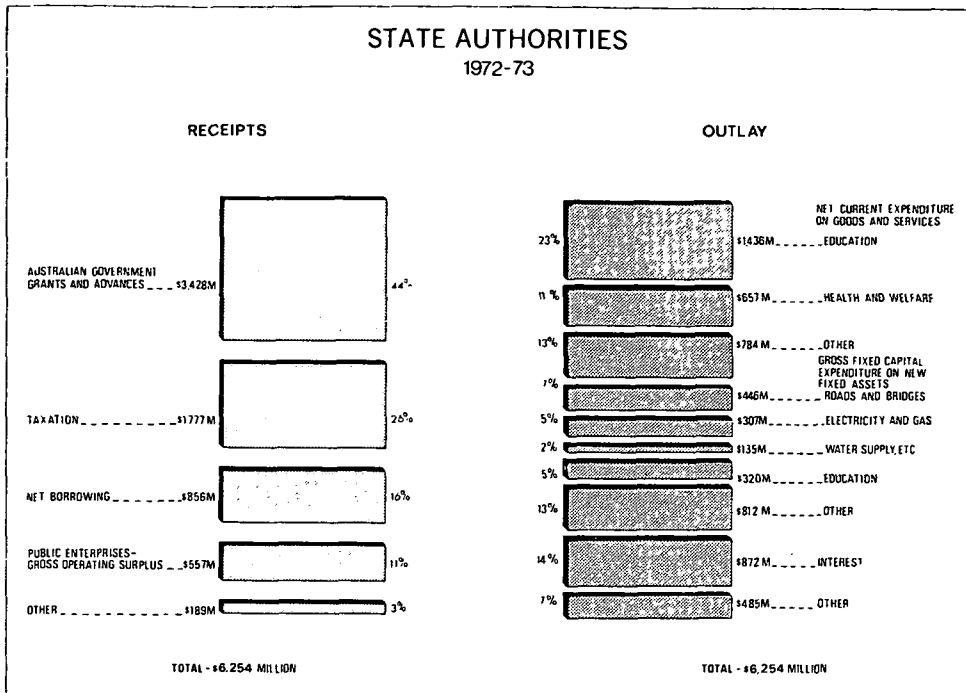


PLATE 40

Main components of outlay

The main component of the outlay of State authorities is expenditure on goods and services. As in the case of authorities of the Australian Government, this expenditure (as shown here) consists of purchases of goods and services for current consumption, less any charges made by the authorities, together with expenditure on acquisition of fixed assets and changes in stocks, and may be regarded as a measure of demand for goods and services. The following tables show final consumption expenditure and expenditure on new fixed assets classified by purpose for State Authorities.

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

Purpose	1968-69	1969-70	1970-71	1971-72	1972-73
General public services—					
Law, order and public safety	179.7	202.6	235.3	276.7	323.3
General administration, n.e.c.	115.9	131.7	161.1	172.3	n.a.
Education	707.3	837.9	1,006.1	1,203.5	1,436.0
Health	308.8	354.4	434.1	500.0	574.7
Social Security and Welfare	39.3	43.5	51.9	67.9	82.2
Housing and community amenities—					
Housing	0.9	1.0	1.3	1.6	n.a.
Community and regional development	2.9	3.8	5.0	6.8	n.a.
Protection of the environment	..	0.1	0.1	0.6	n.a.
Recreation and related cultural services	20.3	23.1	26.9	31.2	37.7
Economic services—					
General administration, regulation and research	2.4	2.5	3.9	4.7	188.0
Agriculture, forestry, fishing—					
Soil and water resources management	28.1	31.0	36.4	41.7	
Forest resources management	6.6	8.2	9.3	10.8	
Services to agricultural and pastoral industries and the fisheries	45.4	51.1	59.4	70.7	
Mining, manufacturing and construction	8.7	9.2	12.0	14.8	
Electricity, gas and water supply	0.9	1.1	1.6	2.0	
Transport and communication	7.7	6.5	8.8	10.5	
Other economic services	3.8	5.2	6.6	6.3	
Other purposes	3.8	2.1	3.2	2.8	
Total	1,482.6	1,714.8	2,062.8	2,424.9	2,877.1

STATE AUTHORITIES: FINAL CONSUMPTION EXPENDITURE CLASSIFIED BY PURPOSE
1971-72
(\$ million)

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
General public services—							
Law, order and public safety	111.4	63.1	41.7	21.3	28.8	10.4	276.7
General administration, n.e.c.	88.6	20.6	24.7	11.8	16.3	10.3	172.3
Education	424.6	358.5	144.5	124.1	109.3	42.5	1,203.5
Health	185.0	123.5	76.9	41.7	54.8	18.1	500.0
Social security and welfare	15.6	22.3	11.6	7.2	8.7	2.5	67.9
Housing and community amenities—							
Housing	0.6	-0.2	0.3	0.4	-0.1	0.4	1.6
Community and regional development	3.2	2.9	..	0.1	0.4	0.2	6.8
Protection of the environment	0.3	0.1	0.1	..	0.1	..	0.6
Recreation and related cultural services	10.9	8.0	2.5	4.1	3.1	2.5	31.2
Economic services—							
General administration, regulation and research	-1.5	-0.4	1.6	2.9	1.3	0.7	4.7
Agriculture, forestry, fishing—							
Soil and water resources management	15.3	8.4	6.5	3.2	5.7	2.6	41.7
Forest resources management	5.9	4.0	-0.4	..	0.3	1.2	10.8
Services to agricultural and pastoral industries and to fisheries	20.9	13.3	16.8	3.5	10.7	5.7	70.7
Mining, manufacturing and construction	4.0	1.7	2.3	2.2	3.8	0.8	14.8
Electricity, gas and water supply	1.0	..	0.7	..	..	0.3	2.0
Transport and communication	3.6	3.0	1.9	..	1.4	0.6	10.5
Other economic services	4.1	-0.3	1.7	-1.1	1.9	0.1	6.3
Other purposes	-0.5	1.0	0.2	0.7	0.8	0.5	2.8
Total	893.0	629.7	333.6	222.1	247.1	99.4	2,424.9

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

	1968-69	1969-70	1970-71	1971-72	1972-73
General public services—					
Law, order and public safety	23.3	24.4	26.3	29.5	31.0
General administration, n.e.c.	17.1	17.9	24.9	17.9	n.a.
Defence . . . . .	..	..	..	..	..
Education	190.5	207.3	232.3	272.7	319.5
Health	74.2	80.9	85.7	95.0	99.4
Social security and welfare	5.4	5.6	5.8	8.5	..
Housing and community amenities—					
Housing	65.0	72.3	85.9	81.4	90.6
Community and regional development	0.2	0.5	0.7	1.0	n.a.
Protection of the environment	86.0	107.1	132.8	159.6	185.7
Recreation and related cultural services	7.3	11.2	16.9	25.9	n.a.
Economic services—					
General administration, regulation and research . . . . .	..	..	..	0.3	..
Agriculture, forestry, fishing—					
Soil and water resources management	55.1	56.4	59.4	59.9	56.0
Forest resources management	25.3	27.7	29.4	33.6	43.0
Services to agricultural and pastoral industries, and to fisheries	9.0	10.1	9.2	10.6	15.0
Mining, manufacturing and construction—					
Mining	12.0	13.1	8.7	10.7	12.0
Manufacturing and construction	5.5	6.7	12.4	15.5	n.a.
Electricity and gas	324.7	331.0	307.1	310.7	307.4
Water supply	77.3	90.0	89.6	114.2	134.6
Transport and communication—					
Rail transport	114.7	120.9	123.1	135.9	138.0
Sea transport	56.2	51.0	53.5	74.1	67.0
Road transport—					
Road systems and ancillary facilities	306.7	341.9	370.5	406.4	446.0
Other	0.3	0.4	0.3	0.3	..
Urban transit(a)	3.4	7.4	9.4	8.3	6.5
Pipelines	28.1	6.1	1.6	2.6	2.0
Other transport services	0.1	0.1	0.1	0.1	n.a.
Other economic services	30.8	38.8	41.1	33.1	n.a.
Other purposes . . . . .	..	..	..	1.4	n.a.
Total	1,518.5	1,628.9	1,726.6	1,909.2	2,047.5
of which—					
Public financial enterprises	13.0	24.6	35.8	28.1	28.0

(a) Excludes suburban rail transport systems.

STATE AUTHORITIES: EXPENDITURE ON NEW FIXED ASSETS CLASSIFIED BY PURPOSE
1971-72

(\$ million)

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
General public services—							
Law, order and public safety	10.9	5.0	6.7	2.9	1.8	2.2	29.5
General administration n.e.c.	3.7	4.4	4.1	3.8	0.9	0.9	17.9
Defence							
Education	94.5	77.8	35.0	30.0	22.9	12.6	272.7
Health	29.4	17.8	13.9	18.8	10.4	4.7	95.0
Social security and welfare	3.5	1.6	1.9	0.2	0.8	0.5	8.5
Housing and community amenities—							
Housing	37.1	14.7	12.7	6.4	9.4	1.1	81.4
Community and regional development		0.9			0.1		1.0
Protection of the environment	77.4	60.8	0.2	8.9	12.2	0.1	159.6
Recreation and related cultural services	20.6	3.1	0.2	0.1	1.0	0.9	25.9
Economic services—							
General administration, regulation and research	0.1	..	..	..	0.2	..	0.3
Agriculture, forestry, fishing—							
Soil and water resources management	22.6	12.0	16.3	2.4	5.9	0.6	59.9
Forest resources management	10.6	6.7	7.4	0.4	5.4	3.1	33.6
Services to agricultural and pastoral industries and to fisheries	1.0	3.7	3.3	0.7	1.4	0.5	10.6
Mining, manufacturing and construction—							
Mining	3.9	4.2	1.2	1.1	0.1	0.1	10.7
Manufacturing and construction	4.5	0.2	1.5	5.2	4.0	..	15.5
Electricity and gas	71.2	94.2	54.7	21.3	36.5	32.8	310.7
Water supply	40.8	36.5	3.7	20.3	12.3	0.6	114.2
Transport and communication—							
Rail transport	46.4	17.7	40.1	8.6	15.6	7.5	135.9
Sea transport	25.6	11.8	14.9	4.6	10.8	6.4	74.1
Road transport—							
Road systems and ancillary facilities	104.2	114.7	80.7	41.8	51.1	14.0	406.4
Other	0.2	0.1	..	..	0.1	..	0.3
Urban transit(a)	2.9	0.5	..	3.1	1.6	0.2	8.3
Pipelines . . . . .	..	..	..	2.6	..	..	2.6
Other transport services . . . . .	..	..	..	..	..	..	0.1
Other economic services	16.7	5.3	8.4	1.0	1.4	0.3	33.1
Other purposes . . . . .	..	..	1.3	..	0.1	..	1.4
Total	627.7	493.9	308.2	184.3	206.2	88.9	1909.2
of which—							
Public financial enterprises	13.0	5.5	8.1	0.5	1.0	..	28.1

(a) Excludes suburban rail transport systems.

Main components of receipts

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

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

The following tables provide details of the taxes collected by State authorities classified by type of tax. Further information relating to State taxes may be found in *Public Authority Finance; Taxation, 1972-73*.

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

	1968-69	1969-70	1970-71	1971-72	1972-73
Estate, gift, probate and succession duties	134.4	137.3	149.4	144.6	163.3
Property taxes—					
Land tax	75.1	77.0	91.5	102.8	112.9
Metropolitan improvement rates	7.3	8.4	8.9	9.4	9.6
Other	2.4	2.8	1.9	1.7	2.2
<i>Total property</i>	<i>84.8</i>	<i>88.2</i>	<i>102.3</i>	<i>113.9</i>	<i>124.7</i>
Liquor taxes	38.5	41.0	44.6	48.0	52.1
Taxes on gambling—					
Lotteries	30.7	32.4	33.3	35.4	38.0
Poker machines	26.3	30.4	34.8	38.3	42.6
Racing	50.2	57.3	63.4	75.9	91.7
Casino tax . . . . .	..	..	..	..	0.5
<i>Total gambling</i>	<i>107.2</i>	<i>120.2</i>	<i>131.5</i>	<i>149.6</i>	<i>172.7</i>
Taxes on ownership and operation of motor vehicles—					
Vehicle registration fees and taxes	136.8	150.6	159.6	190.4	222.8
Drivers', etc., licences and fees	16.1	16.7	19.4	25.1	27.9
Stamp duty on vehicle registration	16.7	19.2	20.3	24.3	30.9
Road transport taxes	14.5	15.8	16.4	17.1	17.6
Road maintenance contributions	32.7	35.6	37.4	38.8	40.0
Motor car third party insurance surcharge and duties	4.1	4.8	5.1	5.9	6.9
<i>Total motor vehicles</i>	<i>220.9</i>	<i>242.8</i>	<i>258.2</i>	<i>301.7</i>	<i>346.1</i>
Pay-roll tax . . . . .	..	..	..	304.7	449.6
Fire brigades contributions from insurance companies, etc.	22.2	25.2	28.1	33.6	38.9
Stamp duties, n.e.i.	206.6	256.9	239.9	249.2	350.8
Licences and registration fees, n.e.i.	5.9	6.6	7.3	8.9	10.7
Other taxes, fees, fines, etc.	39.9	42.8	47.3	58.2	68.2
<i>Total taxation</i>	<i>860.4</i>	<i>960.8</i>	<i>1,008.7</i>	<i>1,412.4</i>	<i>1,777.1</i>

STATE AUTHORITIES: PROPORTION OF EACH TYPE OF TAX TO TOTAL TAXATION
(per cent)

	1968-69	1969-70	1970-71	1971-72	1972-73
Estate, gift, probate and succession duties	15.6	14.3	14.8	10.2	9.2
Property taxes	9.9	9.2	10.1	8.1	7.0
Liquor taxes	4.5	4.3	4.4	3.4	2.9
Taxes on gambling	12.4	12.5	13.0	10.6	9.7
Taxes on ownership and operation of motor vehicles	25.7	25.3	25.6	21.4	19.5
Pay-roll tax . . . . .	..	..	..	21.6	25.3
Fire brigades contribution from insurance companies, etc.	2.6	2.6	2.8	2.5	2.2
Stamp duties n.e.i.	24.0	26.8	23.8	17.6	19.7
Licences and registration fees n.e.i.	0.7	0.7	0.7	0.6	0.6
Other taxes, fees, fines, etc.	4.7	4.5	4.7	4.2	3.9
<i>Total taxation</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>

STATE AUTHORITIES: TAXATION BY TYPE OF TAX, 1971-72
(£ million)

	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Tas.</i>	<i>Total</i>
Estate, gift, probate and succession duties	58.3	44.6	19.5	11.5	7.6	3.1	144.6
Property taxes—							
Land tax	46.2	29.1	5.5	9.7	9.4	2.9	102.8
Metropolitan improvement rates		8.0	1.1		1.4		9.4
Other	0.4	..	1.1	0.3	..	..	1.8
<i>Total property</i>	<i>46.6</i>	<i>37.1</i>	<i>6.5</i>	<i>10.0</i>	<i>10.9</i>	<i>2.9</i>	<i>114.0</i>
Liquor taxes	18.9	12.8	6.9	3.6	4.4	1.3	47.9
Taxes on gambling—							
Lotteries	19.9	6.8	4.7	1.9	2.0	..	35.3
Poker machines	38.3		1.1			..	38.3
Racing	28.9	25.0	10.4	4.3	5.6	1.7	75.9
<i>Total gambling</i>	<i>87.1</i>	<i>31.8</i>	<i>15.1</i>	<i>6.3</i>	<i>7.6</i>	<i>1.7</i>	<i>149.6</i>
Taxes on ownership and operation of motor vehicles—							
Vehicle registration fees and taxes	69.8	54.4	27.1	17.9	15.3	6.0	190.5
Drivers' etc., licences and fees	11.4	7.8	1.7	1.7	1.7	0.9	25.2
Stamp duty on vehicle registration	5.4	9.0	3.9	3.3	2.2	0.4	24.2
Road transport taxes	6.3	2.1	6.7	..	1.4	0.4	16.9
Road maintenance contributions	17.7	9.1	4.9	3.3	3.8	..	38.8
Motor car third party insurance surcharge and duties . . . . .	..	3.0	..	1.0	1.6	0.3	5.9
<i>Total motor vehicles</i>	<i>110.6</i>	<i>85.4</i>	<i>44.3</i>	<i>27.2</i>	<i>26.0</i>	<i>8.1</i>	<i>301.6</i>
Pay-roll tax	126.7	89.8	33.8	22.8	23.8	7.9	304.8
Fire brigades contribution from insurance companies, etc.	12.5	9.6	6.5	1.4	2.7	1.0	33.6
Stamp duties n.e.i.	98.8	79.7	28.9	18.5	18.9	4.5	249.3
Licences and registration fees n.e.i.	2.7	2.5	1.5	1.1	1.0	0.1	8.9
Other taxes, fees, fines, etc.	19.2	20.8	9.4	4.8	2.7	1.2	58.1
Total taxation	581.3	414.2	172.3	107.3	105.6	31.7	1,412.4

LOCAL AUTHORITIES

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

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

The areas over which local government bodies, numbering in excess of 900, exercise general control, are known in New South Wales as cities, municipalities and shires; in Victoria as cities, towns, boroughs and shires; in Queensland as cities, towns and shires; in South Australia as cities, corporate towns and district council areas; in Western Australia as cities, towns and shires; and in Tasmania as cities and municipalities. In New South Wales some local authorities in an area have combined to provide services such as electricity, water, sewerage and drainage—e.g. the county councils. Within shires there are also some municipal units known as urban areas. Apart from the more thinly populated parts of New South Wales and South Australia, and the Australian Territories (except for the City of Darwin and Alice Springs), practically the whole of Australia comes within local government jurisdiction. For further details *see* State Year Books.

Area, population, dwellings, and value of rateable property

The area, population, dwellings, and the value of rateable property in the incorporated areas of each State are shown in the following table. The valuations relate to rateable property only and exclude government and other non-rateable property, whose value in the aggregate is considerable. In some cases councils rate on annual value, or unimproved capital value, or improved capital value, or partly on each of these bases of valuation. The amounts stated are the totals for the areas rated according to each basis of valuation. Particulars of dwellings are in accordance with the definition used in the 1971 census, and are compiled from information collected on the census schedules. For the purpose of the census a dwelling was defined as any habitation occupied by a household group living together as a domestic unit, whether comprising the whole or only part of a building. The term has, therefore, a very wide reference and includes, in addition to houses and flats, a great variety of dwellings ranging from a single-roomed shack to a multi-roomed hotel or institution. Unoccupied dwellings include vacant dwellings available for sale and renting, 'week-end' and holiday dwellings, and other dwellings temporarily unoccupied on the night of the Census. Dwellings being built are not included.

In the following table particulars of number, area, and value of rateable property refer to estimates made, where practicable, for the capital city statistical division and outside this division. Wherever the statistical boundary cuts across a local government area the estimates have involved either the inclusion or exclusion of the whole of the local government authority concerned in, or from, the capital city statistical division. Particulars of population refer to estimates made for capital city statistical division and outside this division in accordance with the definition of boundaries used in the 1971 census and exclude migratory population and population in unincorporated areas.

