

## CHAPTER 21

### PUBLIC FINANCE

The subject of public finance is dealt with in this chapter under the two major divisions of Commonwealth Finance and State Finance. The close financial relations between the Commonwealth and States, however, particularly since the Financial Agreement has been in operation, demand also a combination of these two divisions under the heading of Commonwealth and State Finance. Under the Financial Agreement the Commonwealth assumed the liability to bondholders for the States' Securities existing at the date of the Agreement and now arranges for all borrowings for and on behalf of the Commonwealth or any State and for all conversions, renewals, redemptions and consolidations of such securities. In view of this it is convenient to deal with the Commonwealth and State Government Securities on Issue in a separate division of this chapter (page 799). The subject of income taxes is also dealt with in a separate division at the end of this chapter (page 814).

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

#### COMMONWEALTH FINANCE

##### Financial provisions of the Constitution

The main provisions of the Constitution relating to the initiation and development of the financial system of the Commonwealth are contained in Sections 81 to 105A of the Commonwealth Constitution (see pages 16–19 of this Year Book). Two other sections which have a most important bearing on questions of Commonwealth finance are Sections 69 and 51.

Section 69 provides for the transfer from the States to the Commonwealth of certain specified departments, and Section 51, in outlining the powers of the Commonwealth Parliament, implies the transfer or creation of other departments. Sections 87 and 96 deal with the financial relations between the Commonwealth and the States. These matters have been treated in previous issues of the Year Book, and on pages 763–71 of this issue a summary is given of the present provisions for Commonwealth financial assistance to the States.

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

#### Commonwealth Public Account

##### Nature of account

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

##### Summary of receipts and expenditure

A summary of transactions on the Commonwealth Public Account for 1964–65 and the four preceding years is given in the table which follows. The transactions are recorded on a cash basis.

COMMONWEALTH PUBLIC ACCOUNT: SUMMARY OF TRANSACTIONS  
1960-61 TO 1964-65

(\$ million)

	1960-61	1961-62	1962-63	1963-64 (b)	1964-65
<b>Expenditure—</b>					
Consolidated Revenue Fund(a)	2,991.4	3,239.2	3,318.1	3,743.7	4,195.4
Loan Fund—					
Defence services	..	46.9	132.1	77.4	..
State works and housing programmes	451.3	489.2	498.2	524.0	559.4
War service land settlement	4.1	3.2	1.2	8.5	7.2
Mount Isa Railway Agreement	..	7.5	11.9	12.1	3.0
Snowy Mountains Hydro-electric Authority	..	..	26.2	23.4	19.6
Total expenditure	3,446.8	3,786.0	3,987.7	4,389.1	4,784.6
<b>Receipts—</b>					
Consolidated Revenue Fund	3,276.6	3,283.1	3,370.8	3,809.4	4,418.2
National Debt Sinking Fund	147.7	153.3	163.6	179.0	192.6
Net movement in cash balances of other trust funds	-23.4	4.6	30.9	4.9	17.1
Total receipts	3,400.8	3,441.0	3,565.3	3,993.3	4,627.9
<i>Excess of expenditure over receipts (or net call on borrowings)</i>	<i>45.9</i>	<i>345.0</i>	<i>422.4</i>	<i>395.8</i>	<i>156.7</i>
<b>Borrowings, etc.—</b>					
Loan proceeds—					
Australia(c)	245.0	463.1	518.7	578.4	501.7
Overseas(d)—					
Public loans	109.5	58.8	110.9	49.1	21.9
Drawings on international bank loans	..	..	28.4	24.2	21.2
Total loan proceeds	354.4	521.9	658.1	651.8	544.8
<i>Less redemptions, etc.—</i>					
Australia(c)	194.8	172.0	165.1	153.4	270.3
Overseas(d)	82.1	58.9	38.5	47.3	80.1
Total redemptions	276.9	230.9	203.6	200.7	350.4
Net loan proceeds	77.5	290.9	454.5	451.1	194.4
Net movement in temporary borrowings and cash balances—					
Treasury notes	..	..	139.0	13.6	-72.1
Treasury bills and debentures	-30.0	44.0	-170.0	-68.0	(e) 38.0
Cash balances	-1.6	10.0	-1.1	-0.9	-3.6
Total borrowings, etc.	45.9	345.0	422.4	395.8	156.7

(a) Excludes payments to Loan Consolidation and Investment Reserve: 1960-61, \$285.1m; 1961-62, \$44.3m; 1962-63, \$52.8m; 1963-64, \$29.8m; and 1964-65, \$222.7m. (b) Comparisons between the figures for 1962-63 and 1963-64 are affected by accounting changes which had the effect of increasing both expenditures and receipts by \$44.0m. In particular, receipts of business undertakings were increased by \$2.6m and other revenue by \$41.5m. On the expenditure side, defence services were increased by \$13.0m, war service land settlement by \$9.2m, departmental running expenses, etc., by \$18.2m, repatriation services by \$1.0m, and expenditure by business undertakings by \$2.6m. The revised accounting arrangements also involved minor changes as between certain items of expenditure, including most of those previously mentioned. (c) Redemptions of special bonds, previously deducted from proceeds of special bonds, are now included under redemptions. (d) Oversea 'refinancing' operations, previously treated as conversions, are now treated as adding to both loan proceeds and redemptions where they involved receipts into Loan Fund and expenditures from Loan Fund. (e) In 1964-65 \$100m Treasury bills were funded so that there was a net reduction of \$62m in the Treasury bill issue during that year.

Minus sign (-) denotes decrease.

### All Commonwealth funds: summary of receipts and expenditure

The following table represents a reclassification of Commonwealth Government receipts and expenditure in a national accounts form. It includes the Commonwealth Government components (with slight re-arrangement) of Tables 57 and 60 in *Australian National Accounts, National Income and Expenditure 1948-49 to 1964-65*. Advances to semi-governmental business undertakings are included in 'Other advances', but grants to other semi-governmental bodies (National Capital Development Commission, Australian National University, Stevedoring Industry Authority, etc.) are classified according to the final expenditure of the authority concerned.

#### ALL COMMONWEALTH FUNDS: RECEIPTS AND EXPENDITURE, 1960-61 TO 1964-65

(\$ million)

	1960-61	1961-62	1962-63	1963-64	1964-65
<b>Expenditure—</b>					
Current expenditure on goods and services . . . . .	659	720	761	850	1,011
Capital expenditure on new assets and stocks . . . . .	152	172	207	224	280
Purchases of existing assets . . . . .	8	5	4	4	4
Subsidies . . . . .	63	83	71	101	86
Interest . . . . .	69	67	66	75	81
Cash benefits to persons . . . . .	822	902	938	1,030	1,082
Grants towards private capital expenditure . . . . .	7	10	9	8	26
Oversea grants . . . . .	46	52	65	75	95
Grants to States . . . . .	714	800	852	896	958
Advances to States . . . . .	93	127	130	136	142
Other advances . . . . .	157	164	161	192	209
<i>Total expenditure</i> . . . . .	<i>2,790</i>	<i>3,102</i>	<i>3,264</i>	<i>3,591</i>	<i>3,974</i>
<b>Receipts—</b>					
Taxation . . . . .	2,851	2,836	2,882	3,220	3,788
Interest, rent and dividends . . . . .	68	82	90	92	103
Net revenue of business undertakings . . . . .	74	76	111	123	148
Fees and charges for goods and services . . . . .	36	38	40	52	55
Sales of existing assets . . . . .	4	6	8	12	17
Repayments of advances to States . . . . .	18	18	21	21	22
Repayments of other advances . . . . .	26	24	32	34	37
Other net receipts(a) . . . . .	-287	22	80	37	-196
<i>Total receipts</i> . . . . .	<i>2,790</i>	<i>3,102</i>	<i>3,264</i>	<i>3,591</i>	<i>3,974</i>

(a) Includes borrowing on treasury bills and Commonwealth bonds and net decrease in cash balances.

Minus sign (-) denotes decrease.

#### All Commonwealth funds: expenditure, by function

In the following table particulars of expenditure shown in the previous table have been reclassified to a 'net' basis by taking account of the relevant items shown as receipts in that table, e.g., fees and charges for goods and services, sales of existing assets, etc., and the resulting totals have been classified by function.