**LOCAL GOVERNMENT AUTHORITIES: AREA, POPULATION, DWELLINGS, AND
VALUE OF RATEABLE PROPERTY, STATES**

Location	Number	Area <i>'000 hectares</i>	Population <i>'000</i>	Dwellings <i>No.</i>	Value of rateable property		
					Unimproved capital value <i>\$'000</i>	Improved capital value <i>\$'000</i>	Annual value <i>\$'000</i>
New South Wales(a)—							
Sydney Statistical Division	40	408	(c)2,874	(d)915,111	7,333,921	14,531,290	1,081,185
Other(b)	183	70,158	(c)1,828	(d)609,143	2,842,357	n.a.	n.a.
Total New South Wales	223	70,565	(c)4,702	(d)1,524,254	10,176,278	n.a.	n.a.
Victoria(e)—							
Melbourne Statistical Division	55	782	2,561	795,836	n.a.	11,564,438	630,077
Other(f)	155	21,925	980	310,217	n.a.	5,714,895	292,668
Total Victoria	210	22,707	3,542	1,106,053	n.a.	17,279,333	922,745
Queensland(g)—							
Brisbane Statistical Division	9	983	950	293,979	1,024,613	n.a.	n.a.
Other	122	171,520	956	294,298	1,173,706	n.a.	n.a.
Total Queensland	131	172,503	1,906	588,277	2,198,319	n.a.	n.a.
South Australia(h)—							
Adelaide Statistical Division	31	232	843	264,406	n.a.	2,895,000	145,000
Other	106	14,843	330	108,211	n.a.	1,410,000	70,000
Total South Australia	137	15,075	1,173	372,617	n.a.	4,305,000	215,000
Western Australia(i)—							
Perth Statistical Division	26	537	739	238,580	1,109,023	n.a.	62,508
Other	112	252,226	329	104,571	349,803	n.a.	14,011
Total Western Australia	138	(j)252,550	(b)1,068	343,151	1,458,827	n.a.	76,519
Tasmania(c)—							
Hobart Statistical Division	5	94	158	48,313	221,366	780,321	48,833
Other	44	6,739	238	76,812	262,762	1,104,754	66,025
Total Tasmania	49	6,833	396	125,125	484,128	1,885,075	114,858

(a) Based on year ended 31 December 1972. (b) Excludes Lord Howe Island, unincorporated areas and migratory population. (c) As at 30 June 1973. (d) As at 30 June 1973; Estimated on basis of Census 30 June 1971. (e) Based on year ended 30 September 1972. (f) Excludes Yallourn Works Area, under the jurisdiction of the State Electricity Commission, and other unincorporated areas. (g) Year ended 30 June 1972. Total population less migratory and unincorporated. (h) Year ended 30 June 1970. (i) Year ended 30 June 1973. Excludes unincorporated areas. (j) Area as determined in 1973 by the Division of National Mapping, Department of Minerals and Energy.

Receipts, financing items and outlay

The following tables show details of the receipts, financing items and outlay of all local authorities for the years 1968-69 to 1972-73, and of local authorities in each of the six States in 1971-72. Figures shown for 1972-73 are based on very limited data, but may be taken as rough indicators of orders of magnitude.

LOCAL AUTHORITIES: RECEIPTS AND OUTLAY
(\$ million)

	1968-69	1969-70	1970-71	1971-72	1972-73p
OUTLAY					
Final consumption expenditure—					
General public services	68.2	74.1	77.0	97.3	n.a.
Health	19.1	19.4	27.2	29.3	33.3
Social security and welfare	0.3	0.4	0.5	0.7	0.8
Housing and community amenities—					
Protection of the environment	11.7	12.6	14.8	15.1	n.a.
Other	0.8	1.1	1.1	1.6	n.a.
Recreation and related cultural services	42.2	46.5	50.8	58.3	n.a.
Economic services	14.7	15.4	17.0	17.9	19.0
Other purposes . . . . .	..	0.2	0.3	0.3	n.a.
Total	157.1	169.8	188.8	220.5	247.9
Gross capital formation—					
Expenditure on new fixed assets—					
General public services	23.4	26.2	29.7	29.6	n.a.
Health	0.3	0.6	0.4	0.3	0.3
Social security and welfare	0.2	0.2	0.2	0.2	0.2
Housing and community amenities—					
Protection of the environment	30.8	31.0	30.5	36.3	41.3
Other	0.6	2.2	0.7	1.1	n.a.
Recreation and related cultural services	17.3	17.6	21.1	24.0	n.a.
Economic services—					
Mining manufacturing and construction	0.8	1.0	1.1	1.9	n.a.
Electricity and gas	62.2	67.3	76.2	71.6	75.6
Water supply	33.7	37.6	35.3	36.3	43.4
Transport and communication—					
Road systems and ancillary facilities	261.0	265.0	281.5	299.5	350.0
Urban transit systems	1.9	2.9	0.6	1.0	0.5
Other economic services	5.7	2.7	0.6	0.9	n.a.
Other purposes	0.2	0.2	0.3	0.4	n.a.
Total	438.2	454.4	478.2	503.2	587.5
Expenditure on existing assets and stocks	-0.2	0.3	-1.6	-3.6	-3.5
Interest paid	72.9	79.8	88.6	96.8	106.0
Net advances to the private sector	0.9	1.0	0.9	0.9	0.9
Total outlay	668.8	705.3	754.9	817.8	938.8
of which—					
Current outlay	230.0	249.6	277.4	317.3	353.9
Capital outlay	438.9	455.7	477.5	500.5	584.9

RECEIPTS AND FINANCING ITEMS

Receipts—					
Taxes, fees, fines, etc.—					
Rates on land	345.5	372.7	400.7	442.9	485.4
Licences, etc.	12.7	9.4	10.1	4.7	12.6
Total	358.2	382.1	410.8	447.6	498.0
Income from public enterprises	71.0	83.1	85.1	93.4	99.4
Property income	-0.6	-0.5	-0.4	-0.3	-0.4
Grants from State authorities	75.4	74.5	92.5	105.2	153.8
Total receipts	504.1	539.3	588.0	645.9	750.8
Financing items—					
Net borrowing—local authority securities	107.3	86.0	93.0	111.2	(a)
Advances from State authorities	5.4	7.9	4.0	4.5	4.9
Reduction in cash and bank balances	-11.8	8.2	9.2	-4.7	(a)
Reduction in security holdings	-1.0	-4.0	-9.2	-9.2	(a)
Other funds available (including errors and omissions)—					
Depreciation allowances	23.7	26.2	28.1	30.1	32.6
Other	41.3	41.7	41.7	40.1	(b)150.5
Total financing items	164.8	166.0	166.8	172.0	188.0
Total funds available	668.8	705.3	754.9	817.8	938.8

(a) Included in Other funds available, Other.

(b) See note (a).

LOCAL AUTHORITIES: RECEIPTS AND OUTLAY, 1971-72
(\$ million)

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
OUTLAY							
Final consumption expenditure—							
General public services	33.6	27.8	15.2	5.4	13.2	2.1	97.3
Health	9.9	8.8	7.0	1.7	1.3	0.6	29.3
Social security and welfare . . . . .	..	0.7	..	..	..	..	0.7
Housing and community amenities—							
Protection of the environment	4.7	5.5	1.8	1.6	0.8	0.7	15.1
Other	1.6	..	..	..	..	..	1.6
Recreation and related cultural services	24.4	16.1	3.5	3.4	9.4	1.6	58.3
Economic services	8.7	3.6	2.8	1.3	0.9	0.5	17.9
Other purposes . . . . .	..	0.3	..	..	..	..	0.3
Total	83.0	62.8	30.3	13.4	25.6	5.6	220.5
Gross capital formation—							
Expenditure on new fixed assets—							
General public services	10.9	8.4	—3.9	4.7	8.9	0.5	29.6
Health . . . . .	..	0.3	..	..	..	..	0.3
Social security and welfare . . . . .	..	0.2	..	..	..	..	0.2
Housing and community amenities—							
Protection of the environment	10.7	..	22.5	..	..	3.1	36.3
Other	1.1	..	..	..	..	..	1.1
Recreation and related cultural services	3.6	8.2	7.0	1.0	3.2	1.0	24.0
Economic services—							
Mining, manufacturing and construction	1.8	..	..	..	..	0.1	1.9
Electricity and gas	57.7	2.9	10.0	0.1	1.0	..	71.6
Water supply	13.0	0.4	21.3	..	0.3	1.4	36.3
Transport and communications—							
Road systems and ancillary facilities	141.8	58.8	46.0	23.9	20.7	8.4	299.5
Urban transit systems . . . . .	..	..	1.0	..	..	..	1.0
Other economic services	0.7	0.2	..	..	..	..	0.9
Other purposes . . . . .	..	0.4	..	..	..	..	0.4
Total	241.3	79.8	103.9	29.7	34.0	14.4	503.2
Expenditure on existing assets and stocks . . . . .	..	—0.6	—3.0	..	..	..	—3.6
Interest paid	39.8	11.9	31.0	3.8	5.6	4.7	96.8
Net advances to the private sector	0.9	..	..	..	..	..	0.9
Total outlay	365.0	153.9	162.2	46.8	65.2	24.7	817.8
of which—							
Current outlay	122.8	74.7	61.3	17.2	31.1	10.2	317.3
Capital outlay	242.2	79.2	100.9	29.7	34.0	14.4	500.5
RECEIPTS AND FINANCING ITEMS							
Receipts—							
Taxes, fees, fines, etc.—							
Rates on land	181.3	125.2	60.6	32.0	30.4	13.4	442.9
Licences, etc.	4.5	1.2	—3.3	0.3	1.9	0.2	4.7
Total	185.8	126.4	57.3	32.3	32.3	13.6	447.6
Income from public enterprises	39.7	2.2	46.6	0.1	0.6	4.3	93.4
Property income . . . . .	..	—0.3	..	..	..	..	—0.3
Grants from state authorities	42.8	9.1	30.6	4.7	14.5	3.5	105.2
Total receipts	268.2	137.3	134.5	37.0	47.4	21.4	645.9
Financing items—							
Net borrowing—local authority securities	40.6	19.3	32.9	7.5	6.7	4.2	111.2
Advances from state authorities	—0.2	0.5	3.4	—0.4	0.1	1.1	4.5
Reduction in cash and bank balances	6.6	—3.4	—13.1	—0.4	6.5	—0.9	—4.7
Reduction in security holdings	0.1	—9.3	..	..	..	..	—9.2
Other funds available (including errors and omissions)—							
Depreciation allowances	30.1	..	..	..	..	..	30.1
Other	19.6	9.5	4.5	3.2	4.5	—1.2	40.1
Total financing items	96.8	16.6	27.7	9.8	17.8	3.3	172.0
Total funds available	365.0	153.9	162.2	46.8	65.2	24.7	817.8

ALL PUBLIC AUTHORITIES

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

Summary of receipts and outlay

The receipts and outlay of all public authorities for the five year period ended 1972-73 are set out in the following table.

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

	1968-69	1969-70	1970-71	1971-72	1972-73
OUTLAY					
Final consumption expenditure	3,360.5	3,672.3	4,234.9	4,829.2	5,523.5
Gross capital formation—					
Increase in stocks	5.1	8.2	67.7	—24.0	—21.8
Expenditure on new fixed assets	2,504.0	2,701.0	2,859.0	3,216.7	3,407.4
Expenditure on existing assets (net)	3.2	13.5	26.8	92.0	43.6
Total gross capital formation	2,512.3	2,722.7	2,953.5	3,284.7	3,429.2
Transfer payments—					
Interest	703.3	767.1	822.7	895.2	990.1
Transfers to persons	1,432.4	1,630.2	1,810.0	2,112.7	2,622.6
Subsidies	223.0	262.2	277.8	392.9	314.1
Transfers overseas	158.7	179.2	184.7	205.6	251.8
Grants for private capital purposes	46.9	52.6	52.2	54.4	68.7
Total transfer payments	2,564.3	2,891.3	3,147.4	3,660.7	4,247.5
Net advances—					
To the private sector	76.2	281.6	63.6	86.7	58.7
To public financial enterprises	26.0	21.9	60.4	60.2	58.5
To overseas	72.7	63.1	61.2	—5.0	22.6
Total net advances	174.9	366.6	185.2	141.8	139.8
Total outlay	8,612.0	9,652.9	10,521.0	11,916.5	13,339.8
of which—					
Current outlay	6,052.8	6,877.6	7,515.3	8,577.4	9,841.9
Capital outlay	2,559.2	2,775.3	3,005.7	3,339.1	3,497.9
RECEIPTS AND FINANCING ITEMS					
Receipts—					
Taxes, fees, fines, etc.	6,746.8	7,722.5	8,602.9	9,802.4	10,744.5
Income from public enterprises	611.7	678.2	676.3	775.2	719.3
Interest, etc., received	183.9	214.7	261.0	277.5	311.1
Total receipts	7,542.4	8,615.4	9,540.2	10,855.1	11,774.9
Financing items—					
Net borrowing—					
Treasury notes	—195.3	32.5	17.9	—9.7	164.6
Australian Government securities	617.9	474.1	260.7	617.2	665.1
Local authority and public corporation securities	370.1	341.2	379.4	490.5	(b)
Other general Government securities	3.4	11.9	32.2	27.5	(b)
Total net borrowing	796.1	859.7	690.2	1,125.4	(b)
Net receipts of private trust funds	89.5	96.4	119.1	150.7	(b)
Reduction in cash and bank balances	—89.3	—64.8	—159.1	—662.0	(b)
Reduction in security holdings—					
Investments of private trust funds	—82.1	—81.4	—101.8	—144.5	(b)
Investments of governmental trust funds and public corporations	—122.4	—365.6	—92.8	52.9	(b)
Other funds available (including errors and omissions)—					
Depreciation allowances	369.1	416.5	428.7	468.9	501.4
Other	108.8	176.9	96.6	69.9	(c)233.7
Total financing items	1,069.7	1,037.7	980.9	1,061.4	1,564.8
Total funds available	8,612.1	9,653.1	10,521.1	11,916.5	13,339.7

(a) Excluding financial enterprises.

(b) Included in Other funds available, Other.

(c) See note (b).

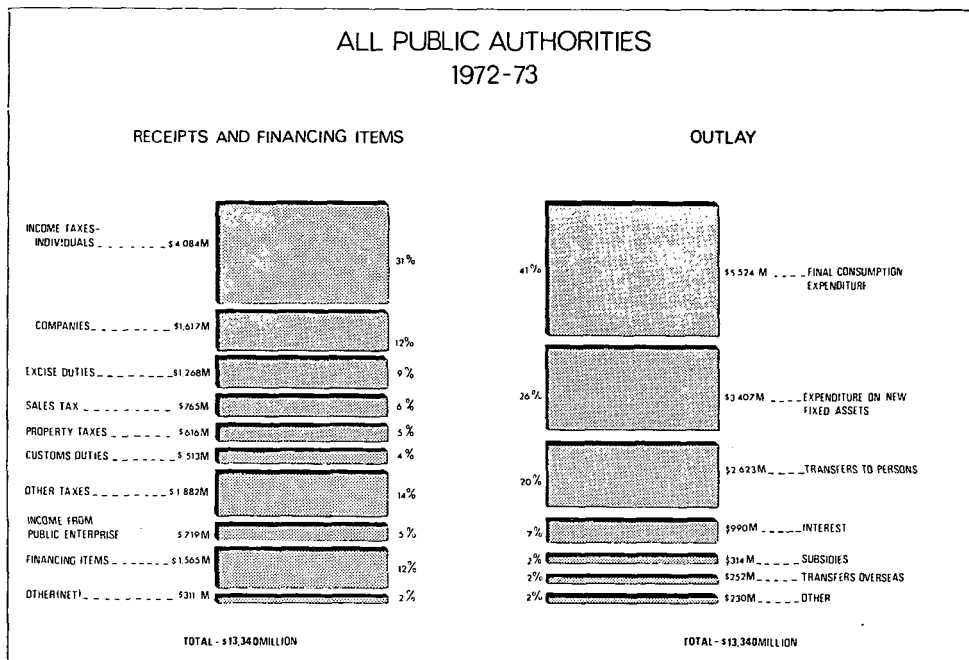


PLATE 41

Main components of outlay

The following tables show final consumption expenditure and expenditure on new fixed assets of all public authorities classified by purpose for the years 1968-69 to 1972-73.

**ALL PUBLIC AUTHORITIES: FINAL CONSUMPTION EXPENDITURE
CLASSIFIED BY PURPOSE**

(\$ million)

	1968-69	1969-70	1970-71	1971-72	1972-73
General public services—					
General administration, n.e.c.	359.0	405.6	469.9	546.9	636.0
External affairs	30.1	38.2	40.2	45.6	50.0
Law, order and public safety	197.6	223.9	260.8	308.6	362.1
Immigration	55.6	61.2	61.6	53.3	43.0
General research	42.4	49.6	57.6	66.1	74.9
Defence	1,017.1	990.0	1,073.6	1,135.9	1,177.3
Education	742.1	878.8	1,061.0	1,267.4	1,518.4
Health	418.0	475.0	578.4	668.7	768.5
Social security and welfare	75.6	87.5	102.0	128.2	156.5
Housing and community amenities—					
Housing	3.2	3.3	1.9	3.4	
Community and regional development	10.3	10.2	13.2	15.6	48.0
Protection of the environment	13.8	15.1	18.0	18.8	
Recreation and related cultural services	122.3	136.8	154.3	176.4	209.0
Economic services—					
General administration, regulation and research	37.9	43.9	52.6	63.6	
Agriculture, forestry, fishing—					
Soil and water resources management	29.1	32.1	38.1	43.7	
Forest resources management	8.2	10.3	11.1	13.0	476.2
Services to agricultural and pastoral industries, and to fisheries	103.4	109.2	124.3	141.0	
Mining, manufacturing and construction	19.5	20.6	22.4	25.7	
Electricity, gas and water supply	1.6	1.8	2.4	3.0	
Transport and communication	55.7	60.6	69.3	81.3	
Other economic services	14.8	16.9	19.5	20.4	
Other purposes	3.3	1.8	2.9	2.5	n.a.
Total	3,360.5	3,672.3	4,234.9	4,829.2	5,523.5

**ALL PUBLIC AUTHORITIES: EXPENDITURE ON NEW FIXED ASSETS
CLASSIFIED BY PURPOSE**

(\$ million)

	1968-69	1969-70	1970-71	1971-72	1972-73
General public services—					
General administration	57.8	61.9	70.2	65.9	96.4
External affairs	7.0	3.4	2.3	3.5	15.4
Law, order and public safety	24.9	25.9	28.3	32.1	34.0
Immigration	10.9	10.8	7.4	2.4	1.2
General research	7.2	8.6	13.0	10.0	8.0
Defence					
Education	204.5	225.7	253.6	298.1	350.2
Health	80.5	89.1	102.5	117.7	111.6
Social security and welfare	8.1	8.1	12.2	11.3	10.5
Housing and community amenities—					
Housing	74.9	83.3	93.1	85.9	92.6
Community and regional development	16.0	12.7	17.8	23.8	27.6
Protection of the environment	118.2	139.4	165.6	199.8	233.6
Recreation and related cultural services	35.1	38.6	50.2	64.9	66.9
Economic services—					
General administration, regulation and research	5.2	4.2	4.1	6.0	5.0
Agriculture, forestry and fishing—					
Soil and water resources management	55.5	56.7	59.6	60.1	133.9
Forest resources management	25.6	27.9	29.6	33.7	
Services to agricultural and pastoral industries, and to fisheries	9.3	11.8	10.9	14.1	
Mining, manufacturing and construction—					
Mining	13.1	14.2	9.3	11.2	27.3
Manufacturing and construction	7.0	8.6	14.7	18.9	
Electricity and gas	423.3	439.3	419.8	405.7	405.9
Water supply	114.1	132.7	131.6	158.2	181.7
Transport and communication—					
Rail transport	124.2	131.5	136.4	153.1	148.7
Sea transport	70.1	88.3	61.2	91.1	89.7
Road transport	586.8	625.9	673.7	724.6	820.1
Air transport	59.7	66.3	96.7	175.7	57.0
Urban transit(a)	5.4	10.2	9.9	9.3	7.0
Pipelines	28.1	6.1	1.6	2.6	12.4
Other transport services	1.6	1.9	2.9	2.7	2.9
Communications	306.4	350.5	374.4	426.7	459.6
Other economic services	51.0	57.3	56.4	56.7	65.2
Other purposes . . . . .	..	..	..	1.4	..
Total	2,531.4	2,741.0	2,909.2	3,267.1	3,464.4
of which—					
Public financial enterprises	27.3	40.1	50.2	50.4	57.0

(a) Excludes suburban rail transport systems.

Main components of receipts

Taxes and net borrowing constitute the main sources of financing of the activities of the public authorities. Details of the debt of public authorities are given in the next section of this chapter. Taxation, by type of tax, for the years 1968-69 to 1972-73 was as follows.

ALL PUBLIC AUTHORITIES: TAXATION, BY TYPE OF TAX

(\$ million)

	1968-69	1969-70	1970-71	1971-72	1972-73
Income tax—					
Individuals	2,377	2,855	3,175	3,765	4,084
Companies(a)	1,031	1,187	1,428	1,519	1,617
Estate, gift, probate and succession duties	204	217	227	220	237
Customs duties	346	414	466	469	513
Excise duties	902	939	1,053	1,213	1,268
Sales tax	494	569	633	681	765
Primary production taxes	34	33	27	29	35
Payroll tax	206	230	248	396	456
Property taxes	431	462	505	562	616
Liquor taxes	39	41	45	49	53
Taxes on gambling	107	120	132	150	173
Taxes on ownership and operation of motor vehicles	227	245	260	304	348
Stamp duties, n.e.i.	207	259	243	252	355
Other taxes, fees, fines, etc.	141	151	161	195	224
Total	6,747	7,722	8,603	9,802	10,745

(a) Taxes paid by Australian Government public enterprises have been offset. Includes dividend and interest (withholding) taxes.

Level of government

In the following tables details are given for 1971-72 of the receipts and outlay of all public authorities, broken down by level of government in order to show their relative contributions to various expenditure programs, and their roles in financing these programs through taxes and transfers.

**ALL PUBLIC AUTHORITIES(a): RECEIPTS AND OUTLAY
BY LEVEL OF GOVERNMENT, 1971-72**
(\$ million)

	<i>Authorities of the Australian Government</i>	<i>State authorities</i>	<i>Local authorities</i>	<i>All public authorities</i>
OUTLAY				
Expenditure on goods and services—				
General public services—				
General administration, n.e.c.	297.9	188.8	126.1	612.6
External affairs	48.9	0.2	..	49.1
Law, order and public safety	33.8	306.2	0.8	340.7
Immigration	54.4	1.2	..	55.7
General research	76.0	0.1	..	76.1
Defence	1,135.2	0.7	..	1,135.9
Education	88.9	1,476.2	0.4	1,565.5
Health	161.8	595.0	29.6	786.4
Social security and welfare	62.2	76.4	0.9	139.5
Housing and community amenities—				
Housing	5.7	8.0	0.5	89.3
Community and regional development	29.5	7.8	2.1	39.4
Protection of the environment	6.9	160.2	51.4	218.6
Recreation and related cultural services	101.8	57.1	82.3	241.3
Economic services—				
General administration, regulation and research	64.6	5.0	..	69.6
Agriculture, forestry and fishing—				
Soil and water resources management	2.2	101.6	..	103.8
Forest resources management	2.3	44.4	..	46.7
Services to agricultural and pastoral industries and to fisheries	71.0	81.3	2.8	155.1
Mining, manufacturing and construction	12.9	41.0	1.9	55.6
Electricity, gas and water supply	32.2	426.9	107.9	566.9
Transport and communication	713.8	638.2	315.2	1,667.1
Other economic services	36.4	39.4	1.4	77.1
Other purposes	..	3.6	0.3	3.9
Total	3,038.6	4,334.1	723.7	8,096.3
less expenditure by public financial enterprises	-22.3	-28.1	..	-50.4
Total expenditure on goods and services	3,016.3	4,306.0	723.7	8,045.9
of which—				
Final consumption expenditure	2,183.8	2,424.9	220.5	4,829.2
Expenditure on new fixed assets	832.4	1,881.1	503.2	3,216.7
Increase in stocks	-24.5	0.8	-0.3	-24.0
Expenditure on existing assets (net)	-4.9	100.2	-3.3	92.0
Transfer payments—				
Interest	-14.4	812.8	96.8	895.2
Transfers to persons	2,048.4	64.3	..	2,112.7
Subsidies	376.8	16.0	..	392.9
Transfers overseas	205.3	0.3	..	205.6
Grants for private capital purposes	42.0	12.5	..	54.4
Grants to the States—for current purposes	1,756.2	..	..	(b)
—for capital purposes	625.9	..	..	(b)
Grants to local authorities	..	105.2	..	(b)
Total transfer payments	5,040.2	1,011.0	96.8	3,660.7
Net advances to—				
The private sector	-5.2	91.0	0.9	86.7
Public financial enterprises	22.5	37.7	..	60.2
The States	586.7	..	..	(b)
Local authorities	..	4.5	..	(b)
Overseas	-5.0	..	..	-5.0
Total net advances	598.9	133.2	0.9	141.8
Total outlay	8,625.9	5,551.3	817.8	11,916.5
of which—				
Current outlay	6,598.1	3,435.9	317.3	8,490.0
Capital outlay	2,027.8	2,115.4	500.5	3,426.5

(a) Excluding financial enterprises. advances are not shown.

(b) In consolidated figures for all public authorities inter-authority grants and

**ALL PUBLIC AUTHORITIES(a): RECEIPTS AND OUTLAY
BY LEVEL OF GOVERNMENT, 1971-72—continued**

(\$ million)

	<i>Authorities of the Australian Government</i>	<i>State authorities</i>	<i>Local authorities</i>	<i>All public authorities</i>
RECEIPTS AND FINANCING ITEMS				
Receipts—				
Taxes, fees, fines, etc.—				
Income tax—				
Individuals	3,764.7	..	..	3,764.7
Companies(b)	1,519.5	..	..	1,519.5
Estate, gift, probate and succession duties	75.8	144.6	..	220.4
Customs duties	468.7	..	..	468.7
Excise duties	1,212.9	..	..	1,212.9
Sales tax	680.8	..	..	680.8
Payroll tax	91.1	304.7	..	395.8
Primary production taxes and charges	28.4	..	..	28.4
Property taxes	5.3	114.0	442.9	562.2
Liquor taxes	1.0	48.0	..	49.0
Taxes on gambling . . . . .	..	149.6	..	149.6
Taxes on ownership and operation of motor vehicles	2.0	301.6	..	303.6
Stamp duties, n.e.i.	3.0	249.2	..	252.2
Broadcasting listeners' and television viewers' licences	61.8	..	..	61.8
Fees from regulatory services	6.0	9.0	4.7	19.7
Other taxes, fees, fines, etc.	21.8	91.3	..	113.1
Total taxes, etc.	7,942.8	1,412.0	447.6	9,802.4
Income from public enterprises	303.3	378.0	93.4	775.2
Interest, etc., received	62.0	215.9	—0.3	277.5
Grants from the Australian Government—				
For current purposes . . . . .	..	1,756.2	..	(c)
For capital purposes . . . . .	..	625.9	..	(c)
Grants from State Authorities . . . . .	..	..	105.2	(c)
Total receipts	8,308.6	4,387.9	645.9	10,855.1
Financing items—				
Net borrowing—				
Treasury bills and notes	—9.7	..	..	—9.7
Australian government securities	617.2	..	..	617.2
Local authorities and public corporation securities	—0.1	379.4	111.2	490.5
Other general government securities . . . . .	..	27.5	..	27.5
Total net borrowing	607.4	406.9	111.2	1,125.4
Advances from the Australian Government—				
For loan works purposes . . . . .	..	549.6	..	(c)
Other . . . . .	..	37.1	..	(c)
Advances from State authorities . . . . .	..	..	4.5	(c)
Net receipts of private trust funds	101.8	48.9	..	150.7
Reduction in cash and bank balances	—584.0	—73.3	—4.7	—662.0
Reduction in security holdings—				
Investments of private trust funds	—104.2	—40.2	..	—144.5
Investments of governmental trust funds and public corporations	73.2	—11.1	—9.2	52.9
Other funds available (including errors and omissions)—				
Depreciation allowances	207.4	231.5	30.1	468.9
Other	15.9	14.0	40.1	69.9
Total financing items	317.4	1,163.4	172.0	1,061.4
Total funds available	8,625.9	5,551.3	817.8	11,916.5

(a) Excluding financial enterprises. (b) Taxes paid by Australian Government public enterprises have been offset. Includes dividend and interest (withholding) taxes. (c) In consolidated figures for all public authorities inter-authority grants and advances are not shown.

PUBLIC SECTOR BORROWING

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

This information cannot be aggregated, without adjustment, to provide a measure of the 'debt' of public authorities for a number of reasons. There are forms of debt not evidenced by the issue of securities, such as Australian Government advances to the States for specific capital purposes—of which the advances made under the Commonwealth-State Housing Agreements would be the most important example. Governments themselves maintain significant holdings of their own securities: for example, the Australian Government, in the National Debt Sinking Fund, the Loan Consolidation and Investment Reserve, and in other Trust Funds, holds large investments in securities issued either

directly by itself or on behalf of the States. Some of the securities issued on behalf of the States and held by the Australian Government represent the proceeds of overseas loans, securities for which were issued directly by the Australian Government—the Australian currency counterpart proceeds of the loans being invested in special loans to finance State works programs. A number of State public corporations and local authorities also maintain significant investments in government securities (including their own securities). Aggregation of the figures for securities on issue which follow would clearly involve a substantial degree of duplication; the sum of securities on issue therefore cannot be regarded as representing 'net public debt'.

Australian Government and States: Loan transactions and Government securities on issue

Under the 1927 Financial Agreement between the Australian Government and the States, the Australian Government accepted responsibility for the securities of State governments then on issue, and was empowered to arrange for all future borrowings on behalf of the Australian Government and the States and to issue Australian Government securities for all money borrowed. The Australian Government 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 Australian Government and State Governments make contributions.

In the tables which follow, details are given of transactions in Australian Government securities issued on account of the Australian Government and the States, together with details of securities on issue, annual interest liability and average rate of interest liability. Amounts relating to overseas loans are shown in the currencies in which the loans are repayable, and in Australian currency equivalent calculated on the basis of the International Monetary Fund par rates of exchange (and the calculated equivalent for Swiss francs) ruling at 30 June in each year shown. All amounts shown are at face value.

For further information relating to securities issued by the Australian Government and the States reference should be made to the Australian Government Budget paper *Government Securities on Issue*.

Net movement in securities on issue

Summary details of the net movement in securities issued for Australian Government purposes and on account of the States during the period 1968–69 to 1972–73, are given in the following group of tables. Also provided is a table (page 604) which sets out the balance of securities on issue at 30 June 1972 and 1973, and the composition of the change in these balances.

NET MOVEMENT IN GOVERNMENT SECURITIES ON ISSUE

(\$ million)

	1968–69	1969–70	1970–71	1971–72	1972–73
NEW SECURITIES ISSUED					
Securities repayable in Australian currency—					
Inscribed stock and bonds	633.7	902.1	808.3	814.8	870.4
Special bonds	73.4	134.0	233.1	139.2	109.2
Drought bonds . . . . .	..	1.7	0.4	0.2	0.8
Advance loan subscriptions	7.6	..	8.2	0.4	(c)11.6
Overdue securities . . . . .	..	..	..	..	..
Tax-free stock . . . . .	..	..	..	..	..
Debentures . . . . .	..	..	..	..	..
Stock issued to Government Savings banks under special agreements(a)	13.4	16.1	15.0	24.5	68.4
Treasury notes . . . . .	..	46.5	17.9	(c)–9.7	(c)164.6
Treasury bills—					
Internal	174.2	172.1	8.2	(c)–5.3	(c)–8.7
Public . . . . .	..	..	..	..	..
Total	902.3	1,272.5	1,091.1	964.0	1,216.3
Securities repayable in overseas currencies(b)	273.6	111.0	125.0	161.0	116.0
Total new securities issued	1,175.9	1,383.6	1,216.1	1,125.0	1,332.3

For footnotes see next page.

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

	1968-69	1969-70	1970-71	1971-72	1972-73
REDEMPTIONS, REPURCHASES, CANCELLATIONS(d)					
Securities repayable in Australian currency—					
Inscribed stock and bonds	191.8	341.9	612.4	225.4	246.4
Special bonds	46.3	80.6	148.8	83.8	75.7
Drought bonds . . . . .	..	0.7	0.7	0.3	0.2
Advance loan subscriptions . . . . .	..	21.1	..	..	..
Overdue securities	6.3	-2.4	1.2	1.4	-0.2
Tax-free stock . . . . .	..	0.5	..	0.1	0.4
Debentures	2.5	2.6	2.7	2.8	3.0
Stock issued to Government Savings banks under special agreements(a)	3.4	3.7	4.0	4.1	4.1
Treasury notes	68.3	..	..	..	..
Treasury bills—					
Internal . . . . .	..	..	..	..	..
Public	127.0	14.0	..	..	..
Total	445.8	462.8	769.8	317.8	329.5
Securities repayable in overseas currencies(b)	134.3	228.5	159.3	264.4	293.6
Total redemptions, etc.	580.1	691.2	929.1	582.2	623.1

NET MOVEMENT

Securities repayable in Australian currency—					
Inscribed stock and bonds	441.9	560.1	195.9	589.4	624.1
Special bonds	27.1	53.4	84.4	55.4	33.5
Drought bonds . . . . .	..	0.9	-0.3	-0.1	0.6
Advance loan subscriptions	7.6	-21.2	8.2	0.4	11.6
Overdue securities	-6.5	2.4	-1.2	-1.4	0.2
Tax-free stock . . . . .	..	-0.5	..	-0.1	-0.4
Debentures	-2.5	-2.6	-2.7	-2.8	-3.0
Stock issued to Government Savings banks under special agreements(a)	10.0	12.4	11.0	20.4	64.3
Treasury notes	-68.3	46.5	17.9	-9.7	164.6
Treasury bills—					
Internal	174.2	172.1	8.2	-5.3	-8.7
Public	-127.0	-14.0	..	..	..
Total	456.5	809.7	321.3	646.2	886.7
Securities repayable in overseas currencies(b)	139.3	-117.4	-34.3	-103.4	-177.6
Net movement in securities on issue	595.8	692.3	287.0	542.7	709.1

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

The net movement in securities on issue may be reconciled with the Budget deficit, as shown in the following table. For details relating to the financing of the budget deficit see page 566.

RECONCILIATION OF DEFICIT WITH NET MOVEMENT IN SECURITIES ON ISSUE

(\$ million)

(Source: Supplement to the Treasury Information Bulletin, August 1973)

	1968-69	1969-70	1970-71	1971-72	1972-73
Net movement in securities on issue	596	692	287	543	709
Less net increase in securities on issue held by Trust Fund(a)	-268	-512	-88	58	20
	328	180	199	601	729
Adjustment from face value to cash basis . . . . .	..	(b)-18	(b)-21	(b)64	(b)114
	328	163	179	665	843
Less increases in net assets of Australian Government—					
Cash balances . . . . .	..	-19	-157	-567	-175
International Monetary Fund	-5	..	-37	..	..
Other(a)	62	47	26	36	40
Deficit	385	191	10	134	709

(a) Excludes investment of other than Australian Government balances in the Trust Fund. (b) Includes adjustment of Australian currency equivalent of overseas debt, following variations in the rates of exchange. See page 20 of *Government Securities on Issue at 30 June 1970, 1971, 1972 and 1973*.

NET MOVEMENT IN GOVERNMENT SECURITIES ON ISSUE, 1972-73

(\$ million)

		Change during 1972-73			
	Securities on issue at 30 June 1972	New securities issued	Redemptions, repurchases, cancellations (a)	Securities on issue at 30 June 1973	Net movement
Securities repayable in Australian currency—					
Australian Government—					
Inscribed stock and bonds	1,165.7	189.6	-122.1	1,233.2	+67.5
Special bonds	252.5	42.4	-32.0	262.9	+10.4
Drought bonds	0.6	0.8	-0.2	1.1	+0.6
Advance loan subscriptions	14.0	(d)11.6	..	25.6	+11.6
Overdue securities	4.0	..	-0.2	3.8	-0.2
Treasury notes	260.1	(d)164.6	..	424.7	+164.6
Treasury bills—Internal	1,034.2	(d)-8.7	..	1,025.5	-8.7
Total	2,731.0	400.2	-154.5	2,976.8	+245.7
States—					
Inscribed stock and bonds	8,887.6	680.8	-124.2	9,444.2	+556.6
Special bonds	620.8	66.8	-43.7	643.9	+23.1
Tax-free stock	15.8	..	-0.4	15.4	-0.4
Stock issued to Government Savings banks under special agreement(b)	297.4	68.4	-4.1	361.7	+64.3
Debentures	39.6	..	-3.0	36.6	-3.0
Overdue securities . . . . .	..	..	+0.4	0.4	+0.4
Total	9,861.2	816.1	-175.1	10,502.2	+641.0
Total securities repayable in Australian currency	12,592.2	1,216.3	-329.5	13,479.0	+886.7
Securities repayable in overseas currencies(c)—					
Australian Government—					
Public loans	457.2	26.8	-27.9	456.2	-1.0
Export-Import Bank loans	36.2	..	-7.7	28.5	-7.7
Defence loans	233.7	57.9	-102.5	189.0	-44.6
International Bank Loans	94.4	..	-18.5	75.9	-18.5
Private loans—					
Aircraft	161.7	31.3	-59.9	133.1	-28.6
Other purposes	93.7	..	+9.8	103.5	+9.8
Total	1,076.9	116.0	-206.7	986.2	-90.6
States	365.6	..	-87.0	278.6	-87.0
Total securities repayable in overseas currencies	1,442.5	116.0	-293.6	1,264.9	-177.6

(a) Including conversions from one type of security to another. (b) i.e. State domestic raisings. (c) Australian currency equivalents at rates of exchange ruling at 30 June 1973. (d) Net issue.

Government securities on issue, annual interest payable, and average rate of interest

The following tables provide details of government securities on issue on account of the Australian Government and the States, repayable in Australian and in overseas currencies, and show, for recent years, the securities on issue maturing in Australia classified by holder. Also shown are details of annual interest payable on securities on issue in Australia and overseas, and the average rate of interest liability.