**ALL COMMONWEALTH FUNDS: TOTAL NET EXPENDITURE, BY FUNCTION  
1960-61 TO 1964-65**

(\$ million)

	1960-61	1961-62	1962-63	1963-64	1964-65
<b>Net current expenditure—</b>					
Law, order and public safety . . . . .	4	4	4	5	6
Education . . . . .	27	33	38	43	61
Cultural and recreational facilities . . . . .	2	3	3	4	5
Public health . . . . .	154	174	188	203	221
Welfare . . . . .	533	587	603	665	696
War and defence . . . . .	365	400	421	451	551
Repatriation . . . . .	193	207	218	236	242
Development of resources and assist- ance to industry . . . . .	85	131	125	162	166
Transport and communication . . . . .	29	26	28	30	33
Legislature and general administration . . . . .	65	73	74	88	101
External affairs . . . . .	23	28	27	30	41
Immigration . . . . .	23	22	24	28	36
Regulation of trade and industry . . . . .	12	12	14	16	18
Housing . . . . .	3	2	2	2	15
Other . . . . .	36	34	35	48	55
Not allocated to function . . . . .	647	698	735	776	797
<i>Total net current expenditure . . . . .</i>	<i>2,201</i>	<i>2,434</i>	<i>2,539</i>	<i>2,789</i>	<i>3,044</i>
<b>Net capital expenditure—</b>					
Education . . . . .	14	19	19	21	42
Cultural and recreational facilities . . . . .	4	8	12	9	12
Public health . . . . .	4	5	6	5	7
War and defence . . . . .	21	-2	-3	45	17
Development of resources and assist- ance to industry . . . . .	18	14	7	12	18
Transport and communication—					
Post office . . . . .	84	94	123	128	165
Civil aviation . . . . .	22	26	4	3	42
Roads . . . . .	97	110	122	131	147
Other . . . . .	12	24	34	35	31
Power, fuel and light . . . . .	38	32	45	48	45
Housing . . . . .	130	157	155	146	154
Other . . . . .	13	36	2	28	19
Not allocated to function . . . . .	18	19	51	19	39
<i>Total net capital expenditure . . . . .</i>	<i>475</i>	<i>542</i>	<i>577</i>	<i>631</i>	<i>738</i>

This table classifies by function the expenditure on goods and services (reclassified to a net basis) shown in the table on page 758.

**ALL COMMONWEALTH FUNDS: NET EXPENDITURE ON GOODS AND SERVICES  
BY FUNCTION<sup>(a)</sup>, 1960-61 TO 1964-65**

(\$ million)

	1960-61	1961-62	1962-63	1963-64	1964-65
<b>Net current expenditure—</b>					
Law, order and public safety . . . . .	4	4	5	5	6
Education . . . . .	9	11	12	14	19
Cultural and recreational facilities . . . . .	2	3	3	4	5
Public health . . . . .	11	11	13	13	14
Welfare . . . . .	11	12	13	14	15
War and defence . . . . .	363	398	413	447	540
Repatriation . . . . .	41	41	49	53	56
Development of resources and assist- ance to industry . . . . .	49	59	65	75	95
Transport and communication . . . . .	19	19	22	24	27
Legislature and general administration . . . . .	65	73	73	84	100
External affairs . . . . .	11	15	17	22	23
Immigration . . . . .	21	19	21	26	33
Regulation of trade and industry . . . . .	5	4	7	8	9
Housing . . . . .	2	2	3	3	4
Other . . . . .	3	2	1	1	4
Not allocated to function . . . . .	7	6	4	4	7
<i>Total net current expenditure . . . . .</i>	<i>623</i>	<i>682</i>	<i>721</i>	<i>797</i>	<i>956</i>
<b>Net capital expenditure (new assets and stocks—)</b>					
Education . . . . .	5	7	6	8	9
Cultural and recreational facilities . . . . .	3	8	12	9	12
Public health . . . . .	2	2	2	3	3
Development of resources and assistance to industry . . . . .	10	8	7	8	13
Transport and communication—					
Post office . . . . .	84	93	122	128	164
Civil aviation . . . . .	8	8	8	11	16
Roads . . . . .	5	8	10	9	9
Other . . . . .	3	6	6	9	8
Housing . . . . .	9	9	10	9	11
Other . . . . .	12	11	13	20	21
Not allocated to function . . . . .	11	12	12	9	14
<i>Total net capital expenditure . . . . .</i>	<i>152</i>	<i>172</i>	<i>207</i>	<i>224</i>	<i>280</i>

(a) This table includes the Commonwealth Government component of Tables 66 and 75 in *Australian National Accounts, National Income and Expenditure 1948-49 to 1964-65* together with net expenditure on stocks.

**Main components of Commonwealth expenditure**

The tables on pages 761-71 supply details of some of the main components of total expenditure of the Commonwealth Government.

**Subsidies**

The following table shows details of Commonwealth expenditure from all funds on assistance to primary producers, subsidies and bounties for the years 1960-61 to 1964-65. Expenditure on special relief such as drought, frost, flood, and bush fire, etc., is not included here (included as cash benefits to persons in tables, pages 762-3), nor is expenditure from the proceeds of certain taxes on primary products and profits from marketing schemes, which have been paid to trust

funds for the purpose of price or other stabilization schemes or for distribution to producers (see page 781). Payments to the States for cattle tick control, dairy industry extension and agricultural advisory services are not included under this heading, but included under the heading Grants to the States (see pages 764-6). Further information relating to assistance to primary producers is given in the chapter Rural Industry. Details of price stabilization subsidies and of various forms of assistance to primary producers for earlier years are given on pages 414 and 1014-15, respectively, of Year Book No. 38.

ALL COMMONWEALTH FUNDS: EXPENDITURE ON SUBSIDIES  
1960-61 TO 1964-65

(\$'000)

Type of subsidy	1960-61	1961-62	1962-63	1963-64	1964-65
Development of resources and assistance to industry—					
Dairy industry . . . . .	27,000	27,000	27,000	27,000	27,000
Wheat prices stabilization . . . . .	13,064	33,816	14,576	22,634	1,892
Phosphate fertilizers . . . . .	..	..	..	18,806	22,880
Oil search . . . . .	2,798	5,086	10,000	9,434	8,838
Copper . . . . .	810	1,374	1,398	1,390	300
Gold mining industry . . . . .	1,398	1,318	1,582	1,496	1,860
Pyrites . . . . .	172	794	796	1,228	924
Cotton . . . . .	748	630	574	946	1,916
Processed milk products . . . . .	..	..	568	800	864
Sulphate of ammonia . . . . .	..	..	360	318	526
Vinyl resin . . . . .	..	..	..	228	364
Copper and brass strip . . . . .	..	..	36	124	154
Northern Territory—					
Railway freight . . . . .	68	72	80	92	90
Transport of stud stock . . . . .	40	34	30	48	40
Ship construction . . . . .	6,000	3,106	3,600	4,436	5,538
Sulphuric acid . . . . .	2,706	2,018	2,188	2,316	1,822
Tractor . . . . .	1,882	1,754	1,926	2,014	2,754
Cellulose acetate flake . . . . .	254	138	202	218	134
Rayon yarns . . . . .	144	138	270	..	..
Flax fibre . . . . .	12	24	36	4	..
Transport and communication—					
Air services . . . . .	1,000	1,000	1,000	1,000	1,000
Coastal shipping service—					
King Island and Bass Straits Islands . . . . .	..	..	..	24	66
Tasmania . . . . .	..	26	..	..	..
Northern Territory . . . . .	4	8	8	8	14
Northern Territory airmail service . . . . .	46	66	74	116	118
South American shipping service . . . . .	..	100	222	304	278
Regulation of trade and industry—					
Stevedoring industry . . . . .	4,166	4,346	4,200	5,742	6,094
Other . . . . .	204	230	304	300	326
Total . . . . .	62,516	83,078	71,030	101,026	85,792

Cash benefits to persons

Particulars of cash benefits paid to persons in each State and Territory during 1964-65 are shown in the next table and the total payments during the years 1960-61 to 1964-65 are shown in the table following.