GOVERNMENT SECURITIES ON ISSUE: AUSTRALIAN GOVERNMENT AND STATES

(\$ million)

	30 June—				
	1969	1970	1971	1972	1973
For Australian Government purposes—					
Repayable in Australian currency—					
Inscribed stock and bonds	1,279.9	1,284.2	1,147.6	1,165.7	1,233.2
Special bonds	201.8	238.3	238.9	252.5	262.9
Drought bonds—	..	0.9	0.7	0.6	1.1
Advance loan subscriptions	26.5	5.4	13.6	14.0	25.6
Overdue securities	4.1	6.6	5.4	4.0	3.8
Treasury notes	205.4	252.0	269.8	260.1	424.7
Treasury bills—					
Internal	859.2	1,031.2	1,039.5	1,034.2	1,025.5
Public	14.0	..	..	..	..
<i>Total</i>	<i>2,591.0</i>	<i>2,818.6</i>	<i>2,715.5</i>	<i>2,731.0</i>	<i>2,976.8</i>
Repayable in overseas currencies(a)	1,091.2	1,066.3	1,085.4	1,076.9	986.2
<i>Total Australian Government</i>	<i>3,682.1</i>	<i>3,884.9</i>	<i>3,800.9</i>	<i>3,807.9</i>	<i>3,963.0</i>
On account of States—					
Repayable in Australian currency—					
Inscribed stock and bonds	7,427.9	7,983.8	8,316.3	8,887.6	9,444.2
Special bonds	478.3	495.2	578.9	620.8	643.9
Tax-free stock	16.5	16.0	16.0	15.8	15.4
Stock issued to Government Savings banks under special agreements	253.6	266.0	277.0	297.4	361.7
Debentures	47.7	45.1	42.4	39.6	36.6
Overdue securities	..	..	..	..	0.4
<i>Total</i>	<i>8,224.0</i>	<i>8,806.1</i>	<i>9,230.6</i>	<i>9,861.2</i>	<i>10,502.2</i>
Repayable in overseas currencies(a)	606.5	514.0	460.5	365.6	278.6
<i>Total States</i>	<i>8,830.5</i>	<i>9,320.1</i>	<i>9,691.1</i>	<i>10,226.8</i>	<i>10,780.8</i>
of which—					
New South Wales	2,931.3	3,078.7	3,192.9	3,359.4	3,528.6
Victoria	2,130.3	2,254.4	2,347.8	2,488.3	2,632.9
Queensland	1,164.9	1,236.0	1,289.5	1,355.7	1,427.8
South Australia	1,145.8	1,211.3	1,256.9	1,332.0	1,409.7
Western Australia	851.5	896.0	932.6	981.4	1,029.9
Tasmania	606.7	643.8	671.3	709.9	752.0
<i>Total Australian Government and States</i>	<i>12,512.6</i>	<i>13,205.0</i>	<i>13,492.0</i>	<i>14,034.7</i>	<i>14,743.8</i>

(a) Australian currency equivalent.

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

(\$ million)

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

Holder	30 June—				
	1969	1970	1971	1972	1973
Reserve Bank of Australia	846	1,190	910	501	611
Trading banks	1,367	1,279	1,412	1,788	2,298
Savings banks	2,285	2,229	2,337	2,380	2,787
Other banking institutions	12	1	1	3	6
Life assurance offices	1,150	1,195	1,325	1,483	1,632
Fire, marine and general insurance offices	126	128	120	117	121
Other private financial institutions—					
Pension and provident funds	192	222	249	290	319
Friendly societies, hospital and medical funds	29	29	31	34	35
Trustee companies	115	113	108	109	109
Pastoral finance companies	37	25	16	14	9
Money market dealers	524	597	694	983	731
Miscellaneous	104	61	74	111	100
Government financial institutions—					
Insurance offices and funds	137	149	154	163	198
Pension and provident funds	195	204	238	271	298
Public trustees	26	24	26	24	25
All other(b)	3	3	3	3	2
Public authorities (excluding finance)—					
Australian Government (including Australian semi-government)	2,066	2,577	2,661	2,586	2,556
State Government	57	40	39	42	54
Local government and State semi-government	233	218	191	177	174
Companies (excluding finance)	183	174	118	253	214
Other holders—					
Marketing boards	3	3	3	2	2
Farmers	83	80	76	73	69
Non-profit organisations	48	51	50	50	50
All other	993	1,032	1,107	1,135	1,080
Total	10,815	11,625	11,946	12,592	13,479

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

GOVERNMENT SECURITIES ON ISSUE: AUSTRALIAN GOVERNMENT AND STATES
REPAYABLE IN OVERSEAS CURRENCIES

		30 June—				
		1969	1970	1971	1972	1973
For Australian Government purposes—						
Sterling	£stg m	80.0	69.9	69.2	68.3	60.9
United States dollars	US\$ m	748.1	687.2	691.9	689.1	617.6
Canadian dollars	Can\$ m	29.7	24.8	12.3	5.2	2.3
Swiss francs	Sw F m	239.7	249.6	249.6	249.6	347.6
Netherlands guilders	f. m	6.2	5.7	65.2	64.8	64.3
Deutsche marks	DM m	791.7	938.7	931.2	1,026.1	1,018.8
European units of account	EuA m	..	..	..	15.0	15.0
Japanese yen	Yen m	..	..	..	..	10,000.0
Total—Australian currency equivalent(a)	\$A m	1,091.2	1,066.3	1,085.4	1,076.9	986.2
On account of States—						
Sterling	£stg m	200.3	164.7	149.7	120.9	105.9
United States dollars	US\$ m	167.3	149.8	126.2	107.4	85.9
Canadian dollars	Can\$ m	12.8	12.2	11.6	10.9	10.2
Swiss francs	Sw F m	50.3	50.3	50.3	50.3	50.3
Netherlands guilders	f. m	28.5	26.3	24.1	21.9	19.7
Total—Australian currency equivalent(a)	\$A m	606.5	514.0	460.5	365.6	278.6
Total—Australian Government and States—Australian currency equivalent(a)	\$A m	1,697.7	1,580.2	1,545.9	1,442.5	1,264.9

(a) Australian currency equivalent at rates of exchange ruling at 30 June in each of the years shown.

GOVERNMENT SECURITIES ON ISSUE: AUSTRALIAN GOVERNMENT AND STATES
REPAYABLE IN OVERSEAS CURRENCIES, 30 JUNE 1973

	Currency in which repayable							European units of account	Total— Australian currency equivalent (a)
	Sterling	United States dollars	Canadian dollars	Swiss francs	Netherlands guilders	Deutsche marks	Japanese yen		
	£stg m	US\$ m	Can\$ m	Sw F m	f m	DM m	Yen m	Eu A. m	\$A m
For Australian Government purposes—									
Public loans	60.9	80.1	2.0	239.7	4.3	647.3	10,000.0	15.0	456.2
Export-Import Bank loans—									
Defence equipment . . . . .	..	267.8	..	..	..	..	..	..	189.0
Aircraft . . . . .	..	77.4	..	..	..	..	..	..	54.6
Other . . . . .	..	40.4	..	..	..	..	..	..	28.5
International Bank loans . . . . .	..	78.0	..	..	..	71.6	..	..	75.9
Private loans—									
Aircraft . . . . .	..	74.0	0.3	107.9	..	..	..	..	78.5
Other purposes . . . . .	..	..	..	..	60.0	300.0	..	..	103.5
Total	60.9	617.6	2.3	347.6	64.3	1,018.8	10,000.0	15.0	986.2
On account of States—									
New South Wales	53.4	34.8	3.2	15.8	6.2	..	..	..	129.8
Victoria	12.6	16.7	2.6	12.7	5.0	..	..	..	40.9
Queensland	9.1	13.6	1.3	6.4	2.6	..	..	..	29.3
South Australia	11.4	9.3	1.4	6.8	2.5	..	..	..	30.6
Western Australia	16.9	5.1	1.0	4.9	2.0	..	..	..	36.7
Tasmania	2.7	6.5	0.8	3.7	1.5	..	..	..	11.3
Total	105.9	85.9	10.2	50.3	19.7	..	..	..	278.6
Total Australian Government and States	166.8	703.5	12.5	397.9	84.0	1,018.8	10,000.0	15.0	1,264.9

(a) At rates of exchange ruling at 30 June 1973.

**GOVERNMENT SECURITIES ON ISSUE: AUSTRALIAN GOVERNMENT AND STATES
ANNUAL INTEREST PAYABLE**

		30 June—				
		1969	1970	1971	1972	1973
AMOUNT						
For Australian Government purposes—						
Australian currency	\$A m	91.5	101.5	99.5	99.4	113.0
Sterling	£Stg m	4.2	3.9	3.9	3.8	3.4
United States dollars	US\$ m	39.1	35.9	38.1	40.1	37.0
Canadian dollars	Can\$ m	1.4	1.2	0.6	0.3	0.1
Swiss francs	SwF m	11.4	13.6	13.6	13.6	19.5
Netherlands guilders	f m	0.3	0.3	4.9	4.9	4.9
Deutsche marks	DM m	50.4	61.1	60.6	67.3	66.8
European units of account	EuA m	..	..	..	1.2	1.2
Japanese yen	Yen m	..	..	..	..	690.0
<i>Total Australian Government— Australian currency equivalent(a)</i>	<i>\$A m</i>	<i>150.3</i>	<i>160.6</i>	<i>162.0</i>	<i>164.1</i>	<i>173.7</i>
On account of States—						
Australian currency	\$A m	404.9	449.3	496.1	542.6	578.9
Sterling	£Stg m	8.7	7.5	6.9	5.7	4.9
United States dollars	US\$ m	8.7	7.9	6.8	5.8	4.7
Canadian dollars	Can\$ m	0.7	0.7	0.7	0.6	0.6
Swiss francs	SwF m	2.3	2.3	2.3	2.3	2.3
Netherlands guilders	f m	1.4	1.3	1.2	1.1	1.0
<i>Total States—Australian currency equivalent(a)</i>	<i>\$A m</i>	<i>432.8</i>	<i>473.9</i>	<i>518.3</i>	<i>560.5</i>	<i>592.3</i>
<i>Total Australian Government and States—Australian currency equivalent(a)</i>	<i>\$A m</i>	<i>583.1</i>	<i>634.5</i>	<i>680.2</i>	<i>724.6</i>	<i>766.1</i>

**AVERAGE RATE OF INTEREST LIABILITY
(Per cent)**

For Australian Government purposes—						
Australian currency		3.53	3.60	3.66	3.64	3.80
Sterling		5.29	5.57	5.57	5.59	5.59
United States dollars		5.23	5.22	5.50	5.82	5.98
Canadian dollars		4.72	4.69	5.18	5.51	5.88
Swiss francs		4.77	5.44	5.44	5.44	5.61
Netherlands guilders		5.00	5.00	7.53	7.55	7.57
Deutsche marks		6.37	6.51	6.51	6.56	6.55
European units of account . . . . .		..	..	..	8.00	8.00
Japanese yen . . . . .		..	..	..	..	6.90
<i>Total Australian Government—Australian currency equivalent(a)</i>		<i>4.08</i>	<i>4.13</i>	<i>4.26</i>	<i>4.31</i>	<i>4.38</i>
On account of States—						
Australian currency		4.92	5.10	5.37	5.50	5.51
Sterling		4.35	4.56	4.59	4.68	4.60
United States dollars		5.21	5.29	5.36	5.39	5.46
Canadian dollars		5.75	5.75	5.75	5.75	5.75
Swiss francs		4.50	4.50	4.50	4.50	4.50
Netherlands guilders		5.00	5.00	5.00	5.00	5.00
<i>Total States—Australian currency equivalent(a)</i>		<i>4.90</i>	<i>5.08</i>	<i>5.35</i>	<i>5.48</i>	<i>5.49</i>
<i>Total Australian Government and States— Australian currency equivalent(a)</i>		<i>4.66</i>	<i>4.80</i>	<i>5.04</i>	<i>5.16</i>	<i>5.20</i>

(a) At rates of exchange ruling at 30 June in each of the years shown.

**GOVERNMENT SECURITIES ON ISSUE: AUSTRALIAN GOVERNMENT AND STATES
ANNUAL INTEREST PAYABLE, 30 JUNE 1973**

	Currency in which payable									Total— Aus- tralian currency equiva- lent(a)
	Australian currency	Ster- ling	United States dollars	Can- adian dollars	Swiss francs	Nether- lands guilders	Deutsche marks	Euro- pean units of account	Japan- ese yen	
	\$A m	£Stg m	US\$ m	Can\$ m	Sw F m	f m	DM m	Eu A m	Y m	\$A m
For Australian Government purposes	113.0	3.4	37.0	0.1	19.5	4.9	66.8	1.2	690.0	173.7
On account of States—										
New South Wales	187.9	2.6	1.9	0.2	0.7	0.3	..	..	..	194.3
Victoria	143.8	0.7	0.9	0.1	0.6	0.3	..	..	..	146.0
Queensland	74.8	0.4	0.8	0.1	0.3	0.1	..	..	..	76.3
South Australia	76.5	0.4	0.5	0.1	0.3	0.1	..	..	..	77.8
Western Australia	54.9	0.6	0.3	0.1	0.2	0.1	..	..	..	56.3
Tasmania	41.0	0.1	0.4	..	0.2	0.1	..	..	..	41.6
Total States	578.9	4.9	4.7	0.6	2.3	1.0	..	..	..	766.0
Total—										
Currencies in which repayable	691.9	8.3	41.7	0.7	21.8	5.9	66.8	1.2	690.0	..
Australian currency equivalent(a) \$A m	691.9	15.1	29.2	0.5	5.3	1.6	19.4	1.0	2.1	766.0

**AVERAGE RATE OF INTEREST LIABILITY
(Per cent)**

	3.80	5.59	5.98	5.88	5.61	7.57	6.55	8.00	6.90	4.38
For Australian Government purposes	3.80	5.59	5.98	5.88	5.61	7.57	6.55	8.00	6.90	4.38
On account of States—										
New South Wales	5.53	4.82	5.44	5.75	4.50	5.00	..	..	..	5.51
Victoria	5.55	5.52	5.44	5.75	4.50	5.00	..	..	..	5.55
Queensland	5.35	4.65	5.54	5.75	4.50	5.00	..	..	..	5.34
South Australia	5.34	3.83	5.47	5.75	4.50	5.00	..	..	..	5.52
Western Australia	5.53	3.63	5.37	5.75	4.50	5.00	..	..	..	5.47
Tasmania	5.54	5.06	5.53	5.75	4.50	5.00	..	..	..	5.54
Total States	5.51	4.60	5.46	5.75	4.50	5.00	..	..	..	5.49

(a) At rates of exchange ruling at 30 June 1973.

National Debt Sinking Fund

Securities on issue on behalf of the Australian Government

The National Debt Sinking Fund was established by the *National Debt Sinking Fund Act 1923–1959* and came into operation on 11 August 1923. Particulars of the creation and operation of sinking funds by that Act are included in issues of the Year Book prior to No. 23. The *National Debt Sinking Fund Act 1966* repealed all previous legislation on sinking funds relating to securities on issue on behalf of the Australian Government. Under the Act of 1966 the period of redemption is 25 years from 1 July 1966 for debt outstanding at 30 June 1966 and 25 years for net debt created in subsequent years.

Broadly, the amounts payable to the National Debt Sinking Fund each year are made up of contributions from the Consolidated Revenue Fund of the Australian Government as follows:

- (a) an amount of \$30.94 million each year for a period of 25 years;
- (b) an amount equal to 4 per cent of the amount of net debt created (if any) in any year for a period of 25 years.

In addition, an amount equal to specified receipts by the Australian Government in repayment of loans or advances made out of moneys in the Loan Fund will be paid to the Sinking Fund.

The amounts payable to the Fund in any year from Consolidated Revenue Fund are to be reduced by the following:

- (a) the net income from investments in any year; and
- (b) an amount equal to 4 per cent of the amount of the net reduction of debt in any year.

Particulars of receipts and expenditure of the Australian Government Account for the years 1968-69 to 1972-73 are as follows.

NATIONAL DEBT SINKING FUND: AUSTRALIAN GOVERNMENT ACCOUNT
(\$'000)

	1968-69	1969-70	1970-71	1971-72	1972-73
Receipts—					
From Consolidated Revenue	32,832	26,351	21,061	17,812	22,012
Loans and advances repaid	14,909	84,069	272,483	157,376	84,333
War Service Homes money repaid	(a)	(a)	(a)	(a)	(a)
Interest on investments	5,502	3,786	2,968	1,359	995
Total receipts	53,243	114,206	296,512	176,547	107,340
Expenditure (net cost)—					
Securities repurchased and redeemed in—					
Australia	33,340	113,083	293,179	149,373	87,577
London	693	21,386	1,230	1,737	14,303
New York(b)	28,253	28,319	22,941	26,207	17,854
Canada	28	83	90	93	89
Netherlands	119	119	119	124	124
Germany	..	..	..	..	707
Total expenditure	62,434	162,990	317,558	177,534	120,655
Balance at 30 June	131,396	82,612	61,565	60,578	47,263
Face value of securities repurchased and redeemed in—					
Australia	33,473	114,333	294,367	149,513	87,747
London	876	21,678	1,436	1,887	13,649
New York(b)	29,624	29,514	23,771	26,438	16,340
Canada	32	108	101	108	94
Netherlands	118	118	119	123	128
Germany	..	..	..	..	792
Total face value	64,123	165,751	319,794	178,069	118,750

(a) In the years 1968-69 to 1972-73 principal repayments were credited to Consolidated Revenue Fund. (b) Includes instalment repayments of loans from International Bank for Reconstruction and Development; 1968-69—face value, \$21.8m, net cost, \$21.1m; 1969-70—face value, \$17.6m, net cost, \$17.4m; 1970-71—face value, \$13.2m, net cost, \$13.1m; 1971-72—face value, \$12.9m, net cost, \$13.1m; 1972-73—face value, \$6.1m, net cost, \$6.8m.

Securities on issue on behalf of States

A sinking fund for the redemption of the securities on issue on behalf of States was established under the Financial Agreement. Particulars of the transactions of the National Debt Sinking Fund (States' Account) for each State during the year 1972-73 and for all States during the years 1968-69 to 1972-73 are shown in the following tables.

NATIONAL DEBT SINKING FUND: STATES' ACCOUNT, 1972-73
(\$'000)

	<i>N.S.W.</i>	<i>Vic.</i>	<i>Qld</i>	<i>S.A.</i>	<i>W.A.</i>	<i>Tas.</i>	<i>Total</i>
Receipts—							
Contributions under Financial Agreement—							
Commonwealth	9,197	6,809	3,636	3,689	2,715	1,934	27,979
States	34,713	25,493	13,142	13,434	11,000	6,008	103,792
Interest from States on cancelled securities	62	25	15	16	18	7	144
Special contributions by States	63	25	13	..	6	..	107
Interest on investments, etc.	65	63	9	19	14	3	174
Total receipts	44,100	32,416	16,815	17,158	13,754	7,952	132,195
Expenditure (net cost)—							
Securities repurchased and redeemed in—							
Australia	31,645	20,231	10,540	14,937	10,907	5,871	94,131
London	7,258	11,171	3,242	1,432	2,417	419	25,939
New York	5,361	3,630	2,104	1,975	1,279	1,124	15,474
Canada	145	117	58	62	45	33	459
Netherlands	181	145	74	73	57	42	571
Total expenditure	44,589	35,293	16,018	18,479	14,705	7,491	136,575
Balance at 30 June 1971							
Face value of securities repurchased and redeemed in—							
Australia	31,684	20,264	10,540	14,949	10,907	5,871	94,215
London(a)	8,730	12,584	3,636	1,692	2,864	502	30,008
New York(a)	3,065	2,065	1,202	1,126	727	643	8,829
Canada(a)	88	72	36	38	28	21	283
Netherlands(a)	114	92	47	46	36	27	362
Total face value	43,681	35,077	15,461	17,851	14,562	7,064	133,697

(a) Converted in accordance with the Financial Agreement at the equivalent of the mint par of exchange prevailing on 1 July 1927.

NATIONAL DEBT SINKING FUND: STATES' ACCOUNT
(£'000)

	1968-69	1969-70	1970-71	1971-72	1972-73
Receipts—					
Contributions under Financial Agreement—					
Commonwealth	21,619	23,271	24,550	26,323	27,979
States	78,807	83,484	90,162	96,572	103,792
Interest from States on cancelled securities	126	173	162	139	144
Special contributions by States	138	138	123	107	107
Interest on investments, etc.	—220	828	70	140	174
Total receipts	100,469	107,895	115,067	123,280	132,195
Expenditure (net cost)—					
Securities repurchased and redeemed in—					
Australia	45,120	81,284	87,693	94,374	94,131
London	12,333	40,526	10,824	11,574	25,939
New York	11,126	10,584	11,841	14,999	15,474
Canada	145	433	462	486	459
Netherlands	546	545	547	571	571
Total expenditure	69,270	133,372	111,367	122,005	136,575
Balance at 30 June	33,639	8,162	11,862	13,137	8,757
Face value of securities repurchased and redeemed in—					
Australia	45,127	81,367	87,705	94,392	94,215
London(a)	13,543	40,565	11,438	11,496	30,008
New York(a)	12,318	5,582	5,995	7,728	8,829
Canada(a)	167	266	245	271	283
Netherlands(a)	540	362	362	362	362
Total face value	71,695	128,142	105,745	114,250	133,697

(a) Converted in accordance with the Financial Agreement at the equivalent of the mint par of exchange prevailing on 1 July 1927.

State and Local Authorities' Indebtedness

The statistics of indebtedness of State and local authorities set out in the two following tables have been compiled from returns supplied by all local authorities (including New South Wales County Councils), and by autonomous and semi-autonomous State authorities which have independent borrowing powers, i.e. the power to borrow other than by having Australian Government securities issued on their behalf—and which have in fact exercised these powers in borrowing from the public under the provisions of the Loan Council's 'Gentleman's Agreement.'

The State authorities covered by these statistics include the authorities responsible for providing the following services.

New South Wales. Water Supply, Sewerage and Drainage, Electricity and Gas Supply, Fire Brigades, Banking, Housing, Harbours, Grain Elevators, Roads and Bridges, Marketing, Industry Assistance, and Miscellaneous.

Victoria. Water Supply and Sewerage, Irrigation and Drainage, Harbours, Transport, Electricity and Gas Supply, Roads and Bridges, Fire Brigades, Marketing (Buying and Selling), Industry Assistance, Grain Elevators, and Housing.

Queensland. Water Supply and Sewerage, Irrigation and Drainage, Harbours, Transport, Electricity Supply, Fire Brigades, University, Hospitals and Ambulances, Marketing (Buying and Selling and Agency), and Industry Assistance.

South Australia. Irrigation and Drainage, Transport, Electricity Supply, Fire Brigades, Hospitals and Ambulances, Marketing (Agency), Industry Assistance, Banking, Housing, University, and Miscellaneous.

Western Australia. Water Supply and Sewerage, Harbours, Transport, Electricity Supply, Fire Brigades, Hospitals, Marketing (Agency), Housing, University, and Miscellaneous.

Tasmania. Harbours, Electricity Supply, Fire Brigades, Transport, Housing, Industry Assistance, and Water Supply.

In the tables which follow, debt includes all liabilities for which arrangements have been made for repayment over a period of one year or more, and net overdrafts. Interest capitalised and amounts due for the capital cost of assets or for services rendered which are to be repaid over a period of one year or more are included. Current liabilities, such as interest accrued (but not capitalised), trade creditors, amounts held in trust, and other debts which are to be repaid in less than one year are not included. Net overdraft is the gross overdraft of all funds less all bank credit balances (including fixed deposits) which do not form part of a sinking fund to repay a loan. New loans raised during the year include new loan liabilities incurred during the year, loans raised from the public to repay indebtedness to the Government, and interest capitalised. Loans raised and redeemed within the year, increases in overdrafts, and loans raised for conversion or redemption of existing debt are excluded. Funds provided for redemption include instalments of principal repaid and amounts credited to sinking funds established for the purpose of repaying the debt on maturity. Amounts provided for redemption from loans raised for that purpose are excluded.

STATE AND LOCAL AUTHORITIES: NEW MONEY LOAN RAISINGS, REDEMPTION AND DEBT
(\$ million)

	1966-67	1967-68	1968-69	1969-70	1970-71
STATE AUTHORITIES					
New money loan raisings—					
From government	149.1	171.3	187.5	200.1	191.7
From public	221.4	246.5	293.6	275.2	319.3
Total loan raisings	370.5	417.8	481.0	475.3	511.0
Funds provided for redemption—					
Government loans	26.2	29.0	28.4	31.1	36.5
Loans due to public	43.1	63.3	66.0	67.5	74.6
Total funds for redemption	69.3	92.3	94.4	98.6	111.1
Accumulated sinking fund balance	178.6	196.5	214.8	233.3	240.7
Debt—					
Due to government	2,299.0	2,441.2	2,600.7	2,769.8	2,930.8
Due to banks (net overdraft)	7.5	7.0	9.4	9.0	7.4
Due to public(a)	2,677.0	2,878.5	3,130.2	3,357.9	3,614.0
Total debt	4,983.5	5,326.7	5,740.3	6,136.8	6,552.2
of which—					
Maturing overseas(a)	11.8	5.8	1.6	..	1.4
LOCAL AUTHORITIES					
New money loan raisings—					
From government	5.5	5.6	8.6	8.2	6.6
From public	157.6	178.4	184.3	179.5	191.0
Total loan raisings	162.8	184.0	192.9	187.7	197.6
Funds provided for redemption—					
Government loans	3.9	3.7	3.5	3.4	3.4
Loans due to public	66.6	71.9	79.0	85.4	89.0
Total funds for redemption	70.5	75.6	82.5	88.8	92.4
Accumulated sinking fund balance	73.8	81.3	91.5	97.7	107.9
Debt—					
Due to government	58.3	60.2	65.0	69.9	72.9
Due to banks (net overdraft)	9.2	4.3	4.8	3.8	3.3
Due to public(a)	1,215.4	1,328.0	1,443.2	1,545.2	1,654.3
Total debt	1,282.9	1,392.5	1,513.0	1,618.8	1,730.5
of which—					
Maturing overseas(a)	4.3	3.6	3.2	2.8	2.5

(a) Includes debt payable in London and New York, converted to Australian currency equivalent at the I.M.F. rates of exchange applying as at 30 June in each of the years shown.

**STATE AND LOCAL AUTHORITIES: NEW MONEY LOAN RAISINGS, REDEMPTION
DEBT AND INTEREST PAYABLE, 1970-71**
(\$ million)

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
STATE AUTHORITIES							
New money loan raisings—							
From government	34.8	52.4	3.2	34.5	35.9	30.8	191.7
From public	84.8	142.8	42.9	20.2	18.7	9.9	319.3
Total loan raisings	119.5	195.2	46.1	54.8	54.6	40.7	511.0
Funds provided for redemption—							
Government loans	11.0	8.9	3.6	7.2	2.2	3.6	36.5
Loans due to public	21.1	35.2	12.0	1.2	2.6	2.5	74.6
Total funds for redemption	32.1	44.1	15.6	8.4	4.8	6.1	111.1
Accumulated sinking fund balance	132.7	70.6	22.7	0.1	8.0	6.5	240.7
Debt—							
Due to government	637.3	862.6	84.0	504.3	446.5	396.1	2,930.8
Due to banks (net overdraft)	2.6	0.7	..	0.1	3.9	..	7.4
Due to public creditor (a)	872.3	1,872.7	410.5	219.6	152.4	86.5	3,614.0
Total debt(a)	1,512.1	2,736.1	494.5	724.1	602.8	482.6	6,552.2
of which—							
Maturing overseas(a) . . . . .	..	1.4	..	..	..	..	1.4
Annual interest payable(a)	81.6	146.6	28.3	37.6	32.8	24.7	351.6
LOCAL AUTHORITIES							
New money loan raisings—							
From government	0.2	0.5	4.9	0.9	..	..	6.6
From public	83.2	26.1	48.7	10.3	15.7	6.9	191.0
Total loan raisings	83.5	26.6	53.6	11.3	15.7	7.0	197.6
Funds provided for redemption—							
Government loans	0.6	0.2	1.8	0.7	..	..	3.4
Loans due to public	39.7	16.3	20.5	2.9	6.4	3.4	89.0
Total funds for redemption	40.3	16.5	22.3	3.5	6.4	3.4	92.4
Accumulated sinking fund balance	50.2	16.4	38.8	0.3	..	2.2	107.9
Debt—							
Due to government	6.2	8.0	50.8	6.9	..	0.9	72.9
Due to banks (net overdraft)	1.8	1.4	..	0.1	..	..	3.3
Due to public creditor(a)	763.4	237.3	434.1	62.1	82.6	74.8	1,654.3
Total debt(a)	771.4	246.7	484.9	69.1	82.6	75.8	1,730.5
of which—							
Maturing overseas(a) . . . . .	..	..	2.5	..	..	..	2.5
Annual interest payable(a)	43.5	14.4	28.2	4.0	5.0	4.4	99.5

(a) Includes debt or interest payable in London and New York, converted to Australian currency equivalent at the I.M.F. rates of exchange applying as at 30 June 1971.

Aggregate debt of State and local authorities

The following table brings together figures of Australian Government securities on issue on account of the States, debt outstanding of State authorities which have borrowed directly, and debt outstanding of local authorities, to provide an indication of the level of indebtedness of the public authorities in each State. It should be noted, however, that for the kinds of reasons outlined on page 621, this aggregation of figures for securities on issue and debt outstanding cannot be taken as a measure of the 'net public debt' of the State and local authorities. In order to measure this latter magnitude it would be necessary to identify and deduct the substantial holdings of Australian Government, State and local securities which represent the investment by these authorities of reserve funds and trust and other funds which they administer. In addition, it would be necessary to include the indebtedness of the State authorities to the Australian Government in respect of advances made for specific capital purposes (such as those made under the Commonwealth-State Housing Agreements). For some purposes too it might be necessary to identify and deduct any loans outstanding from governments to other sectors.

STATE AND LOCAL AUTHORITIES' INDEBTEDNESS, 30 JUNE 1967 TO 1971

<i>State authorities</i>				
	<i>Australian Government securities issued on account of States</i>	<i>State authorities' own borrowings(a)</i>	<i>Local authorities(a)</i>	<i>Total</i>
AMOUNT OUTSTANDING				
(\$ million)(b)				
30 June 1971—				
New South Wales	3,192.9	874.8	765.2	4,832.9
Victoria	2,347.8	1,873.5	238.7	4,460.0
Queensland	1,289.5	410.5	434.1	2,134.1
South Australia	1,256.9	219.8	62.2	1,538.9
Western Australia	932.6	156.3	82.6	1,171.5
Tasmania	671.3	86.5	74.9	832.7
All States, 30 June 1971	9,691.1	3,621.4	1,657.6	14,970.1
1970	9,320.1	3,365.2	1,548.9	14,234.3
1969	8,830.5	3,139.6	1,447.9	13,418.0
1968	8,316.5	2,885.5	1,332.3	12,534.3
1967	7,934.1	2,684.5	1,224.6	11,843.2
PER HEAD OF POPULATION				
(\$)(b)				
30 June 1971—				
New South Wales	693.9	190.1	166.3	1,050.4
Victoria	670.3	534.9	68.2	1,273.4
Queensland	705.8	224.7	237.6	1,168.0
South Australia	1,070.9	187.3	53.0	1,311.2
Western Australia	905.0	151.7	80.2	1,136.8
Tasmania	1,719.5	221.6	191.9	2,132.9
All States, 30 June 1971	773.7	289.1	132.3	1,195.2
1970	763.8	275.8	126.9	1,165.6
1969	738.5	262.6	121.1	1,122.2
1968	708.5	245.8	113.5	1,067.9
1967	687.3	232.5	106.1	1,025.9

(a) Amounts due to central government have been excluded. (b) Debts repayable overseas have been converted to the Australian currency equivalent at IMF rates of exchange applying at 30 June in each of the years shown.

ROADS AND BRIDGES: WATER SUPPLY AND SEWERAGE: HARBOURS

As indicated elsewhere in this chapter, further details of the activities of public authorities engaged in particular fields of activity such as defence, transport and communication, health and welfare, education, electricity supply, banking, etc., may be found in other chapters of this Year Book which deal specifically with those subjects. However, it has been convenient for the time being to include in this chapter an account of the activities of authorities engaged in the fields of construction and maintenance of roads and bridges, provision of water supply and sewerage services and provision of harbour facilities. Particular attention is given to the activities of State authorities engaged in these fields.

Roads and Bridges

Primary responsibility for the construction and maintenance of roads and bridges rests with State and local authorities. In each State there exists a central road authority or a government department which undertakes construction, reconstruction and maintenance of declared 'main' and 'developmental' roads, and which administers the distribution of funds to local authorities and supervises and co-ordinates road construction throughout the State. Provision of roads and bridges has always

been one of the principal functions of local authorities, and these authorities still account for a significant proportion of construction and maintenance activity, as is shown by figures given earlier in this chapter. However the relative importance of the contribution of local authorities has tended to decline in recent years, reflecting in part a reassessment of priorities in allocations of road finance. The Australian Government is concerned with construction and maintenance of roads and bridges in the Northern Territory and Australian Capital Territory and roads of access to Australian Government property in the various States; but the Australian Government's most significant contribution to government activity in this field is in the provision of specific purpose capital grants to the States under the Commonwealth Aid Roads Acts, which constituted about 30 per cent of the total outlay by State and local authorities on roads and bridges in 1972-73.

In what follows, figures are provided of expenditure on road transport by all public authorities, Australian Government grants for road purposes, and an account is given of the activities of the principal State authorities concerned with roads and bridges in each State. For details of mileages of roads open to traffic, classified according to class of road and road surface, see Chapter 12, Transport, and Communication.

All public authorities

The figures given in the following table provide an approximate measure of the aggregate net expenditure on roads and bridges by Australian Government, State and local authorities in recent years. Expenditure on roads by those authorities whose primary activity is directed towards functions other than roads, e.g. electricity, forestry, housing, etc., is not included. The figures cover expenditure on the construction, reconstruction and maintenance of roads and bridges, and direct administration. Debt charges are not normally classified by function and are therefore excluded. Because a satisfactory and consistent distinction between new construction and maintenance cannot be made with existing data, all expenditure on roads and bridges is treated as capital expenditure.

ALL PUBLIC AUTHORITIES: GROSS FIXED CAPITAL EXPENDITURE ROAD TRANSPORT (\$ million)

Year	Australian Government authorities	State and local authorities						All public authorities
		N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	
1968-69	19	191	161	97	50	51	18	587
1969-70	19	196	170	109	57	55	19	626
1970-71	21	226	170	113	59	63	21	674
1971-72	19	246	174	127	66	71	22	725
1972-73(a)	24	289	184	146	72	80	25	820

(a) Estimated.

Australian Government grants

The following table shows the allocations to the States under the several Commonwealth Aid Roads Acts for road construction, maintenance, repair and other works connected with transport for each of the years 1968-69 to 1972-73. After 1 July 1959, when the *Commonwealth Aid Roads Act* 1959 came into operation, the Australian Government made separate provision for expenditure on strategic roads and the promotion of road safety practices.

ROAD CONSTRUCTION, MAINTENANCE, ETC : GRANTS UNDER THE COMMONWEALTH AID ROADS ACTS, STATES (\$'000)

Year	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
1968-69	47,319	33,113	31,098	19,433	30,537	8,500	170,000
1969-70	57,060	38,160	34,740	21,000	32,940	9,100	193,000
1970-71	64,980	43,460	39,560	23,500	36,270	10,230	218,000
1971-72	74,500	49,820	45,360	25,500	39,250	10,820	245,250
1972-73	85,590	57,240	52,110	28,000	43,910	12,150	279,000

New South Wales

Main roads administration is organised as a separate department under the control of a Commissioner. The activities of the Department of Main Roads include works on main, secondary, developmental and tourist roads throughout the State, all roads in the unincorporated portion of the Western Division, and certain associated works, principally bridges and vehicular ferries, constructed and maintained from government funds. The Department of Main Roads co-operates with the municipal and shire councils in the work of constructing and maintaining the main roads system.

During 1971-72 changes were made in the method of financing road construction. The New South Wales Government decided that as from 1 January 1972, the full cost of works carried out by the Department of Main Roads was to be met from the Department's own funds. Prior to this date, local councils, in the County of Cumberland were required to meet half the cost of secondary roads construction and a proportion of the cost of tourist roads; and in country districts, councils were required to meet a proportion of the cost of road and bridge construction and maintenance on roads other than State highways. The financial burden was therefore removed from councils in respect of works under the control of the Department of Main Roads. Councils continued to perform work on those roads for which they were responsible in the past.

The funds of the Department of Main Roads are derived principally from motor vehicle taxation, charges on heavy commercial goods vehicles under the Road Maintenance (Contribution) Act, 1958, grants under Commonwealth Aid Roads Acts (see page 636), other grants from the State or Australian Governments, and proceeds of a levy on municipal and shire councils in the County of Cumberland in accordance with the Main Roads Act, 1924. The State Government also makes repayable advances for Main Roads Department works, and since 1963 the Commissioner for Main Roads has had the power (with the approval of the Governor on the recommendation of the Treasurer) to borrow moneys. The figures shown below represent the aggregate revenue and expenditure of the following funds: the County of Cumberland Main Roads General and Special Purposes Funds, the Country Main Roads General and Special Purposes Funds, and the Aid Roads Fund.