**ALL COMMONWEALTH FUNDS: CASH BENEFITS TO PERSONS  
STATES AND TERRITORIES, 1964-65**

(\$'000)

Type of benefit	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	N.T.	A.C.T.	Abroad	Total
<b>Education—</b>										
Commonwealth Scholarship Scheme—										
Secondary . . . . .	814	1,176	592	376	296	130	..	..	..	3,382
Technical . . . . .	26	106	42	26	10	4	..	..	..	212
University . . . . .	3,572	2,552	1,382	842	616	176	..	50	..	9,188
<i>Total, education</i> . . . . .	<i>4,412</i>	<i>3,834</i>	<i>2,016</i>	<i>1,244</i>	<i>922</i>	<i>310</i>	..	50	..	<i>12,782</i>
<b>Health—</b>										
Hospital benefits . . . . .	24,252	13,267	8,994	5,160	4,987	1,811	110	210	..	58,791
Medical benefits . . . . .	14,237	8,961	3,749	4,274	3,056	1,000	..	..	..	35,277
Medical benefits for pensioners . . . . .	3,771	2,413	1,299	898	660	256	..	23	..	9,320
Milk for school children . . . . .	2,876	2,066	1,211	757	637	380	72	60	..	8,059
Pharmaceutical benefits . . . . .	22,492	18,556	8,800	5,110	3,824	1,706	..	151	..	60,638
Pharmaceutical benefits for pensioners . . . . .	9,094	5,165	3,270	1,987	1,470	578	..	..	..	21,564
Tuberculosis campaign . . . . .	3,650	2,700	2,036	638	742	361	..	17	..	10,146
Miscellaneous . . . . .	148	162	345	19	30	67	72	2,016	..	2,859
<i>Total, health</i> . . . . .	<i>80,520</i>	<i>53,288</i>	<i>29,704</i>	<i>18,843</i>	<i>15,406</i>	<i>6,162</i>	<i>254</i>	<i>2,477</i>	..	<i>206,654</i>
<b>Welfare—</b>										
Age and invalid pensions . . . . .	167,725	107,408	68,119	38,509	29,413	13,184	1,009	778	452	426,597
Child endowment . . . . .	59,897	48,018	26,153	16,563	13,406	6,306	1,005	1,430	52	172,830
Commonwealth Rehabilitation Service . . . . .	494	432	231	213	174	60	..	..	..	1,604
Funeral benefits . . . . .	349	224	129	76	59	26	..	2	..	866
Maternity allowances . . . . .	2,569	2,058	1,093	666	534	251	53	64	6	7,294
Tuberculosis campaign—										
Allowances . . . . .	525	297	362	105	80	76	12	2	..	1,458
Unemployment benefits . . . . .	2,227	1,160	1,587	390	842	583	3	15	..	6,807
Sickness benefits . . . . .	2,681	1,645	948	475	512	201	12	23	..	6,498
Special benefits . . . . .	349	546	171	66	46	52	2	2	..	1,235
Widows' pensions . . . . .	17,736	11,764	7,594	4,452	3,463	1,699	133	147	56	47,044
Other . . . . .	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	1,022
<i>Total, welfare</i> . . . . .	<i>254,552</i>	<i>173,552</i>	<i>106,387</i>	<i>61,515</i>	<i>48,529</i>	<i>22,438</i>	<i>2,229</i>	<i>2,463</i>	<i>566</i>	<i>673,256</i>
<b>Repatriation—</b>										
War and service pensions and allowances . . . . .	b 61,458	51,110	27,386	c 16,006	14,768	7,118	(d)	(e)	1,470	179,313
Other . . . . .	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	4,012
<b>Immigration—</b>										
Maintenance of migrant families . . . . .	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	..	3,752
<b>Regulation of trade and industry—</b>										
Coal mining industry—Long service leave . . . . .	732	..	206	..	64	20	..	..	..	1,020
Stevedoring industry . . . . .	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	..	1,614
<b>Housing—</b>										
Commonwealth-State Housing Agreement—										
Contribution to rental losses . . . . .	..	..	130	..	..	..	..	..	..	130
<i>Total</i> . . . . .	<i>401,674</i>	<i>281,784</i>	<i>165,829</i>	<i>97,608</i>	<i>79,689</i>	<i>36,048</i>	<i>2,483</i>	<i>4,990</i>	<i>2,036</i>	<i>f 1,082,533</i>

(a) Not allocable. (b) Includes Australian Capital Territory. (c) Includes Northern Territory. (d) Included in South Australia. (e) Included in New South Wales. (f) Includes items not allocable; see footnote (a).

ALL COMMONWEALTH FUNDS: CASH BENEFITS TO PERSONS  
1960-61 TO 1964-65

(\$'000)

Type of benefit	1960-61	1961-62	1962-63	1963-64	1964-65
<b>Education—</b>					
Commonwealth Scholarship Scheme—					
Secondary . . . . .	..	..	..	..	3,382
Technical . . . . .					212
University . . . . .	4,980	5,786	7,102	7,768	9,188
<i>Total, education</i> . . . . .	4,980	5,786	7,102	7,768	12,782
<b>Health—</b>					
Hospital benefits . . . . .	41,336	44,394	47,326	56,216	58,791
Medical benefits . . . . .	19,952	21,833	23,474	24,848	35,277
Medical benefits for pensioners . . . . .	8,401	8,796	9,146	9,531	9,320
Milk for school children . . . . .	7,120	7,483	7,454	7,775	8,059
Pharmaceutical benefits . . . . .	41,086	52,185	57,044	58,237	60,638
Pharmaceutical benefits for pensioners . . . . .	14,677	18,195	19,867	20,602	21,564
Tuberculosis campaign . . . . .	8,358	8,654	9,738	10,463	10,146
Miscellaneous . . . . .	2,092	1,696	1,530	1,786	2,859
<i>Total, health</i> . . . . .	143,018	163,236	175,578	189,460	206,654
<b>Welfare—</b>					
Age and invalid pensions . . . . .	315,852	360,489	375,507	399,880	426,597
Child endowment . . . . .	148,605	132,755	135,421	168,758	172,830
Commonwealth Rehabilitation Service . . . . .	1,387	1,447	1,395	1,489	1,604
Funeral benefits . . . . .	735	752	802	812	866
Maternity allowances . . . . .	7,796	7,817	7,563	7,457	7,294
Tuberculosis campaign—Allowances . . . . .	1,893	1,746	1,607	1,593	1,458
Unemployment benefits, sickness and special benefits . . . . .	14,280	31,810	29,315	21,625	14,540
Widows' pensions . . . . .	26,937	30,189	31,353	41,569	47,044
Other . . . . .	1,012	958	430	470	1,022
<i>Total, welfare</i> . . . . .	518,496	567,962	583,394	643,654	673,256
<b>Repatriation—</b>					
War and service pensions and allowances . . . . .	147,345	154,540	162,693	179,051	179,313
Other . . . . .	2,382	2,768	3,112	4,148	4,012
<i>Total, repatriation</i> . . . . .	149,728	157,308	165,806	183,198	183,324
<b>Immigration—</b>					
Maintenance of migrant families . . . . .	2,118	3,323	3,159	3,472	3,752
<b>Regulation of trade and industry—</b>					
Coal mining industry—Long service leave . . . . .	918	1,290	954	910	1,020
Stevadoring industry . . . . .	2,300	2,994	1,868	1,674	1,614
<i>Total, regulation of trade and industry</i> . . . . .	3,218	4,284	2,822	2,584	2,634
<b>Housing—</b>					
Commonwealth-State Housing Agreement—					
Contribution to rental losses . . . . .	705	130	37	45	130
<i>Total</i> . . . . .	822,263	902,029	937,898	1,030,181	1,082,533

Further information concerning items in the two preceding tables is given in the appropriate chapters of this Year Book.

**Payments to or for the States**

An outline of the provisions of the Constitution providing for the Commonwealth to make payments to the States, and of the systems which followed, is given in earlier issues of the Year Book (*see* No. 37, pages 633 to 638). A distinction is made in this Year Book between (a) direct Commonwealth financial assistance to the States in the form of grants to provide revenue for general and specific purposes and (b) those forms of assistance for developmental and other specific purposes which include, in part or in total, payments made 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 769-71, but for greater detail on these and other forms of financial assistance *see* Year Book No. 51, pages 921-4 and earlier issues. Further information is available also in the chapters of this issue dealing with the respective subjects.

**Grants.** The following three tables show particulars of the amounts paid to the States as grants for the purposes referred to in (a) above.