**DEPARTMENT OF MAIN ROADS, NEW SOUTH WALES: REVENUE
AND EXPENDITURE**
(\$'000)

	1968-69	1969-70	1970-71	1971-72	1972-73
REVENUE(a)					
Motor vehicle taxation, registration and licence fees	49,636	52,519	55,237	73,637	92,731
Commonwealth Aid Roads Acts	29,814	40,207	47,129	55,617	65,924
State and Federal grants . . . . .	..	..	2,400	655	1,886
Contributions by other departments and bodies	350	1,194	1,155	776	651
Local authorities' contributions—					
Under section 11 of Mains Roads Act	7,538	9,820	11,407	5,890	311
Other	262	30	275	645	425
Sydney-Newcastle Expressway Toll	1,530	2,096	2,271	2,564	2,653
Other	859	776	1,047	1,020	1,336
Total	89,989	106,642	120,920	140,804	165,915
EXPENDITURE(b)					
Roads and bridges—					
Construction	67,950	79,999	92,154	98,055	118,987
Maintenance	19,719	22,114	22,661	26,364	29,996
Administration	5,379	6,133	7,373	9,413	9,949
Interest, exchange, etc., on debt	2,541	3,126	3,802	4,331	4,489
Other(c)	2,229	3,143	4,037	4,290	4,359
Total	97,819	114,514	130,027	142,455	167,780

(a) Excludes repayable advances by the State Government and private loans (\$12,900,000 in 1968-69, \$10,600,000 in 1969-70, \$11,250,000 in 1970-71, \$8,800,000 in 1971-72 and \$8,575,000 in 1972-73.) and transfers from Sydney Harbour Bridge Account for Expressway construction (\$900,000 in 1968-69, \$224,000 in 1969-70, \$70,000 in 1970-71, \$57,000 in 1971-72, and \$334,000 in 1972-73.) Expenditure from these amounts is fully reflected in expenditure. (b) Excludes debt repemption (\$812,000 in 1968-69, \$984,000 in 1969-70, \$1,365,000 in 1970-71, \$1,674,000 in 1971-72, and \$2,327,000 in 1972-73) and repayment of government advances (\$200,000 in 1968-69 and later years. This payment was not made in 1972-73.) (c) Mainly purchase of assets not subject to annual depreciation charge. The purchase of other assets is omitted here because the depreciation charge for them is reflected each year in 'Roads and bridges'.

Toll facilities operated by the Department of Main Roads include the Sydney Harbour Bridge and completed sections of the Sydney-Newcastle Expressway.

The Sydney Harbour Bridge was opened for traffic on 19 March 1932, and has a main span of 503 metres with clearance for shipping of 52 metres. The deck, 49 metres wide, carries eight road traffic lanes, two railway tracks, one cycleway and one footway. During 1972-73, approximately 50 million private road vehicles, 25.6 million rail passengers and 11 million bus passengers crossed the bridge. Income from tolls during 1972-73 amounted to \$4,999,000, including road tolls of \$4,691,000, rail passenger tolls \$282,000 and bus passenger tolls \$25,000.

The sections of the Sydney-Newcastle Expressway now open to traffic extend approximately 10 kilometres between Berowra and the Hawkesbury River and approximately 16 kilometres north of the river to Calga. The Department is currently constructing a bridge on the Hawkesbury River to link these two sections of the Expressway. Total cost of the project to 30 June 1973 was \$32 million. Toll collections during the year ended 30 June 1973 amounted to \$2,652,560.

Victoria

With the object of improving the main roads of the State, the Country Roads Board was established by legislation passed in 1912. The principal duties of the Board are to determine which roads should be declared in the various classifications; to supervise the construction, reconstruction and maintenance of these roads; to inquire into the State's resources in road materials and the most effective methods of road construction and maintenance; and to recommend deviations in existing roads or the construction of new roads in order to facilitate communications or to improve the conditions of traffic.

The funds of the Country Roads Board are derived principally from motor registration fees, two-thirds of additional registration fees (charged on initial registration or transfer), a proportion of drivers' licence fees, payments by the Australian Government under the Commonwealth Aid Roads Acts, roads charges under the Commercial Goods Vehicles Act, repayments by municipalities and, since 1965, a share of the addition to registration fees paid to the Roads (Special Projects) Fund and a grant under the Public Works Loan Application Act. In addition, loans have been authorised from time to time under the Country Roads Acts for permanent works on main and developmental roads, State highways, tourists' roads and forest roads, while the State Government has provided, free of repayment, loan moneys for restoration of flood and bush fire damage. Finance for the elimination of level crossings and for improved approaches, signs, lighting and other work to reduce danger at level crossings is derived mainly from the one third of additional registration fees paid into the Level Crossings Fund, maintained by the Board.

COUNTRY ROADS BOARD, VICTORIA: RECEIPTS AND PAYMENTS (\$'000)

	1968-69	1969-70	1970-71	1971-72	1972-73
RECEIPTS					
Motor Car Act—registration and licence fees (less cost of collection)	28,889	30,868	32,895	34,296	35,428
Municipalities' payments	1,931	1,904	2,018	2,190	2,182
Commonwealth Aid Roads Acts	32,723	38,160	41,425	45,300	49,785
Roads (Special Projects) Fund	3,055	3,533	7,761	6,721	5,675
Road charges, Commercial Goods Vehicles Act	7,842	8,555	8,903	9,136	9,745
Loans from State Government	3,389	900	388	400	400
Grants from State Government	784	849	783	983	1,333
Other	520	498	543	713	703
Total	79,132	85,267	94,715	99,739	105,251

COUNTRY ROADS BOARD, VICTORIA: RECEIPTS AND PAYMENTS—*continued*
(\\$'000)

	1968-69	1969-70	1970-71	1971-72	1972-73
PAYMENTS					
Construction and maintenance of roads and bridges—					
State highways	18,349	22,078	20,465	22,113	18,044
Main roads	16,940	17,783	19,373	20,372	20,660
Freeways	11,682	13,439	18,869	18,345	23,857
Tourist roads	2,793	3,112	2,665	2,284	1,749
Forest roads	678	798	902	858	840
Unclassified roads	14,248	16,356	17,217	16,846	17,513
Other	86	112	69	120	130
Plant purchase	1,583	1,818	1,956	2,060	1,765
Buildings, workshops, etc.	611	618	599	331	641
Interest, debt redemption, etc.	2,306	2,443	2,504	2,584	2,612
Statutory payment to —					
Tourist Fund	536	578	617	658	686
Transport Regulation Board	435	471	513	534	548
Administration and other	7,205	7,509	10,089	12,579	14,442
Total	77,452	87,115	95,838	99,685	103,487

The Melbourne and Metropolitan Board of Works bears the responsibility for carrying-out planning scheme proposals relating to metropolitan highways and bridges, and is now carrying out a program of urgent highway works throughout the metropolitan area of Melbourne. The extension of the South-Eastern Freeway from Burnley to Tooronga, the Tullamarine Freeway to serve the new Tullamarine airport and the St. Kilda Road Underpass connecting Alexandra Avenue and Sturt Street have been completed. The Eastern Freeway from Collingwood to Bulleen is now under construction. Widening of High Street, St. Kilda, is in progress. Expenditure on road projects up to 30 June 1973 was \$92.4 million. Of this amount, \$31.9 million was financed from the proceeds of the Board's Metropolitan Improvement Rate, \$51.2 million was contributed by the Treasurer of Victoria from the Roads (Special Projects) Fund and \$9.3 million from the Commonwealth Aid Roads Account during 1972-73.

The Lower Yarra Crossing Authority was incorporated in October 1965 as a company limited by guarantee and given powers under the *Lower Yarra Crossing Authority Act 1965* to construct, operate and maintain a toll crossing over the lower reaches of the River Yarra.

Queensland

The Department of Main Roads was constituted in February 1951 with the Commissioner of Main Roads as its permanent head. The duties of the Commissioner are to carry out surveys and investigations necessary to determine State highways, main developmental, and secondary roads; and the responsibility for building and maintaining these declared roads is largely that of the Commissioner. Roads of purely local importance are constructed and maintained by local authorities. In many cases construction is financed by the State Government by means of Treasury loans. Other roads may be built by the Public Estate Improvement Branch of the Lands Department in order to open up areas of previously inaccessible or undeveloped country.

The funds of the Department of Main Roads are obtained chiefly from motor vehicle registration and collections, fees, etc., under the Transport Acts, contributions under the Commonwealth Aid Roads Acts, and loans, grants and advances from the State Government. The total receipts and payments during each of the years 1968-69 to 1972-73 are shown in the following table.

DEPARTMENT OF MAIN ROADS, QUEENSLAND: RECEIPTS AND PAYMENTS
(\\$'000)

	1968-69	1969-70	1970-71	1971-72	1972-73
RECEIPTS					
Motor vehicle registration, Transport Acts collections, fees, etc.	22,048	23,454	25,000	26,886	29,303
Loans from State Government	2,330	400	50	500	1,750
Grants from State Government	746	550	378	183	313
Roads (Contribution to Maintenance) Act	4,297	4,754	4,689	4,862	3,527
Commonwealth Aid Roads and Works Act	35,296	40,021	47,285	55,298	58,444
Maintenance repayments—local authorities	1,471	1,515	1,116	1,137	1,302
Hire, rent, sales of plant, etc.	5,853	6,465	6,074	6,517	7,413
Other	649	601	773	750	961
Total	72,689	77,761	85,366	96,132	103,013
PAYMENTS					
Permanent road works and surveys(a)	46,799	53,035	56,802	62,942	69,557
Maintenance of roads	8,929	10,150	10,911	13,189	13,574
Plant, machinery, buildings, etc. (including plant maintenance)	4,060	4,496	3,348	4,797	5,130
Loans—					
Interest	276	236	59	— 108	— 216
Redemption	934	925	895	847	798
Administration and other	10,194	11,697	12,870	14,947	17,617
Total	71,193	80,538	84,883	96,614	106,459

(a) Includes grants to local authorities for road purposes.

South Australia

The Highways Department is administered by the Commissioner of Highways, who is empowered, subject to the approval of the Minister of Transport, to undertake the construction, maintenance and protection of the principal roads of the State, allocate grants to councils for roadworks and supervise the expenditure of these grants, and assist the Councils to purchase road-making plant and to defray the cost of road-works. In addition, the Commissioner advises Councils on technical questions concerning the construction, maintenance or repair of roads. Funds of the Department are derived mainly from the Highways Fund, into which are paid the proceeds from motor vehicle registration and drivers' licences (less cost of collection) appropriations from loan funds, repayments of advances made to Councils, and contributions by the Municipal Tramways Trust, and from contributions under the Commonwealth Aid Roads Acts.

The following table shows particulars of receipts and payments, during the years 1968-69 to 1972-73, of funds controlled by the Highways Department.

HIGHWAYS DEPARTMENT, SOUTH AUSTRALIA: RECEIPTS AND PAYMENTS
(\\$'000)

	1968-69	1969-70	1970-71	1971-72	1972-73
RECEIPTS					
Motor vehicle registration, licences, fees	12,536	13,250	14,212	18,000	18,828
Commonwealth Aid Roads Acts	19,433	21,000	23,500	25,500	28,000
Other(a)	3,799	5,161	4,022	4,088	5,157
Total	35,767	39,412	41,733	47,589	51,985
PAYMENTS					
Construction and reconstruction of roads and bridges(b)	23,837	30,200	27,056	31,699	32,629
Maintenance(a)(b)	8,211	10,271	11,575	13,303	11,197
Recoups to Consolidated Revenue Fund—interest, debt redemption and exchange	522	544	556	580	619
Advances to local and semi-government authorities	1,253	402	251	305	262
Repayments to Revenue under Section 31(a), Highways Act . . . . .	..	..	..	..	..
Stores, plant, machinery, suspense accounts, etc.(c)	—105	581	859	3,816	3,967
General Administration . . . . .	..	..	..	..	2,638
Total	33,718	41,998	40,298	49,703	51,312

(a) Includes reimbursement works for Australian Government. (b) Includes administration expenses. (c) Represents gross repayments less recoveries by charges to works on account of depreciation and materials used.

Western Australia

Work connected with road construction and maintenance and associated projects in Western Australia is undertaken by the State Government, through the Main Roads Department, and by local government authorities throughout the State. The Department operates under the *Main Roads Act, 1930-1972*, and is administered by a Commissioner of Main Roads responsible to the Minister for Works. The Act makes provision for the construction and maintenance of public roads in the categories of main roads, controlled-access roads and developmental roads. An additional category, that of important secondary roads, is used by the Department in determining its works program. Within its own district each local government authority is responsible for the provision and upkeep of roads other than those provided by the Main Roads Department. In addition, the local authority is required by the Main Roads Act to maintain any developmental road situated in its district.

The funds of the Main Roads Department are derived principally from allocations made under the *Commonwealth Aid Roads Act 1969* under which Western Australia has been allotted grants totalling \$200,400,000 for the five-year period commencing 1 July 1969. In the seven-year period to 30 June 1974 grants totalling a maximum of \$9,500,000 are to be received from the Australian Government for the improvement of roads used for the transport of beef cattle in the Kimberley District. Other sources of income include a portion of vehicle licence fees collected by local government authorities and the Commissioner of Police, overload permit fees and an allocation from drivers' licence fees. Further moneys for expenditure on road maintenance are available under the *Road Maintenance (Contribution) Act, 1965-1972* administered by the Commissioner of Transport. Since 1 July 1969 the Main Roads Department, through changes to legislation, has administered funds not previously included in receipts and payments of the Department. Receipts and payments for the years 1968-69 to 1972-73 are shown in the following table.

MAIN ROADS DEPARTMENT, WESTERN AUSTRALIA: RECEIPTS AND PAYMENTS
(\$'000)

	1968-69	1969-70	1970-71	1971-72	1972-73
RECEIPTS					
Motor vehicle registration, licence fees, etc.—					
Department of Motor Vehicles	4,435	7,958	8,881	9,351	10,056
Local Authorities . . . . .	..	3,367	4,440	4,493	4,155
Commonwealth Aid Roads Acts	25,148	32,940	36,270	39,250	43,910
Commonwealth Aid Roads Acts —Matching grants	2,040	..	..	..	..
State Grants (Beef Cattle Roads) Act	1,451	1,168	1,000	1,600	1,900
Road Maintenance (Contribution) Act	3,086	3,557	4,131	3,879	3,429
Recoups from other authorities	2,488	2,433	2,416	2,293	2,672
Other	299	307	420	870	853
Total	38,946	51,730	57,558	61,737	66,976
PAYMENTS					
Construction and reconstruction of roads and bridges(a)	27,456	28,921	30,536	41,775	45,065
Maintenance of roads and bridges(a)	4,452	4,820	5,815	6,612	6,902
Grants to local authorities . . . . .	..	10,997	13,315	12,435	13,295
Transfer to State Consolidated Revenue	258	267	281	280	291
Plant, machinery, etc.	516	950	1,617	2,785	1,504
Other(a)	3,760	3,809	5,053	2,805	2,101
Total	36,442	49,764	56,616	66,693	69,158

(a) Includes administration and expenditure on hire and maintenance of road construction plant, etc., and on purchase of materials.

Tasmania

Under the *Roads and Jetties Act 1935*, the control of the construction and maintenance of roads and certain road-making plant was vested in the Minister for Lands and Works. Works authorised by the Minister in respect of roads classified as State highways, main roads, secondary roads and tourist and developmental roads are constructed by the Department of Public Works and financed from the State Highways Trust Fund, into which are paid Commonwealth Aid Roads grants, motor vehicle taxes and public vehicle fees. Loan funds are also authorised by Parliament for road purposes. Municipal councils contribute towards the cost of maintaining main and secondary roads in the classified system. The maintenance of roads not included in the classified system is the responsibility of municipal councils, but they are assisted with grants made available under the Commonwealth Aid Roads Act for expenditure on Rural Roads.

The table following shows particulars of receipts and payments for the years 1968-69 to 1972-73 (municipal council receipts from rates and loans for road purposes are excluded).

ROAD FUNDS; TASMANIA: RECEIPTS AND PAYMENTS
(\\$'000)

	1968-69	1969-70	1970-71	1971-72	1972-73
RECEIPTS					
Motor vehicle taxation, registration, licences, fees, fines, etc.	4,587	4,827	5,033	5,659	5,912
Commonwealth Aid Roads Acts	8,500	9,100	10,230	10,820	12,150
State Loan Fund	739	1,100	1,020	930	540
Contributions by Local Authorities	17	18	17	17	19
Other	102	128	93	307	277
Total	13,945	15,173	16,393	17,733	18,897
PAYMENTS					
Construction and reconstruction of roads and bridges	10,180	11,322	12,320	12,769	13,404
Maintenance of roads and bridges	3,263	3,662	4,297	4,475	4,686
Planning and research . . . . .	..	120	185	189	186
Total	13,442	15,105	16,802	17,433	18,276

Water supply, sewerage and drainage

The information in this section relates primarily to the metropolitan areas and provincial cities and towns. For information on water supply and irrigation in rural areas *see* Chapter 23, Water Resources.

New South Wales

The two largest domestic water supply and sewerage systems are controlled by statutory boards each consisting of a president and a vice-president appointed by the State Government, and five members elected by local councils. These are (a) the Metropolitan Water, Sewerage and Drainage Board, which administers the systems in the County of Cumberland, i.e. in Sydney and in the surrounding districts, and, in addition, has jurisdiction over territory extending along the South Coast beyond Wollongong to Lake Illawarra, Shellharbour and Kiama, and (b) the Hunter District Water Board serving the Newcastle-Maitland-Cessnock areas. At Broken Hill and Cobar similar boards include representatives of the mining companies. Other systems, apart from irrigation projects and water storage systems administered by the State Government, are controlled by county, municipal or shire councils.

Metropolitan and Hunter District water supply. The storage reservoirs of the *metropolitan water supply system* with a combined available capacity of 2,623,603 megalitres, drain catchment areas of 16,213 square kilometres (including Warragamba, 9,013 square kilometres, Shoalhaven, 5,670 square kilometres, Upper Nepean, 899 square kilometres and Woronora, 85 square kilometres). The development of a water supply system on the Warragamba River was completed with the official opening of the Warragamba Dam in October 1960. This dam, constructed in concrete, has a storage capacity of 2,057,128 megalitres. Its safe net draught is estimated to be 1,246 megalitres a day. At 30 June 1973 there were 191 service reservoirs in use with a combined capacity of 3,814 megalitres. Fluoridation of the metropolitan water supply commenced in April 1968.

The following table shows, for the Metropolitan system, the number of properties, the estimated population supplied, and other details.

METROPOLITAN WATER SUPPLY(a), NEW SOUTH WALES: SERVICES

Year	Improved properties for which water mains available	Estimated population supplied	Average daily consumption	Total consumption for the year	Average daily consumption		Length of mains	Number of meters
					Per property	Per head of estimated population		
		'000	mega-litres	mega-litres	litres	litres	kilo-metres	
1968-69	775,548	2,885	1,373	501,647	1,768	482	13,734	550,017
1969-70	795,918	2,968	1,296	472,871	1,628	441	14,170	583,818
1970-71	817,655	3,042	1,332	485,795	1,628	441	14,441	608,851
1971-72	839,984	3,040	1,341	490,241	1,596	441	14,798	634,211
1972-73	862,353	3,063	1,418	518,100	1,646	464	15,163	655,156

(a) County of Cumberland, City of Greater Wollongong, Shellharbour and Kiama Municipalities, and parts of Colo and Wollondilly Shires.

The water supply of the *Hunter District* system is drawn principally from three sources; the Chichester Reservoir, with a storage capacity of about 17,011 megalitres and draining a catchment of 197 square kilometres, the Tomago Sandbeds, which extend northerly along the coast towards Port Stephens, and the Grahamstown Water Supply Scheme which is still being developed. Another source of supply is provided by the Nelson Bay-Anna Bay Scheme. Service reservoirs and tanks distributed throughout the water supply district have a total storage capacity of 623 megalitres.

Metropolitan and Hunter District sewerage and drainage system. The metropolitan sewerage and drainage system serving Sydney and suburbs comprises 4 major sewerage systems and 7 minor systems, consisting of 6 outfalls discharging directly into the Pacific Ocean and 5 treatment works. There are also 8 centres outside the metropolitan area of which 5 (Camden, Campbelltown, St Mary's, Richmond and Warragamba township) are served by local treatment works and 3 (Bellambi, Port Kembla and Wollongong) discharge directly into the Pacific Ocean. Stormwater drainage channels under the control of the Metropolitan Water, Sewerage and Drainage Board at 30 June 1973 were 312 kilometres long.

The following table gives details of sewerage services and stormwater drains of the Metropolitan system.

METROPOLITAN SEWERAGE AND DRAINAGE(a)
NEW SOUTH WALES: SERVICES

30 June—	Improved properties for which sewerage available	Estimated population served	Length of sewers	Length of stormwater channels
		'000	kilometres	kilometres
1969 . . .	602,312	2,235	10,467	299
1970 . . .	637,258	2,374	10,950	306
1971 . . .	659,035	2,477	11,441	307
1972 . . .	696,342	2,531	11,965	309
1973 . . .	725,838	2,600	12,511	312

(a) County of Cumberland, City of Greater Wollongong, Shellharbour and Kiama Municipalities, and parts of Colo and Wollondilly Shires.

The main sewerage system of the *Hunter District* serves the City of Newcastle and discharges into the Pacific Ocean at Burwood Beach. There are also local treatment works at Maitland, Cessnock and some of the outlying districts.

Metropolitan system finances. The following table shows the debt, revenue and expenditure of the Metropolitan Water, Sewerage and Drainage Board for each of the services of water supply, sewerage and drainage during 1972-73, and for the three services combined for the years 1968-69 to 1972-73.

**METROPOLITAN(a) WATER SUPPLY, SEWERAGE AND DRAINAGE
NEW SOUTH WALES: FINANCES
(\$'000)**

Year	Capital debt at 30 June	Revenue	Expenditure			Total	Surplus
			Working expenses (b)	Interest and exchange	Debt redemption		
1972-73—							
Water . . .	363,839	66,295	39,320	19,597	7,377	66,294	2
Sewerage . . .	390,478	66,350	36,356	22,044	7,946	66,346	5
Drainage . . .	15,613	3,947	2,862	881	201	3,944	3
Total—							
1972-73 . . .	769,930	136,592	78,538	42,522	15,524	136,584	10
1971-72 . . .	715,978	119,851	68,083	37,736	14,017	119,836	14
1970-71 . . .	654,420	97,694	52,289	33,259	12,135	97,683	11
1969-70 . . .	627,475	88,343	47,112	30,213	11,004	88,328	15
1968-69 . . .	590,869	80,206	41,865	28,216	10,105	80,185	21

(a) County of Cumberland, City of Greater Wollongong, Shellharbour and Kiama Municipalities, and parts of Colo and Wollondilly Shires. (b) Includes provision for renewals, long service leave, etc.

Local government country water supply and sewerage systems. At 31 December 1971, country water supply services were conducted or under construction by 49 municipalities, 97 shires and 6 county councils, and country sewerage services by 52 municipalities and 75 shires. The capital indebtedness of these schemes was \$151,078,000 at 31 December 1971. Debt of the municipalities amounted to \$62,509,000, shires to \$71,394,000 and county councils to \$17,176,000. Government advances amounting to \$673,000 are included in these figures. Aggregate income and expenditure amounted to \$31,448,000 and \$24,019,000 respectively, in 1971.

Other country water supply and sewerage systems. The water supply and sewerage services for Broken Hill are operated by a statutory board, the Broken Hill Water Board. Its capital indebtedness at 31 December 1972 was \$4,746,000. In 1972, income (excluding subsidies, State Government \$252,000 and mining companies \$724,000) amounted to \$972,000 and expenditure (excluding debt redemption \$363,000) amounted to \$1,568,000. The Cobar Water Board was constituted in February 1964. At 31 December 1972 its capital indebtedness was \$2,151,000. The following country water supply systems—South-West Tablelands, Junee, and Fish River—are administered by the Department of Public Works. These supply water in bulk to municipalities and shires, the Electricity Commission of New South Wales, and other large consumers. Only a small quantity is sold direct to private consumers. The capital indebtedness of these systems was \$15,059,000 at 31 December 1972. The Mulwala Water Supply and Sewerage Service was constructed as an urgent war-time work for the Australian Government, and the Bethungra Water Supply System is administered by the Department of Public Works in conjunction with the Junee supply.

Victoria

Melbourne and Metropolitan Board of Works. The Board consists of a Chairman and 53 Commissioners elected to represent the municipalities which lie wholly or partly within the metropolitan area. The principal functions of the Board are: to control and manage the metropolitan water supply system; to provide the metropolitan area with an efficient main and general sewerage system; to deal with main drains and main drainage works; to control and manage the rivers, creeks and watercourses within the metropolitan area; and to carry out the functions of a permanent planning authority.

Metropolitan water supply. There are 6 storage reservoirs serving the metropolitan area—Yan Yean, 32,882 megalitres; Maroondah, 28,590 megalitres; O'Shannassy, 4,228 megalitres; Silvan, 40,247 megalitres; Upper Yarra, 206,392 megalitres; and Greenvale, 27,495 megalitres; total 339,834 megalitres. Service reservoirs number 57, with a total capacity of 1,859 megalitres. The following table shows particulars of Melbourne metropolitan water supply services for the years 1968-69 to 1972-73.

MELBOURNE WATER SUPPLY: SERVICES

Year	Number of houses supplied	Estimated population supplied	Average daily consumption	Total consumption for the year	Average daily consumption		Length of aqueducts, etc., mains and reticulation	Number of meters
					Per house	Per head of estimated population		
		'000	megalitres	megalitres	litres	litres	kilometres	
1968-69	658,944	2,227	788.3	287,713	1,196	354.1	11,320	595,560
1969-70	676,111	2,285	835.1	304,874	1,237	365.5	11,549	612,074
1970-71	698,024	2,359	911.0	332,506	1,305	386.0	11,808	630,020
1971-72	724,071	2,447	905.6	331,465	1,250	370.1	12,012	644,904
1972-73	751,159	2,520	863.8	315,208	1,150	(a)342.8	12,268	663,994

(a) Restrictions on use of water imposed due to drought conditions.

Metropolitan sewerage and drainage. Particulars of sewerage and drainage services for 1968-69 to 1972-73 are shown below.

MELBOURNE SEWERAGE AND DRAINAGE: SERVICES

Year	Number of houses for which sewers are provided	Estimated population for which sewers are provided	Average daily pumping	Total sewage pumped for the year	Average daily pumping		Length of sewers, etc.	Length of main drains
					Per house	Per head of estimated population		
		'000	megalitres	megalitres	litres	litres	kilometres	kilometres
1968-69	528,983	1,741	439.6	160,477	831.0	252.3	7,895	402
1969-70	543,870	1,786	497.8	181,716	915.1	278.7	8,164	410
1970-71	559,000	1,827	506.9	185,003	906.9	277.3	8,390	418
1971-72	575,221	1,885	526.4	192,750	915.1	279.1	8,501	426
1972-73	591,673	1,939	555.5	202,792	939.7	287.3	8,731	438

The metropolitan sewerage system consists of the main system (serving an area of 49,993 hectares) and 7 subsidiary systems—the Braeside system (serving an area of 2,772 hectares), the Kew system (serving an area of 46 hectares), the Maribyrnong system (serving an area of 74 hectares), the Lower Plenty system (serving an area of 882 hectares), the Heatherton system (serving an area of 829 hectares) the Altona system (serving an area of 149 hectares) and the Chelsea system (serving an area of 271 hectares). The Board of Works Farm, 10,849 hectares in extent and situated about 39 kilometres south-west of Melbourne beyond the township Werribee, serves to purify and dispose of approximately ninety-five per cent of the sewerage flow of the metropolis before its discharge into Port Phillip Bay. Construction of a major new sewerage system—the South-Eastern Sewerage System—which will serve areas to the east and south-east of the City is currently under way.

Melbourne and Metropolitan Board of Works' finances. The following table provides for the year 1972-73 a summary of the financial operations of the water supply, sewerage and drainage services conducted by the Melbourne and Metropolitan Board of Works, and of the combined services for the years 1968-69 to 1972-73. The financial operations of the Board as the Authority responsible for metropolitan highways and bridges are referred to on page 639.

MELBOURNE AND METROPOLITAN BOARD OF WORKS: FINANCES

(\$'000)

Service, etc.	Capital cost of works and buildings at 30 June(a)	Revenue	Expenditure				Total	Surplus (+) or deficit (-)
			Working expenses	Works	Interest and exchange	Debt redemption		
Water . . .	283,657	30,960	11,570	1,400	14,567	..	27,537	+3,422
Sewerage . . .	393,716	37,069	11,233	2,600	20,453	..	34,286	+2,783
Drainage . . .	45,215	6,311	2,606	1,000	1,957	..	5,563	+ 749
General(b) . . .	33,145	..	2,967	..	..	5,499	8,466	-8,466
Total 1972-73 . . .	755,732	74,340	28,376	5,000	36,978	5,499	75,853	-1,513
1971-72 . . .	646,054	67,757	26,047	5,000	30,700	4,517	66,264	+1,493
1970-71 . . .	562,980	57,364	22,542	3,550	26,700	3,854	56,645	+ 719
1969-70 . . .	505,957	49,097	18,685	3,600	23,668	3,443	49,396	- 299
1968-69 . . .	449,333	41,981	15,427	2,334	21,184	3,239	42,183	- 202

(a) Total loan indebtedness—1972-73, \$648,254,000 (b) Statutory and general expenditure not distributed over services.

State Rivers and Water Supply Commission. Water supply and conservation throughout Victoria, (except for the area controlled by the Melbourne and Metropolitan Board of Works) is under the jurisdiction of the State Rivers and Water Supply Commission. The events leading to the establishment of the Commission, and its various works are described in the chapter, Water Resources.

Queensland

The *Brisbane City Council* operates the water supply and sewerage systems of the City of Brisbane and also supplies, in bulk, the whole of the water used by the City of Ipswich and a portion of that used by the City of Redcliffe, Albert Shire Council and Moreton Shire Council. Redcliffe supplements its supply from that of the Pine Rivers Shire Council, while Albert and Moreton also draw on their own reservoirs. The total number of service reservoirs for Brisbane Water Supply is 31, with a capacity of 513.3 megalitres. The Somerset reservoir is a dual purpose project with a designed total holding capacity of 909,218 megalitres, 306,861 megalitres to be for water storage and 602,357 megalitres for flood mitigation. The following table is a summary of operations of the complete Brisbane City Council system (Brisbane, Ipswich, and portion of Redcliffe and Albert Shires) for the years 1968-69 to 1972-73.

BRISBANE WATER SUPPLY(a): SERVICES

Year	Services connected	Estimated population supplied	Average daily consumption	Total consumption for the year	Average daily consumption		Length of trunk and reticulation mains
					Per service	Per head of estimated population	
			megalitres	megalitres	litres	litres	kilometres
1968-69 . . .	213,445	772,356	388.2	141,702	1,818	502.8	4,561
1969-70 . . .	218,798	799,276	372.3	135,874	1,700	465.5	4,783
1970-71 . . .	223,911	807,168	388.7	141,933	1,737	481.9	4,928
1971-72 . . .	235,343	828,088	417.3	152,762	1,773	504.2	5,277
1972-73 . . .	n.a.	n.a.	461.0	168,178	n.a.	n.a.	n.a.

(a) Includes Ipswich and a portion of Redcliffe City and Albert and Moreton Shires.

The sewerage treatment works of the *Brisbane sewerage scheme* is situated at Luggage Point at the entrance to the Brisbane River. The following table is a summary of operations of the Brisbane sewerage scheme for the years 1968-69 to 1972-73.

BRISBANE SEWERAGE: SERVICES

Year	Premises connected	Estimated population served	Total sewage pumped for the year	Length of main, branch, reticulation, etc., sewers
			megalitres	kilometres
1968-69 . . .	122,690	453,953	39,183	2,935
1969-70 . . .	143,245	530,007	42,338	3,296
1970-71 . . .	152,803	565,371	42,429	3,658
1971-72 . . .	167,585	596,603	40,642	4,033
1972-73 . . .	182,184	648,575	41,397	4,369

Brisbane City Council water supply and sewerage systems—finances. The following table shows particulars of the finances of the water supply and sewerage undertakings of the Brisbane City Council for the years 1968-69 to 1972-73.

BRISBANE WATER SUPPLY AND SEWERAGE: FINANCES

(\$'000)

Service and year	Gross capital cost to 30 June	Revenue	Expenditure		Total(a)	Surplus (+) or deficit (-)	
			Working expenses	Interest, redemption etc., charges			
Water supply—							
1968-69 . . .	69,719	10,214	4,057	2,809	9,334	+	880
1969-70 . . .	77,255	10,697	4,134	2,961	10,145	+	552
1970-71 . . .	85,157	11,769	4,687	3,432	11,816	-	47
1971-72 . . .	95,135	13,604	5,436	4,052	10,748	+	2,856
1972-73 . . .	n.a.	14,539	5,857	4,445	14,182	+	357
Sewerage—							
1968-69 . . .	72,123	8,404	1,250	2,443	7,696	+	708
1969-70 . . .	74,489	8,848	1,481	2,677	7,881	+	967
1970-71 . . .	77,802	10,524	1,961	3,277	9,261	+	1,263
1971-72 . . .	77,876	11,171	2,531	3,620	6,979	+	4,192
1972-73 . . .	n.a.	13,346	2,851	4,108	13,052	+	294

(a) Total, including other expenditure.

Other areas. At 30 June 1973, of the 130 local authorities in addition to the City of Brisbane, 127 had water supply schemes and 86 operated sewerage systems. The receipts (other than loan and loan subsidy) of water undertakings controlled by these authorities amounted to \$17,036,000 in 1972-73. Expenditure amounted to \$17,044,000, including \$6,605,000 for debt charges. In addition, expenditure from loans and loan subsidy amounted to \$12,806,000. Finances of sewerage undertakings are incorporated with cleansing and sanitary services and are not available separately.

South Australia

The water supply and sewerage systems in this State were constructed mainly, and are maintained by the Engineering and Water Supply Department, under the control of the Minister of Works. Works controlled by the Department are the Adelaide, Barossa, Beetaloo, Bundaleer, Moorook, Tod River, Warren, Yorke Peninsula, and other country water districts systems, the Morgan-Whyalla water supply system, the metropolitan and country sewerage systems, the Metropolitan Flood Waters Scheme, and works on the River Murray constructed under the River Murray Waters Agreement. Several water supply schemes on the Murray River are administered by the Department of Lands in conjunction with irrigation works, and supplies to Woomera and Leigh Creek coalfield are controlled by the operating authorities.

Adelaide waterworks. At 30 June 1973 the Adelaide waterworks supplied districts covering 740 square kilometres of the metropolis and extending to near country areas. The capacity of the principal reservoirs was 188,000 megalitres and there were 6,650 kilometres of metropolitan mains. The Mannum-Adelaide pipeline conveys water from the River Murray. Water is delivered to a terminal storage near Adelaide and thence to the metropolitan distribution system or alternatively it can be delivered into metropolitan reservoirs on the River Torrens. The pipeline also supplies various country areas along and extending from its route. A second River Murray pipeline extending from Murray Bridge to the River Onkaparinga is under construction.

ADELAIDE WATERWORKS: FINANCES
(\$'000)

Year	Invested capital at 30 June (a)	Revenue	Expenditure			Surplus(+) or deficit(-)
			Working expenses (b)	Interest	Total	
1968-69	114,121	10,793	5,552	4,919	10,471	+ 322
1969-70	123,817	12,722	6,236	5,399	11,636	+ 1,086
1970-71	133,509	14,513	6,787	5,887	12,674	+ 1,839
1971-72	143,880	15,772	7,130	6,414	13,544	+ 2,229
1972-73	145,156	18,417	8,606	6,750	15,356	+ 3,061

(a) After deduction of depreciation. (b) Includes debt redemption.

Adelaide metropolitan sewerage system. The Adelaide metropolitan sewerage system, comprising the Adelaide, Glenelg, Port Adelaide, Christies Beach, and Salisbury-Elizabeth areas of 548 square kilometres in all, includes treatment works at Glenelg, Port Adelaide, Bolivar, and Christies Beach. Financial and other particulars for 1968-69 to 1972-73 are shown hereunder.

ADELAIDE METROPOLITAN SEWERAGE: SUMMARY

Year	Length of sewers	Number of con- nections	Invested capital at 30 June(a)	Revenue	Expenditure			Surplus
					Working expenses (b)	Interest	Total	
	km		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
1968-69	3,529	234,818	78,141	7,601	3,463	3,073	6,536	1,065
1969-70	3,664	244,239	84,080	8,644	3,716	3,601	7,317	1,327
1970-71	3,779	254,816	90,169	10,477	4,270	3,910	8,180	2,297
1971-72	3,888	265,755	96,431	11,977	4,909	4,500	9,409	2,568
1972-73	4,060	276,652	92,642	12,964	5,400	4,946	10,346	2,618

(a) After deduction of depreciation. (b) Includes debt redemption.

Country sewerage schemes. Sewerage schemes are operating at Port Lincoln, Naracoorte, Mount Gambier, Millicent, Lobethal, Gumeracha, Nangwarry, Mount Burr, Myponga, Mannum, Stirling, Whyalla and Angaston. At Port Lincoln and Mount Gambier the sewers discharge to ocean outfalls, and treatment works are used on the other systems. There are 604 kilometres of sewers and 21,360 connections in the country systems. Sewerage schemes for Port Pirie, Murray Bridge and Gawler are under construction and operating in part.

Country water supply. Water districts systems at 30 June 1973 comprised an area of 6,779,000 hectares. Supply came from major reservoirs having a capacity of 92,918 megalitres, from minor reservoirs, from the River Murray, and from underground sources. Apart from local supplies, water from the River Murray is distributed over wide areas through the Mannum-Adelaide, Morgan-Whyalla, Swan Reach-Stockwell and Tailm Bend-Keith pipelines and branches of these pipelines. The principal areas of underground supplies are in the south-east of the State, where water from the Murray Basin can be had at moderate depths or from lakes, and from sand beds on Eyre Peninsula.

In the year 1972-73 supplies made to Mount Gambier, Naracoorte and other towns in the south-east amounted to 7,385 megalitres, and the Uley-Wanilla, Lincoln and Poldas Basins contributed 3,827 megalitres to the Tod River Water District.

Morgan-Whyalla water supply scheme. This scheme, which has 359 kilometres of main via Port Augusta and 283 kilometres of main via the Spencer Gulf undersea crossing, was officially opened on 31 March 1944, the capital invested to 30 June 1973 being \$30,990,000. Apart from supplying Whyalla, the mains have been used to allow expansion of reservoir supplies in the northern agricultural area of the State, and to meet new demands caused by industrial growth at Whyalla, Port Pirie and Port Augusta. During 1972-73 water used from the scheme amounted to 28,952 megalitres.

Western Australia

The principal water supply systems of Western Australia are under the control of two State authorities, the Metropolitan Water Supply, Sewerage and Drainage Board and the Public Works Department. The area which constitutes the territory administered by the Board encompasses approximately 4,144 square kilometres and extends from Perth southward to Rockingham and Serpentine, northward to Mullaloo, and eastward to Sawyers Valley and Kalamunda. The Public Works Department controls the Goldfields and Agricultural Water Supply and the Great Southern Towns Water Supply as well as 125 local water supplies (*see also* Chapter 23, Water Resources). Four independent town schemes are controlled by local Water Boards in country areas, and individual water supplies serve railways, timber mill towns, isolated mines, pastoral properties, stock routes, and agricultural areas, mainly from dams, tanks, wells and bores.