**ALL COMMONWEALTH FUNDS: GRANTS TO THE STATES, BY FUNCTION, 1964-65**  
(\$'000)

Function	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
<b>Current purposes—</b>							
<b>Education—</b>							
Universities . . . . .	11,664	7,098	3,512	3,266	2,472	930	28,942
<b>Welfare—</b>							
Housekeeper services . . . . .	12	8	4	..	..	..	24
<b>Development of resources and assistance to industry—</b>							
Cattle tick control . . . . .	414	..	..	..	..	..	414
Expansion of agricultural advisory services . . . . .	150	132	114	54	54	36	540
Dairy industry extension services . . . . .	178	178	180	50	48	38	672
Investigation of water resources . . . . .	70	80	136	60	84	..	430
<b>Total, development, etc. . . . .</b>	<b>812</b>	<b>390</b>	<b>430</b>	<b>164</b>	<b>186</b>	<b>74</b>	<b>2,056</b>
<b>Not allocated to function—</b>							
Financial assistance grants . . . . .	230,536	171,750	101,112	78,156	70,498	29,298	681,348
Special grants . . . . .	..	..	..	..	17,120	14,600	31,720
Interest and exchange . . . . .	5,834	4,254	2,192	1,408	948	534	15,170
Sinking fund and redemption . . . . .	5,662	3,938	2,108	2,192	1,616	1,130	16,646
<b>Total, not allocated . . . . .</b>	<b>242,032</b>	<b>179,942</b>	<b>105,412</b>	<b>81,756</b>	<b>90,182</b>	<b>45,562</b>	<b>744,884</b>
<b>Total, current purposes . . . . .</b>	<b>254,520</b>	<b>187,438</b>	<b>109,358</b>	<b>85,186</b>	<b>92,840</b>	<b>46,566</b>	<b>775,906</b>
<b>Capital purposes—</b>							
<b>Education—</b>							
Secondary . . . . .	2,710	2,046	1,048	676	518	242	7,238
Technical . . . . .	3,744	2,826	1,448	934	714	334	10,000
Universities . . . . .	4,506	3,288	1,784	1,814	528	412	12,332
<b>Total, education . . . . .</b>	<b>10,960</b>	<b>8,160</b>	<b>4,280</b>	<b>3,424</b>	<b>1,760</b>	<b>988</b>	<b>29,570</b>
<b>Public health—</b>							
Mental institutions . . . . .	660	712	224	264	446	198	2,504
Tuberculosis hospitals—							
Capital . . . . .	136	308	222	12	12	6	696
<b>Total, public health . . . . .</b>	<b>796</b>	<b>1,020</b>	<b>446</b>	<b>276</b>	<b>458</b>	<b>204</b>	<b>3,200</b>
<b>Development of resources and assistance to industry—</b>							
Western Australia—Northern development . . . . .	..	..	..	..	2,018	..	2,018
Flood mitigation . . . . .	1,300	..	..	..	..	..	1,300
Investigation of water resources . . . . .	64	10	120	12	52	..	258
<b>Total, development, etc. . . . .</b>	<b>1,364</b>	<b>10</b>	<b>120</b>	<b>12</b>	<b>2,070</b>	<b>..</b>	<b>3,576</b>
<b>Transport and communication—</b>							
Commonwealth aid roads . . . . .	36,346	25,576	23,670	14,902	23,006	6,500	130,000
Railway projects . . . . .	..	..	..	3,158	4,228	..	7,386
Cattle roads . . . . .	..	..	2,300	..	1,500	..	3,800
Replacement of Derby jetty . . . . .	..	..	..	..	150	..	150
Gordon River road . . . . .	..	..	..	..	..	1,094	1,094
Coal loading works . . . . .	..	..	120	..	..	..	120
<b>Total, transport, etc. . . . .</b>	<b>36,346</b>	<b>25,576</b>	<b>26,090</b>	<b>18,060</b>	<b>28,884</b>	<b>7,594</b>	<b>142,550</b>
<b>Other—</b>							
Exmouth township . . . . .	..	..	..	..	380	..	380
<b>Total, capital purposes . . . . .</b>	<b>49,466</b>	<b>34,766</b>	<b>30,936</b>	<b>21,772</b>	<b>33,552</b>	<b>8,786</b>	<b>179,276</b>
<b>Grand total . . . . .</b>	<b>303,986</b>	<b>222,204</b>	<b>140,294</b>	<b>106,958</b>	<b>126,392</b>	<b>55,352</b>	<b>955,182</b>

**ALL COMMONWEALTH FUNDS: TOTAL GRANTS TO THE STATES  
BY FUNCTION, 1960-61 TO 1964-65  
(\$'000)**

Function	1960-61	1961-62	1962-63	1963-64	1964-65
<b>Current purposes—</b>					
Education—Universities . . . . .	13,354	16,236	18,546	21,080	28,942
Welfare—Housekeeper services . . . . .	28	28	28	28	24
Development of resources and assistance to industry—					
Cattle tick control . . . . .	1,082	660	536	518	414
Expansion of agricultural advisory services . . . . .	588	572	576	580	540
Dairy industry extension services . . . . .	492	496	490	682	672
Investigation of water resources . . . . .	..	..	..	..	430
Tobacco industry extension services . . . . .	..	..	48	48	..
Total, development, etc. . . . .	2,162	1,728	1,650	1,828	2,056
Not allocated to function—					
Financial assistance grants . . . . .	539,988	584,280	608,640	635,968	681,348
Special grants . . . . .	17,236	22,462	22,502	22,900	31,720
Interest and exchange . . . . .	15,170	15,170	15,170	15,170	15,170
Sinking fund and redemption . . . . .	12,548	13,478	14,496	15,690	16,646
Additional assistance grants . . . . .	..	20,000	35,000	40,000	..
Total, not allocated . . . . .	584,942	655,390	695,808	729,728	744,884
Total, current purposes . . . . .	600,486	673,382	716,032	752,664	775,906
<b>Capital purposes—</b>					
Education—					
Secondary . . . . .	..	..	..	..	7,238
Technical . . . . .	..	..	..	..	10,000
Universities . . . . .	9,100	12,086	12,872	12,780	12,332
Total, education . . . . .	9,100	12,086	12,872	12,780	29,570
Public health—					
Mental institutions . . . . .	1,454	1,648	1,590	1,594	2,504
Tuberculosis hospitals—Capital . . . . .	820	774	984	598	696
Total, public health . . . . .	2,274	2,422	2,574	2,192	3,200
Development of resources and assistance to industry—					
Western Australia—Northern development . . . . .	2,416	3,410	2,864	1,816	2,018
Flood mitigation . . . . .	..	..	..	400	1,300
Cattle dip chemicals . . . . .	..	..	106	..	..
Western Australia waterworks . . . . .	1,032	122	..	..	..
Encouragement of meat production . . . . .	14	10	2	..	..
Investigation of water resources . . . . .	..	..	..	..	258
Total, development, etc. . . . .	3,462	3,542	2,972	2,216	3,576
Transport and communication—					
Commonwealth aid roads . . . . .	92,192	100,012	108,000	116,000	130,000
Railway projects . . . . .	6,602	5,600	5,678	5,182	7,386
Cattle roads . . . . .	..	2,300	3,400	3,596	3,800
Replacement of Derby jetty . . . . .	..	..	300	350	150
Gordon River road . . . . .	..	..	..	270	1,094
Coal loading works . . . . .	..	..	..	80	120
Total, transport, etc. . . . .	98,794	107,912	117,378	125,478	142,550
Other—					
Exmouth township . . . . .	..	..	..	..	380
Total, capital purposes . . . . .	113,630	125,962	135,796	142,666	179,276
<b>Grand total . . . . .</b>	<b>714,116</b>	<b>799,344</b>	<b>851,828</b>	<b>895,330</b>	<b>955,182</b>

## ALL COMMONWEALTH FUNDS: GRANTS TO THE STATES TO 30 JUNE 1965(a)

(\$ million)

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
Section 87 of Constitution, 1900-01 to 1909-10	55.5	40.0	17.8	12.4	17.5	5.2	148.4
Surplus Revenue Acts, 1910-11 to 1926-27	83.0	62.3	30.3	19.8	19.5	8.7	223.7
Financial Agreements, 1927-28 to 1964-65	302.5	209.9	111.6	81.7	58.4	31.2	796.1
Special grants(b)	..	..	..	156.2	268.1	135.7	560.0
Income tax reimbursement grants, 1942-43 to 1945-46(c)	110.8	48.7	44.4	18.1	19.0	6.8	247.8
Income tax reimbursement special grants, 1945-46 to 1946-47(c)	..	..	..	3.3	1.8	0.2	5.4
Entertainments tax reimbursement grants, 1942-43 to 1945-46(d)	1.2	2.8	..	0.7	0.7	0.3	5.7
Tax reimbursement grants, 1947-48 to 1958-59(e)	1,051.3	672.1	431.9	240.1	216.9	91.3	2,703.7
Additional tax reimbursement grants(f)	4.1	2.3	1.6	0.9	0.8	0.3	10.0
Special financial assistance(g)	160.8	110.6	62.8	34.7	31.2	13.6	413.7
Additional assistance(h)	4.0	2.1	2.3	0.7	0.6	0.3	10.0
Non-recurring grants from excess receipts, 1934-35 to 1936-37	2.4	1.7	0.9	0.5	0.4	0.2	6.0
Financial assistance grants(i)	1,202.3	885.5	527.1	403.7	365.6	155.0	3,539.2
Additional financial assistance(j)	26.6	21.3	20.0	11.5	7.8	7.8	95.0
Special assistance(k)	30.6	14.5	18.3	7.1	35.2	3.2	108.9
Grants for road construction, 1922-23 to 1964-65(l)	337.0	228.4	226.2	136.9	224.0	60.7	1,213.3
Payments to Commonwealth Aid Roads (Supplementary Trust Account(m))	..	..	..	..	..	..	10.0
Tuberculosis Act 1948—reimbursement of capital expenditure	10.6	3.8	11.1	1.5	4.6	0.7	32.3
Mental institutions—contribution to capital expenditure	8.0	8.2	1.7	1.7	1.4	0.9	19.9
Encouragement of meat production	..	..	2.7	..	1.7	..	4.3
Grants to universities	83.9	54.6	24.6	23.0	16.4	9.1	211.7
Other education	6.5	4.9	2.5	1.6	1.2	0.6	17.2
Railway projects(n)	0.2	22.1	..	14.3	9.1	..	45.8
Total	3,481.3	2,396.0	1,537.7	1,170.3	1,302.1	531.8	10,428.1

(a) Includes non-recurring grants from excess receipts, but excludes payments on account of the Morgan-Whyalla Waterworks, amounts provided for relief of wheat-growers and other primary producers, and other payments for medical research, social services, etc. (b) Under various States Grants Acts. (c) Under States Grants (Income Tax Reimbursement) Act 1942. (d) Under States Grants (Entertainments Tax Reimbursement) Act 1942. (e) Under States Grants (Tax Reimbursement) Act 1946-1948. (f) Under States Grants (Additional Tax Reimbursement) Act 1950. (g) Under States Grants (Special Financial Assistance) Acts 1951 and 1952. (h) Under States Grants (Additional Assistance) Act 1958. (i) Under States Grants Acts 1959 and 1962. (j) Under States Grants (Additional Assistance) Act 1962. (k) Includes payments for unemployment relief, metalliferous mining, forestry, local public works, grants for price control reimbursement, coal strike emergency grant, grants for imported houses, Port Augusta-Port Pirie railway, Western Australian waterworks, cattle tick control, dairy industry extension, agricultural advisory services, cattle roads, coal-loading works, eradication of house borers, brigalow lands, cattle dip chemicals, tobacco industry extension services, Exmouth township, etc. (l) Under Main Roads Development, Federal Aid Roads, Federal Aid Roads and Works, and Commonwealth Aid Roads Acts. (m) Expenditure not allocable between States. (n) Under the Railway Standardization (South Australia) Agreement Act 1949, the Railway Standardization (New South Wales and Victoria) Agreement Act 1958, the Railway Agreement (Queensland) Act 1961, the Railway Equipment Agreement (South Australia) Act 1961, and the Railway Agreement (Western Australia) Act 1961.

*Repayable advances.* The next three tables show particulars of the amounts paid to the States as repayable advances for the several purposes referred to in (b) on page 763.

**ALL COMMONWEALTH FUNDS: ADVANCES TO THE STATES, BY FUNCTION**  
**1964-65**  
**(\$'000)**

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
Development of resources and assistance to industry—							
Brigalow lands development	..	..	1,400	..	..	..	1,400
<i>Less Repayments</i>	..	..	1,400	..	..	..	1,400
Blowering Reservoir	3,492	..	..	..	..	..	3,492
<i>Less Repayments</i>	3,492	..	..	..	..	..	3,492
Western Australia—Northern development	..	..	..	..	550	..	550
<i>Less Repayments</i>	..	..	..	..	550	..	550
Chowilla Reservoir	156	..	..	..	..	..	156
<i>Less Repayments</i>	156	..	..	..	..	..	156
Agricultural re-establishment loans	..	..	..	..	..	..	..
<i>Less Repayments</i>	90 -90	32 -32	4 -4	32 -32	52 -52	18 -18	228 -228
War service land settlement	..	..	..	2,284	3,370	1,580	7,234
<i>Less Repayments</i>	106 -106	112 -112	4 -4	3,792 -1,508	5,146 -1,776	2,202 -622	11,362 -4,128
Transport and communication—							
Railway projects	..	..	3,016	1,334	6,038	..	10,388
<i>Less Repayments</i>	96 -96	96 -96	506 2,510	84 1,250	42 5,996	..	824 9,564
Cattle roads	..	..	2,300	..	..	..	2,300
<i>Less Repayments</i>	..	..	2,300	..	..	..	2,300
Replacement of Derby jetty	..	..	..	..	150	..	150
<i>Less Repayments</i>	..	..	..	..	54 96	..	54 96
Coal loading works	806	..	120	..	..	..	926
<i>Less Repayments</i>	168 638	..	8 112	..	..	..	176 750
Housing	38,132	34,360	8,232	20,500	7,492	6,400	115,116
<i>Less Repayments</i>	3,370 34,762	3,056 31,304	904 7,328	910 19,590	862 6,630	246 6,154	9,348 105,768
Not allocated to function—							
Other	412	148	78	150	-32	6	762
<i>Less Repayments</i>	412	148	78	150	-32	6	762
Total gross advances	42,998	34,508	15,146	24,268	17,568	7,986	142,474
<i>Less Repayments</i>	3,830	3,296	1,426	4,818	6,156	2,466	21,992
Total net advances	39,168	31,212	13,720	19,450	11,412	5,520	120,482

Minus sign (-) denotes excess of repayments.

**ALL COMMONWEALTH FUNDS: TOTAL ADVANCES TO THE STATES  
BY FUNCTION, 1960-61 TO 1964-65  
(\$'000)**

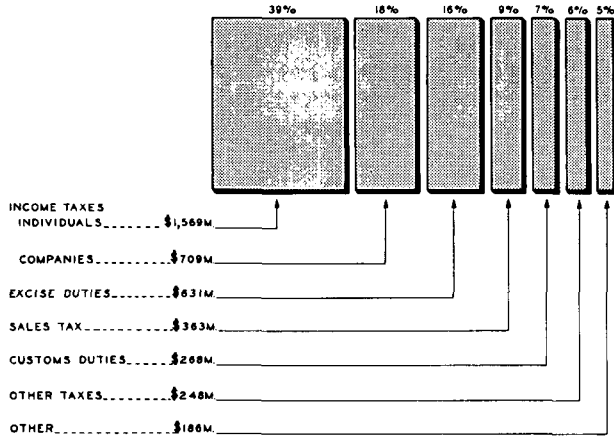
	1960-61	1961-62	1962-63	1963-64	1964-65
<b>Development of resources and assistance to industry—</b>					
Brigalow lands development . . . . .	..	..	1,200	1,600	1,400
<i>Less Repayments</i> . . . . .	..	..	1,200	1,600	1,400
Blowering Reservoir . . . . .	..	..	..	840	3,492
<i>Less Repayments</i> . . . . .	..	..	..	840	3,492
Western Australia — Northern development . . . . .	..	..	..	350	550
<i>Less Repayments</i> . . . . .	..	..	..	350	550
Chowilla Reservoir . . . . .	..	..	..	100	156
<i>Less Repayments</i> . . . . .	..	..	..	100	156
Agricultural re-establishment loans . . . . .	..	..	..	..	..
<i>Less Repayments</i> . . . . .	370	312	300	248	228
	-370	-312	-300	-248	-228
War service land settlement . . . . .	13,402	12,702	10,948	8,524	7,234
<i>Less Repayments</i> . . . . .	9,750	10,102	10,206	11,118	11,362
	3,652	2,600	742	-2,594	-4,128
<b>Transport and communication—</b>					
Railway projects . . . . .	2,830	9,900	16,142	17,420	10,388
<i>Less Repayments</i> . . . . .	124	180	228	276	824
	2,706	9,720	15,914	17,144	9,564
Cattle roads . . . . .	..	..	..	1,998	2,300
<i>Less Repayments</i> . . . . .	..	..	..	1,998	2,300
Replacement of Derby jetty . . . . .	..	..	300	350	150
<i>Less Repayments</i> . . . . .	..	..	..	..	54
	..	..	300	350	96
Coal loading works . . . . .	..	568	996	196	926
<i>Less Repayments</i> . . . . .	..	..	56	156	176
	..	568	940	40	750
Housing . . . . .	77,262	103,486	100,124	104,264	115,116
<i>Less Repayments</i> . . . . .	6,964	7,112	7,466	8,298	9,348
	70,298	96,374	92,658	95,966	105,768
<b>Not allocated to function—</b>					
Other . . . . .	..	..	..	..	762
<i>Less Repayments</i> . . . . .	580	116	2,594	880	..
	-580	-116	-2,594	-880	762
<b>Total gross advances . . . . .</b>	<b>93,494</b>	<b>126,656</b>	<b>129,710</b>	<b>135,642</b>	<b>142,474</b>
<b>  Less Repayments . . . . .</b>	<b>17,788</b>	<b>17,822</b>	<b>20,850</b>	<b>20,976</b>	<b>21,992</b>
<b>  Total net advances . . . . .</b>	<b>75,706</b>	<b>108,834</b>	<b>108,860</b>	<b>114,666</b>	<b>120,482</b>

Minus sign (-) denotes excess of repayments.