Metropolitan water supply, sewerage and drainage. The sources of the metropolitan water supply are Serpentine Reservoir and Serpentine Pipehead Reservoir, Canning Reservoir, Churchman Brook Reservoir, Victoria Reservoir, Wungong Brook Diversion Weir and North Dandalup Pipehead Dam. The largest of these sources are the Serpentine Reservoir and the Canning Reservoir, which have a capacity of 177,298 megalitres and 93,422 megalitres respectively. Water from storages on the Darling Range is conveyed to service reservoirs to serve the City of Perth and the metropolitan area. A limited quantity of water is drawn from Mundaring Weir to serve sections of Greenmount, and to meet the peak demands of summer consumption supplies are supplemented from artesian bores, which can provide a daily maximum of 95 megalitres. The amount of bore water used is rarely more than 10 per cent of the metropolitan consumption and is usually considerably less.

The following table shows particulars of the *metropolitan water supply services* for 1968-69 to 1972-73.

METROPOLITAN WATER SUPPLY, WESTERN AUSTRALIA: SERVICES

<i>Year</i>	<i>Number of services (a)</i>	<i>Average daily consumption megalitres</i>	<i>Total consumption for year megalitres</i>	<i>Average daily consumption per service (b) litres</i>	<i>Length of mains kilometres</i>	<i>Number of meters</i>
1968-69 . . .	185,340	348.7	127,359	1,950	5,060	161,859
1969-70 . . .	193,359	396.4	144,657	2,082	5,338	171,346
1970-71 . . .	200,597	405.5	148,080	2,055	5,641	178,857
1971-72 . . .	210,465	424.6	155,017	2,068	5,934	187,313
1972-73 . . .	223,393	429.5	156,757	1,922	6,171	196,220

(a) Figures relate to 30 June.

(b) Calculated from averages for the year.

Some particulars of the *metropolitan sewerage and main drainage services* for 1968-69 to 1972-73 are shown in the following table.

**METROPOLITAN SEWERAGE AND MAIN DRAINAGE
WESTERN AUSTRALIA: SERVICES**

Year	Services	Length of sewers	Length of main drains
		kilometres	kilometres
1968-69	74,018	1,498	203
1969-70	76,638	1,590	227
1970-71	81,940	1,828	253
1971-72	87,318	1,991	253
1972-73	93,402	2,158	260

Metropolitan Water Supply, Sewerage and Drainage Board—finances. The following table shows particulars of the finances of the Western Australian Metropolitan Water Supply, Sewerage and Drainage Board.

**METROPOLITAN WATER SUPPLY, SEWERAGE AND MAIN DRAINAGE
WESTERN AUSTRALIA: FINANCES
(\$'000)**

Service and year	Capital cost to 30 June	Revenue	Expenditure		Total	Surplus
			Working expenses	Interest and depreciation		
Water supply—						
1968-69	74,078	7,162	2,322	3,510	5,832	1,331
1969-70	82,482	7,915	2,808	3,949	6,757	1,159
1970-71	92,284	8,371	3,389	4,460	7,850	521
1971-72	101,509	10,956	3,953	4,931	8,884	2,073
1972-73	114,971	11,482	4,712	5,581	10,293	1,189
Sewerage—						
1968-69	34,027	3,809	1,771	1,637	3,408	401
1969-70	40,821	4,162	1,983	1,867	3,850	313
1970-71	48,500	4,508	2,255	2,214	4,470	38
1971-72	58,975	6,097	2,693	2,573	5,267	831
1972-73	76,506	6,586	3,258	3,117	6,375	211
Main drainage—						
1968-69	8,657	872	327	375	702	170
1969-70	9,838	951	353	407	760	192
1970-71	10,699	1,144	448	467	915	228
1971-72	11,259	1,357	492	503	995	362
1972-73	11,694	1,444	598	541	1,139	306

Country water supplies. Information relating to country water supplies is included in Chapter 23, Water Resources.

Tasmania

Waterworks. In Tasmania, water supply was once the exclusive responsibility of the city and municipal councils. In recent years, two semi-government authorities have been set up to operate bulk supply schemes for distribution by local government authorities in the Hobart and Launceston areas, and directly to some industrial consumers.

The over-all control of water supply in the greater Hobart area, comprising the municipalities of Hobart, Clarence, Glenorchy, and Kingborough, is vested in the Metropolitan Water Board, but the municipalities retain primary responsibility for reticulation. The Board has constructed a large pumping station at Bryn Estyn, near New Norfolk, which supplies bulk water from the Derwent River to the metropolitan area and has a pipeline capacity of 91 megalitres a day. In addition, the Board controls the Southern Regional Water Supply Scheme with a pipeline capacity of 3.1 megalitres a day which supplies water to Hobart's eastern shore and nearby towns.

The other semi-government authority, the Rivers and Water Supply Commission, operates two schemes in the Launceston region. The North Esk Regional Water Supply Scheme supplies water to the municipalities of St Leonards, George Town, Lilydale and part of Westbury, and also supplies water directly to some industrial users situated near the Tamar River. The second scheme in this region, the West Tamar Water Supply, provides water to the Municipality of Westbury. In addition to the above schemes, the Rivers and Water Supply Commission also operates an industrial water supply scheme on the east coast of Tasmania near Triabunna.

At 30 June 1973 water was supplied to approximately 106,400 properties throughout the State.

Sewerage. At 30 June 1973 the number of tenements connected to sewerage services was about 86,000. Approximately 65 per cent of sewerage discharge is subject to treatment.

Northern Territory

Information relating to water supply in the Northern Territory may be found in Chapter 23, Water Resources.

Australian Capital Territory

Information relating to water supply and sewerage in the Australian Capital Territory may be found in Chapter 30, Territories of Australia.

Harbour boards and trusts

The number and net tonnage of vessels which entered the major ports in each State during the years 1971-72 and 1972-73 are shown in Chapter 12, Transport and Communication (*see* page 359). Particulars of overseas and interstate cargo discharged and shipped are shown on pages 359-63 of the same chapter.

New South Wales

The Maritime Services Board of New South Wales exercises general control over intra-state shipping, including the survey and certification of vessels, the licensing of harbour craft and the examination and issue of certificates to officers. It is responsible for the provision of pilotage services, lights, beacons, buoys and other port facilities, imposes and collects rates and charges on goods and vessels, and is vested with the general control and management of the navigable waters and ports within the State. At the ports of Sydney, Newcastle and Botany Bay the Board is also responsible for the provision of adequate wharfage and channels and carries out all construction, maintenance and dredging work. Since 1 February 1936 the State enactments on port charges, including the Navigation Act of New South Wales, the Harbour and Tonnage Rates Act and the Sydney Harbour Trust Act, have been administered by the Maritime Services Board. The total revenue collections by the Maritime Services Board amounted to \$38,353,000 in 1972-73. This figure includes the revenue for the ports of Sydney, Newcastle and Botany Bay.

Financial details relating to these three ports are shown in the following table.

**MARITIME SERVICES BOARD FUND: FINANCES OF THE PORTS OF SYDNEY
NEWCASTLE AND BOTANY BAY**
(\$'000)

Year	Revenue				Expenditure(a)			Surplus(+) or deficit(-)
	Wharfage and transhipment rates	Tonnage rates and berthing charges	Other charges	Total	Administration and maintenance	Interest, debt redemption, exchange, etc.	Total	
1968-69	13,580	2,085	7,294	22,959	12,150	10,716	22,866	+ 93
1969-70	14,854	2,271	7,875	25,000	12,816	12,120	24,937	+ 64
1970-71	15,105	2,150	13,042	30,297	15,885	14,642	30,527	- 229
1971-72	17,160	2,296	10,915	30,371	17,257	13,059	30,316	+ 55
1972-73	16,602	2,047	10,552	29,201	18,134	11,969	30,103	- 902

(a) Excludes capital expenditure but includes transfers to the Renewals Fund Reserve Account (\$5,800,000 in 1968-69, \$6,760,000 in 1969-70, \$9,140,000 in 1970-71, \$6,600,000 in 1971-72 and \$5,000,000 in 1972-73).

Port of Sydney. The wharves are situated close to the business centre of the city, about 6 or 8 kilometres from the Heads. At 30 June 1973 there were 5 dolphin berths, 1,082 metres long, and 76 effective commercial cargo berths, with a total length of 11,214 metres. controlled by the Board. Accommodation for harbour craft amounts to 684 metres, while the length of other berths, including oil and private wharves, totals 3,594 metres. Depth of water at wharves is up to 13 metres. Special facilities for the storage and handling of products such as wheat, wool, coal, etc., are provided. Docking facilities are available for large vessels at the Captain Cook Graving Dock. Container facilities became available in March 1969 with the opening of the eastern section of the Balmain container terminals to cellular container vessels.

Port of Newcastle. Shipping at Newcastle is concerned primarily with the coal, iron and steel and other heavy industries located in the district. However, facilities are available for the shipment of wool, wheat and frozen meat, and a wharf is available for timber.

Botany Bay. The port is primarily a discharging centre for the oil refinery at Kurnell, near Sydney, and one jetty with a tanker berth each side of the jetty is available as well as three tanker offshore moorings with submarine pipelines.

Port Kembla is the port of the southern coalfields and for the major industrial areas in and about Wollongong.

Other ports. In addition to the ports of Sydney, Newcastle, Port Kembla, and Botany Bay, the Board controls 29 outports along the coastline of 1,900 kilometres. The shipping trade of these outports is relatively small.

Victoria

The *Port of Melbourne* comes under the control of the Melbourne Harbor Trust Commissioners, a financially independent statutory organisation, with a full-time chairman and five part-time commissioners.

The advanced methods of cargo handling which have developed with the advent of container, unit load, and roll-on roll-off vessels now entering the Port, have required, during the past 10 years, an expenditure in excess of \$60 million on capital works, and the current capital value of the Port of Melbourne is more than \$103 million. The Port covers an area of 27 square kilometres and provides 19 kilometres of berthage, with 92 commercial berths.

The main container complex, Swanson Dock, has four berths. Constructed at a cost of \$20 million, and taking some 6 years to complete, this 36 hectares complex handled 3.8 million tonnes of containerised cargo in 1973.

Currently, the Port of Melbourne has seven roll-on roll-off berths. The Webb Dock area, the Port's busiest roll-on roll-off complex, was originally a ferry berth (constructed in 1959) with a 2 hectares back-up area and has now been developed into a three berth complex, with a back-up area of 8 hectares. During 1973 Webb Dock handled 2.6 million tonnes of cargo.

The depth of water (low water ordinary spring tide) from the main channels to the principal wharves is 9.4 to 11.3 metres.

The following table shows particulars of the financial operations of the Trust.

MELBOURNE HARBOR TRUST: FINANCES
(\$'000)

Year	Gross loan indebtedness at 31 December	Revenue		Expenditure				Surplus(+) or Deficit(-)
		Wharfage and tonnage rates	Total	Operation, administration and maintenance	Interest, debt redemption, exchange, etc.	General reserve, depreciation, renewals and insurance account	Total	
1969 . .	37,888	8,901	14,321	7,903	2,127	4,049	14,079	+242
1970 . .	40,690	9,475	15,047	8,512	2,869	3,419	14,800	+247
1971 . .	44,059	10,038	16,263	9,719	3,152	3,158	16,029	+233
1972 . .	45,644	9,398	15,478	10,569	2,506	2,867	15,942	-464
1973(a) . .	(b)	5,455	8,777	4,768	1,298	1,930	7,996	+781

(a) From January 1973 the Trust's accounting period has been changed from a calendar year to a fiscal year.

(b) Gross loan indebtedness at 30 June 1973 was \$46,201,000.

The *Port of Geelong* operated by the Geelong Harbor Trust, has available 17 effective berths, plus 2 berths at the Explosives Pier, Point Wilson, owned and operated by the Australian Government. Two modern dry bulk berths (Lascelles Wharf Nos 1 and 2 berths) became fully operational in 1970 and a roll-on/roll-off berth at Corio Quay came into operation in January 1971.

Port of Portland. Development projects currently in hand will within the next year or so, provide the port with facilities necessary to handle fully laden carriers up to 71,000 tonnes deadweight. In the first instance No. 1 berth and its approaches are being dredged from 11 metres to 12 metres low water and the bulk grain gallery extended to the outer limits of the K. S. Anderson wharf. Trade handled during 1972-73 amounted to 649,611 tonnes; operating revenue was \$886,185.

Queensland

The ports of Queensland generally are administered by harbour boards with members representing the cities, towns and districts served by the ports. Where no board is established, control is exercised by the Corporation of the Treasurer through the Department of Harbours and Marine.

Harbour Board ports are Bowen, Bundaberg, Cairns, Gladstone, Mackay, Rockhampton and Townsville.

Corporation of the Treasurer principal ports are Brisbane, Hay Point, Lucinda, Maryborough, Mourilyan, Thursday Island and Weipa.

Brisbane, the busiest port in the State, is a river port of world standard dredged to a sufficient depth to accommodate all classes of vessels on the Australian trade. The port, as well as providing wharves for containers, bulk grain fertiliser, freezer goods, petroleum products and general cargo, also provides shipbuilding and ship repair facilities including a dry dock accommodating vessels up to 71,000 tonnes deadweight. Two refineries, situated at the mouth of the river, can supply all ships' bunkering requirements.

The finances of Brisbane Harbour for the years 1968-69 to 1972-73 are shown in the following table.

BRISBANE HARBOUR: FINANCES
(\$'000)

Year	Loan indebtedness at 30 June	Receipts		Payments	
		Harbour dues	Total	Working expenses(a)	Total
1968-69 . .	4,890	2,333	3,622	3,156	3,483
1969-70 . .	5,726	2,320	3,772	4,542	4,927
1970-71 . .	5,576	2,685	3,788	3,556	4,004
1971-72 . .	6,352	3,001	4,349	3,308	3,789
1972-73 . .	6,653	3,010	5,586	3,700	4,228

(a) Excludes interest and redemption included in total.

South Australia

Department of Marine and Harbors. All South Australian harbours are controlled by the Department of Marine and Harbors, which is responsible to the Minister of Marine for the discharge of its duties and functions. The most important ports are the six deep-sea ports of Port Adelaide, Port Pirie, Wallaroo, Port Lincoln, Port Giles and Thevenard. In South Australia there are also eight privately-owned and operated ports. The principal of these are Whyalla, Ardrossan, Rapid Bay, and Proper Bay (Broken Hill Pty Co. Ltd), Port Augusta (Commonwealth Railways) and Port Stanvac (Petroleum Refineries (Aust.) Pty Ltd). Maximum depths of water (low water) at the wharves of the main ports range from 8.2 metres at Port Pirie to 11.6 metres at Port Giles. The following table shows the finances of the Department for 1968-69 to 1972-73.

DEPARTMENT OF MARINE AND HARBORS, SOUTH AUSTRALIA: FINANCES
(\$'000)

Year	Loan indebtedness at 30 June	Revenue	Expenditure from revenue			Surplus(+) or Deficit(-)
			Working expenses	Interest	Total	
1968-69	47,614	6,653	4,365	1,957	6,322	+ 331
1969-70	50,736	7,282	4,265	2,176	6,442	+ 840
1970-71	55,081	7,628	5,056	2,431	7,487	+ 141
1971-72	57,824	7,611	5,346	2,796	8,142	- 530
1972-73	62,655	7,324	5,453	3,028	8,481	-1,157

Western Australia

The *Port of Fremantle* is operated and controlled by the Fremantle Port Authority. The port covers an extensive water area of some 466 square kilometres and comprises an inner and an outer harbour. The inner harbour includes 20 deep-water land-backed berths, providing more than 51,097 square metres of covered storage space and 3,994 metres of wharf berth accommodation. All inner harbour berths are dredged to a low water depth of 11 metres. The outer harbour includes 3 main anchorages, Gage Roads, Owen Anchorage and Cockburn Sound. Deep-water jetties, including the oil refinery jetty in Cockburn Sound, are available in the outer harbour. Ocean-going deep draft ships enter the Sound by means of a channel dredged through Success and Parmelia Banks to a low water depth of 14 metres and a bottom width of 152 metres. In the outer harbour there are 3 tanker berths each with a low water depth of 13 metres at the Kwinana oil refinery, 2 berths at the nearby steelworks jetties with a low water depth of 12 metres, 2 berths at the alumina works jetty with a low water depth of 12 metres and 1 berth at the bulk cargo jetty with a low water depth of 13 metres. There is also a special berth for the handling of explosives. Total effective berth accommodation in the outer harbour is 1,862 metres. Gross earnings for 1972-73 amounted to \$11,387,750, working expenses to \$8,164,649, interest charges on loan capital \$1,366,743, and loan indebtedness totalled \$25,312,896.

The Ports of *Albany*, *Bunbury*, *Esperance*, *Geraldton* and *Port Hedland* are controlled by their respective Port Authorities.

Other ports. The following ports are controlled by the State Government Harbour and Light Department: Broome, Carnarvon, Derby, Onslow, Port Walcott and Wyndham. Ports privately controlled comprise Yampi and Dampier, both operated by iron ore mining companies, and Exmouth, the port serving the communications installation at North West Cape. A private buoyed sea terminal is operated at Barrow Island for the shipment of crude oil, and private interests ship salt at Cape Cuvier, and salt and gypsum from Useless Loop in Shark Bay.

Tasmania

Port services in Tasmania are under the control of seven port authorities: the Marine Boards of Hobart, Devonport, Burnie, Circular Head (Stanley), King Island (Currie), Flinders Island (Whitemark) and the Port of Launceston Authority. Port facilities previously under the control of the Smithton Harbour Trust were vested in the Circular Head Marine Board from July 1973. The ports at Hobart, Launceston (Bell Bay), Burnie and Devonport are general cargo terminals for overseas and interstate shipping. Other ports catering primarily for overseas export of specialised cargoes include Port Latta (iron ore pellets), Triabunna (wood chips), and Port Huon (fruit).

AUTHORITIES CONTROLLING PORTS, TASMANIA: FINANCES
1968-69 TO 1972-73
(\$'000)

<i>Authority</i>	<i>Loan indebtedness at 30 June (a)</i>	<i>Receipts (revenue account) total</i>	<i>Expenditure (revenue account)</i>			<i>New loans raised</i>	<i>Loan expenditure</i>
			<i>Works and services</i>	<i>Loan charges</i>	<i>Total (a)</i>		
Hobart . . .	6,627	2,616	875	603	1,895	1,100	1,957
Launceston . .	9,196	2,715	1,007	774	2,242	2,001	2,124
Devonport . .	7,160	1,652	513	700	1,427	300	422
Burnie . . .	12,722	1,808	295	831	1,369	..	228
Circular Head .	1,019	125	8	100	122	56	70
King Island . .	58	55	49	3	81	..	4
Flinders Island .	191	29	9	15	28	..	..
Smithton . . .	..	7	5	..	6	..	..
Total 1972-73	36,973	9,007	2,761	3,026	7,170	3,457	4,805
1971-72	34,648	7,752	2,928	2,844	7,194	4,590	5,261
1970-71	31,057	7,133	2,618	2,535	6,366	4,471	5,042
1969-70	27,464	6,765	3,051	2,300	6,347	3,910	3,386
1968-69	24,376	6,274	2,817	2,011	6,253	2,837	4,574

(a) Includes expenditure not specified in component items.