# ALL COMMONWEALTH FUNDS: RECEIPTS AND EXPENDITURE, YEAR ENDED 30<sup>TH</sup> JUNE, 1965

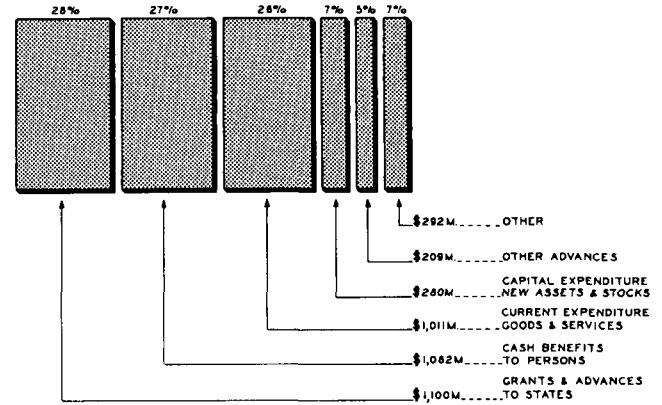
PLATE 45

## RECEIPTS



TOTAL REVENUE  
\$3,974 MILLION

## EXPENDITURE

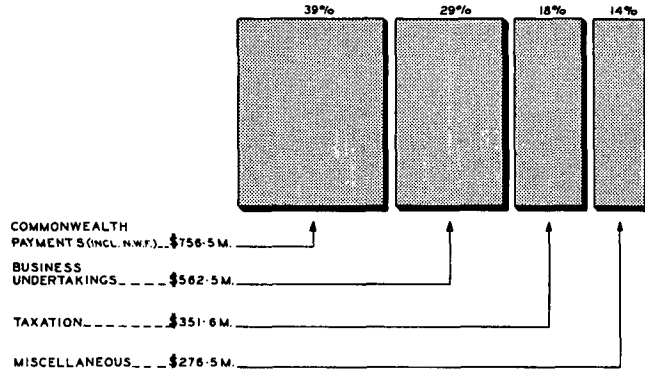


TOTAL EXPENDITURE  
\$3,974 MILLION

# STATE CONSOLIDATED REVENUE FUNDS, YEAR ENDED 30<sup>TH</sup> JUNE, 1965

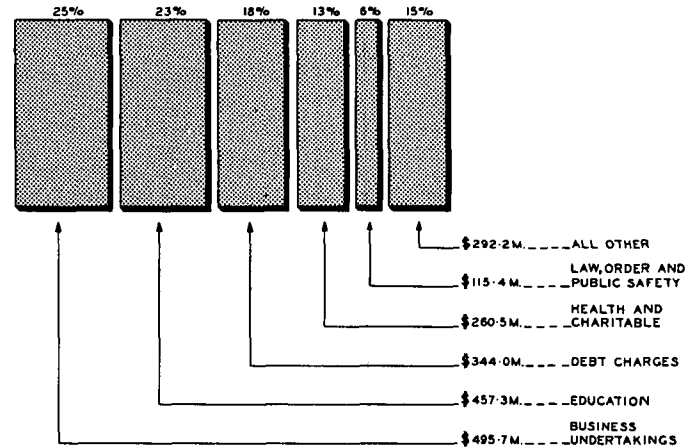
PLATE 46

## RECEIPTS



TOTAL REVENUE  
\$1,947.1 MILLION

## EXPENDITURE



TOTAL EXPENDITURE  
\$1,965.1 MILLION

**ALL COMMONWEALTH FUNDS: GROSS ADVANCES TO THE STATES  
TO 30 JUNE 1965**

(\$'000)

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
Development of resources and assistance to industry—							
Brigalow lands development . . . . .			4,200	..	..	..	4,200
Blowering Reservoir . . . . .	4,332	..	..	..	..	..	4,332
Western Australia—Northern development . . . . .	..	..	..	..	900	..	900
Chowilla Reservoir . . . . .	256	..	..	..	..	..	256
Agricultural re-establishment loans . . . . .	5,320	2,080	1,220	928	2,222	600	12,370
War service land settlement . . . . .	13,542	14,397	..	62,106	94,851	49,264	234,160
Transport and communication—							
Railway projects . . . . .	104	9,480	34,534	5,980	13,008	..	63,106
Cattle roads . . . . .	..	..	4,298	..	..	..	4,298
Replacement of Derby jetty . . . . .	..	..	..	..	800	..	800
Coal loading works . . . . .	2,486	..	200	..	..	..	2,686
Housing . . . . .	441,720	393,710	117,841	148,372	113,762	49,603	1,265,007
Not allocated to function . . . . .	1,581	1,098	664	636	473	330	4,783
<b>Total . . . . .</b>	<b>469,341</b>	<b>420,765</b>	<b>162,957</b>	<b>218,022</b>	<b>226,016</b>	<b>99,797</b>	<b>1,596,898</b>

The figures in the table above represent gross advances, and take no account of repayments made by the States.

*Contributions under Financial Agreement.* Details of the Financial Agreement between the Commonwealth and the States are given in Year Book No. 37, pages 685–90. Under this Agreement the Commonwealth undertook to contribute £7,584,912 (\$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, £2,917,411 (\$5,834,822); Victoria, £2,127,159 (\$4,254,318); Queensland, £1,096,235 (\$2,192,470); South Australia, £703,816 (\$1,407,632); Western Australia, £473,432 (\$946,864); Tasmania, £266,859 (\$533,718). These amounts are equal to the sums paid by the Commonwealth to each State in the year 1926–27 at the rate of 25s. (\$2.50) per head of population, the rate at which the Commonwealth had contributed annually to the States since 1 July 1910 as compensation for the States relinquishing, after federation, the right to levy customs and excise duties.

In addition, under the Financial Agreement the Commonwealth agreed to make certain contributions to the National Debt Sinking Fund for redemption of State loan securities. Details of these are given on pages 813–14 of this chapter.

*Special grants to the States.* The Constitution provides in Section 96 for the granting of special financial assistance to the States. The Commonwealth Grants Commission inquires into and reports upon claims made by any State for a grant of financial assistance and any matters relevant thereto. The recommendations of the Commission in respect of the years 1961–62 to 1965–66 are shown in their two parts in the following table. One part is the Commission's estimate of the indispensable need of the claimant State for the year in which the payment is to be made after allowing a sufficient margin for safety. The other part is an adjustment of this estimate for an earlier year after an examination of the audited accounts for that year. Thus the grants for 1965–66 include an estimate of the indispensable need of the claimant State for 1965–66 and an adjustment to the estimated grant for 1963–64.

**COMMONWEALTH GRANTS COMMISSION: GRANTS RECOMMENDED  
1961-62 TO 1965-66**

(\$'000)

	1961–62	1962–63	1963–64	1964–65	1965–66
<b>Western Australia—</b>					
Estimated grant . . . . .	10,400	11,800	11,800	15,800	21,000
Adjustment(a) . . . . .	1,912	620	344	1,320	3,038
<b>Net grant recommended . . . . .</b>	<b>12,312</b>	<b>12,420</b>	<b>12,144</b>	<b>17,120</b>	<b>24,038</b>
<b>Tasmania—</b>					
Estimated grant . . . . .	8,200	9,800	10,200	13,618	16,400
Adjustment(a) . . . . .	1,950	282	556	982	1,332
<b>Net grant recommended . . . . .</b>	<b>10,150</b>	<b>10,082</b>	<b>10,756</b>	<b>14,600</b>	<b>17,732</b>
<b>Grand total . . . . .</b>	<b>22,462</b>	<b>22,502</b>	<b>22,900</b>	<b>31,720</b>	<b>41,770</b>

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



*Financial assistance grants.* The *States Grants Act 1959* repealed the *States Grants (Tax Reimbursement) Acts* of 1946, 1947 and 1948, and provided for payment of financial assistance to the States in 1959-60 amounting to £244,500,000 (\$489,000,000) to be distributed among the States as follows: New South Wales, £83,450,000 (\$166,900,000); Victoria, £60,625,000 (\$121,250,000); Queensland, £36,375,000 (\$72,750,000); South Australia, £27,675,000 (\$55,350,000); Western Australia, £25,462,000 (\$50,924,000); Tasmania, £10,913,000 (\$21,826,000). In the years to 1964-65 the financial assistance grant payable to each State has been determined by increasing its grant for 1959-60 in accordance with a formula which takes into account movements in population in each State and the increases (if any) in the level of average wages per person employed as shown in returns submitted under the *Pay-roll Tax Assessment Act 1941-1963*.

*Additional financial assistance grants.* The *States Grants (Additional Assistance) Act 1958* provided for the payment of £5,000,000 (\$10,000,000) from the Consolidated Revenue Fund for financial assistance to the States. During 1961-62, 1962-63, and 1963-64 additional assistance grants of £10,000,000 (\$20,000,000), £17,500,000 (\$35,000,000) and £20,000,000 (\$40,000,000), respectively, were provided for the States on a non-repayable basis under the authority of the *States Grants (Additional Assistance) Acts 1962* and 1963 for expenditure on employment-giving activities, mainly in the works field.

*Grants for road construction.* Details of the *Main Roads Development Act 1923-1925*, *Federal Aid Roads Acts 1926, 1931 and 1936*, *Federal Aid Roads and Works Act 1937*, *Commonwealth Aid Roads and Works Act 1947-1949*, *Commonwealth Aid Roads Act 1950*, *Commonwealth Aid Roads Act 1954*, *Commonwealth Aid Roads (Special Assistance) Act 1957*, and *Commonwealth Aid Roads Act 1959* are given in earlier issues of the Year Book (see No. 38, pages 787-8, No. 41, page 62, No. 46, page 838, and No. 51, page 922) and in the annual bulletin *Commonwealth Finance*. A new scheme of Commonwealth assistance to the States for roads was established by the *Commonwealth Aid Roads Act 1964*. Under this Act, which is to operate for a period of five years from 1 July 1964, the Commonwealth has undertaken to make available up to £375,000,000 (\$750,000,000) to the States for the construction, reconstruction, maintenance and repair of roads. Of this amount, a total of £330,000,000 (\$660,000,000) will be paid to the States as basic grants for roads over five years. The basic grants are fixed annual amounts which rise progressively by £2,000,000 (\$4,000,000) a year from £62,000,000 (\$124,000,000) in 1964-65 to £70,000,000 (\$140,000,000) in 1968-69. In each year the grants will be distributed between the States on the basis of 5 per cent of the total to Tasmania and the balance shared between the other five States, one-third in proportion to their respective populations at the date of the last preceding Census, one-third in proportion to their respective areas, and one-third in proportion to the respective number of motor vehicles registered in these States at 31 December preceding the year of payment. The balance of up to £45,000,000 (\$90,000,000) over the five years will be made available to the States as matching assistance for roads. The total amounts of matching assistance increases by £3,000,000 (\$6,000,000) a year from £3,000,000 (\$6,000,000) in 1964-65 to £15,000,000 (\$30,000,000) in 1968-69.

*Reimbursement under Tuberculosis Act 1948.* The *Tuberculosis Act 1948* provided for the reimbursement by the Commonwealth of capital and maintenance expenditure incurred by the States in the provision of facilities for the diagnosis, treatment and control of tuberculosis. Re-imbursements from the National Welfare Fund of maintenance expenditure on tuberculosis hospitals are classified as cash benefits under Health and Welfare expenditure, and they equal the amounts by which such expenditures of the States in any financial year exceed those for the year 1947-48. As from 1 July 1948 the States have also been reimbursed from annual appropriations of the Department of Health for all their capital expenditure on buildings, furnishings, equipment and plant.

*States Grants (Mental Institutions) Act 1955.* This Act provides for financial assistance to the States for capital expenditure on mental institutions to a maximum amount of £10,000,000 (\$20,000,000). Each State is entitled to one-third of expenditure made on or after 1 July 1955 on buildings or equipment of a mental institution.

*Education.* Payments to the States for universities were first introduced in 1951-52 under the *States Grants (Universities) Act 1951* and were continued under similar *States Grants (Universities) Acts 1953, 1955, 1956, 1957, 1958, and 1960*. Details of these Acts are given in earlier issues of the Year Book (see No. 51, page 923). The *Universities (Financial Assistance) Act 1963* as amended in 1965 provides for financial assistance to the States, for universities, of £65,300,000 (\$130,600,000) over the three calendar years 1964, 1965 and 1966. (See also the chapter Education, Cultural Activities, and Research, pages 610-13.)

The *States Grants (Science Laboratories and Technical Training) Act 1964* and the *States Grants (Science Laboratories) Act 1965* provide for grants during 1964-65 to 1967-68 inclusive for improving science teaching in both government and non-government secondary schools.

Grants for buildings and equipment for use in technical training in schools and colleges conducted by States only are provided for under the *State Grants (Science Laboratories and Technical Training) Act 1964* and the *States Grants (Technical Training) Act 1965*.

*Railway projects.* Under the *Railway Standardization (South Australia) Agreement Act 1949* the Commonwealth is providing funds for the conversion of lines in the south-eastern division of the State as an initial step towards eventual standardization to 4' 8½" gauge. The State is to repay three-tenths of the cost of this work over a period of fifty years and is to bear the full cost of subsequent conversion from broad to standard gauge. Similar conditions apply to expenditures under the *Railway Equipment Agreement (South Australia) Act 1961*. Under the *Railway Standardization (New South Wales and Victoria) Agreement Act 1958* the Commonwealth provided funds for the construction of the standard gauge rail link between Albury and Melbourne on the basis that the States of Victoria and New South Wales will each bear fifteen per cent of the cost by instalments over a period of fifty years.

The total expenditure on railway standardization (the thirty per cent advances to the States and the seventy per cent grants to the States) is charged to the capital works and services vote of the Department of Shipping and Transport. Under the *Railway Agreement (Western Australia) Act 1961* the Commonwealth is providing financial assistance for the construction of a standard gauge railway from Kwinana to iron ore deposits at Koolyanobbing and to Kalgoorlie.

*Cattle roads grants.* The *Queensland Grant (Beef Cattle Roads) Act 1961* provided for a grant of £5,000,000 (\$10,000,000) to be paid to Queensland over the five-year period commencing 1 July 1961 for expenditure on approved roads for the transport of beef cattle. Under the *Western Australia Grant (Beef Cattle Roads) Act 1961* special grants were made to Western Australia for certain work on roads and bridges in the north of the State.

*Western Australia—Northern development.* The Commonwealth provides financial assistance of up to £5,000,000 (\$10,000,000) to the State of Western Australia under the *Western Australia Grant (Northern Development) Act 1958–1959* in respect of developmental expenditure by the State in the area of Western Australia north of the twentieth parallel of latitude during the period of five years commencing on 1 July 1958. Under the scheme Commonwealth assistance is provided in respect of projects, nominated by the State, which the Commonwealth is satisfied will contribute to the development of the area and which could not reasonably be expected to be carried out during the period of five years without the grant of Commonwealth assistance.

*Brigalow lands.* Under the *Brigalow Lands Agreement Act 1962* Commonwealth advances to the State of Queensland for specified works associated with the production of beef cattle and other primary products in the Fitzroy River Basin and the supply of beef for export were limited to £7,250,000 (\$14,500,000) during the period of five years ending 30 June 1967. Repayments over a twenty year period are to commence in 1968.

*Flood mitigation, New South Wales.* Commonwealth payments under the *New South Wales Grant (Flood Mitigation) Act 1964* are limited to £2,750,000 (\$5,500,000) in respect of flood mitigation works on the Macleay, Clarence, Richmond, Tweed, Shoalhaven, and Hunter Rivers. The Commonwealth grants will match State expenditure which, in turn, will be in a prescribed ratio to local authority expenditure on flood mitigation works.

*Blowering Reservoir, New South Wales.* The Blowering Reservoir is to be constructed at the expense of the State of New South Wales mainly by the Snowy Mountains Hydro-electric Authority, and the Commonwealth will finance half the cost in the form of repayable interest-bearing loans to that State.

*Chowilla Reservoir, New South Wales.* The Chowilla Reservoir is to be constructed as an approved work under the River Murray Waters Agreement, and the Commonwealth advances to New South Wales are to assist in the financing of that State's one-quarter contribution of the cost of construction.

*Water resources investigations.* Under the *States Grants (Water Resources) Act 1964* the Commonwealth is authorized to grant financial assistance to the States for the purpose of accelerating the States' programmes of measuring the discharge of rivers and investigating underground water resources. Grants to each State are related to that State's capital expenditure and the operational expenditure it incurs in carrying out its measurement and investigation programmes.

*Development of Exmouth township, Western Australia.* In 1964–65 the Commonwealth contributed an amount of \$380,000 to the Western Australia Government towards the cost of developing a township at Exmouth in connection with the United States Communications Base being established at North West Cape.

## All Commonwealth funds: receipts

## Commonwealth taxation

Taxation constitutes the main sources of Commonwealth revenue, accounting for 95.2 per cent in 1964-65. The following table shows details of taxation receipts from each source during the years 1960-61 to 1964-65.

## ALL COMMONWEALTH FUNDS: TAXATION RECEIPTS, 1960-61 TO 1964-65

(\$'000)

Source of receipts	1960-61	1961-62	1962-63	1963-64	1964-65
Income tax—					
Individuals . . . . .	1,036,824	1,073,772	1,082,622	1,271,063	1,569,483
Companies . . . . .	565,124	565,376	519,828	586,260	709,044
Dividend (withholding) . . . . .	11,920	16,233	17,929	15,936	16,039
Customs . . . . .	202,007	170,244	210,136	232,497	268,400
Excise . . . . .	514,818	531,291	548,803	582,464	631,242
Sales tax . . . . .	346,079	297,648	313,062	325,189	362,857
Pay-roll tax . . . . .	122,519	121,943	126,510	136,443	150,078
Estate duty . . . . .	29,614	34,058	35,699	39,871	41,531
Gift duty . . . . .	5,567	5,594	6,328	6,488	7,308
Primary production and other charges . . . . .	2,258	2,854	3,643	4,007	4,808
Stevedoring industry charge . . . . .	7,689	6,865	8,985	10,321	10,411
Wheat tax . . . . .	523	468	595	638	720
Wool tax . . . . .	3,310	5,708	5,911	6,359	13,987
Broadcasting stations' licence fees . . . . .	208	195	214	235	226
Television stations' licence fees . . . . .	130	183	181	232	28
Territories—					
Australian Capital Territory . . . . .	802	692	758	898	1,122
Northern Territory . . . . .	240	214	212	440	482
Other . . . . .	1,452	2,150	924	800	658
<b>Total . . . . .</b>	<b>2,851,082</b>	<b>2,835,487</b>	<b>2,882,342</b>	<b>3,220,140</b>	<b>3,788,423</b>

The following table shows the proportion of the total collections represented by returns from each class of taxation for the years 1960-61 to 1964-65.

## COMMONWEALTH TAXATION: PROPORTION OF EACH CLASS TO TOTAL NET COLLECTIONS, 1960-61 TO 1964-65

(Per cent)

Type of tax	1960-61	1961-62	1962-63	1963-64	1964-65
Income taxes . . . . .	56.6	58.4	56.2	58.2	60.5
Customs . . . . .	7.1	6.0	7.3	7.2	7.1
Excise . . . . .	18.1	18.7	19.0	18.1	16.6
Sales tax . . . . .	12.1	10.5	10.9	10.1	9.6
Pay-roll tax . . . . .	4.3	4.3	4.4	4.2	4.0
Estate duty . . . . .	1.0	1.2	1.2	1.2	1.1
Gift duty . . . . .	0.2	0.2	0.2	0.2	0.2
Primary production and other charges . . . . .	0.1	0.1	0.1	0.1	0.1
Stevedoring industry charge . . . . .	0.3	0.2	0.3	0.3	0.3
Wool tax . . . . .	0.1	0.2	0.2	0.2	0.4
Other . . . . .	0.1	0.2	0.2	0.2	0.1
<b>Total taxation . . . . .</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

## Customs and excise receipts

The following tables give details of net customs and excise receipts for the years 1960-61 to 1964-65.

**COMMONWEALTH CUSTOMS REVENUE: CLASSIFICATION OF  
NET RECEIPTS, 1960-61 TO 1964-65**

(\$'000)

Class	1960-61	1961-62	1962-63	1963-64	1964-65
Foodstuffs of animal origin . . . . .	1,355	1,030	1,198	1,464	1,564
Foodstuffs of vegetable origin . . . . .	4,200	4,126	4,159	4,909	3,210
Spirituous and alcoholic liquors . . . . .	10,403	11,693	10,956	12,670	14,709
Tobacco, cigars and cigarettes . . . . .	26,704	23,995	25,517	26,401	27,596
Animal substances (not foodstuffs) . . . . .	15	10	10	12	13
Vegetable substances and fibres . . . . .	336	493	641	599	630
Yarns, textiles and apparel . . . . .	31,147	25,725	29,888	33,582	39,400
Oils, fats and waxes . . . . .	24,861	18,298	22,733	21,696	20,718
Pigments, paints and varnishes . . . . .	635	568	810	765	759
Rocks and minerals . . . . .	92	124	226	236	17
Metals, metal manufactures and machinery . . . . .	57,309	41,671	65,013	74,074	91,644
Rubber and leather and manufactures thereof . . . . .	1,878	1,676	2,634	3,502	5,502
Wood and wicker, raw and manufactured . . . . .	4,705	3,028	3,247	4,379	6,393
Earthenware, cement, china, glass and stoneware . . . . .	6,004	5,347	5,903	5,954	6,742
Pulp, paper and board, paper manufactures and stationery . . . . .	4,721	4,808	5,556	5,608	6,476
Sporting materials, toys, fancy goods, jewellery and timepieces . . . . .	7,051	6,474	7,201	7,515	8,853
Optical, surgical and scientific instruments, photographic goods . . . . .	3,365	3,184	3,354	3,836	4,769
Chemicals, pharmaceutical products, essential oils and fertilizers . . . . .	3,612	4,261	4,441	6,066	6,228
Miscellaneous goods . . . . .	10,090	9,524	12,136	13,904	16,905
Primage . . . . .	4,596	3,681	4,304	4,638	5,465
Other receipts . . . . .	490	606	275	764	887
All classes . . . . .	203,569	170,321	210,202	232,572	268,480
Less remission of duty under special circumstances . . . . .	1,562	77	66	75	80
<b>Total . . . . .</b>	<b>202,007</b>	<b>170,244</b>	<b>210,136</b>	<b>232,497</b>	<b>268,400</b>

**COMMONWEALTH EXCISE REVENUE: CLASSIFICATION OF NET RECEIPTS  
1960-61 TO 1964-65**

(\$'000)

—	1960-61	1961-62	1962-63	1963-64	1964-65
Beer . . . . .	223,481	227,008	234,525	247,169	260,214
Spirits . . . . .	17,171	16,836	17,164	18,306	19,207
Tobacco . . . . .	26,778	23,795	21,082	18,710	17,795
Cigars and cigarettes . . . . .	129,939	134,976	140,372	146,199	171,073
Cigarette papers . . . . .	1,431	1,281	1,141	1,013	901
Petrol . . . . .	103,904	115,809	122,029	135,974	148,194
Diesel fuel . . . . .	4,598	4,506	5,152	7,665	9,099
Matches . . . . .	2,211	2,189	2,253	2,288	2,276
Playing cards . . . . .	99	105	98	104	106
Coal . . . . .	778	581	560	585	599
Cathode ray tubes . . . . .	3,913	4,113	4,212	3,911	605
Canned fruit . . . . .	..	..	..	402	1,092
Miscellaneous . . . . .	550	85	103	42	1
All items . . . . .	514,852	531,284	548,692	582,369	631,162
Diesel fuel taxation . . . . .	196	265	323	319	309
Less rebates . . . . .	230	258	211	224	229
	-34	8	111	95	80
<b>Total . . . . .</b>	<b>514,818</b>	<b>531,291</b>	<b>548,803</b>	<b>582,464</b>	<b>631,242</b>

## Primary production and other charges

Details of collections during the years 1960-61 to 1964-65 of primary production and other charges are given in the following table.

COMMONWEALTH PRIMARY PRODUCTION AND OTHER CHARGES: RECEIPTS  
1960-61 TO 1964-65

(\$'000)

Source of revenue	1960-61	1961-62	1962-63	1963-64	1964-65
Apple and pear export charge . . . . .	172	218	198	251	213
Canned fruit export charge . . . . .	125	131	138	183	176
Canning fruit charge . . . . .	60	91	142	61	101
Cattle slaughter levy . . . . .	167	420	813	879	298
Dairy produce export charge . . . . .	167	205	437	527	674
Dairy produce levy . . . . .	700	779	791	793	817
Dried fruits export charge . . . . .	76	104	85	118	155
Egg export charge . . . . .	124	66	35	56	82
Honey levy . . . . .	..	..	7	81	104
Livestock slaughter levy—					
Cattle . . . . .	..	..	..	..	1,157
Sheep and lambs . . . . .	..	..	..	..	299
Meat export charge . . . . .	208	286	438	486	103
Tobacco charge . . . . .	273	329	239	348	354
Wine export charge . . . . .	185	225	320	224	274
<b>Total . . . . .</b>	<b>2,258</b>	<b>2,854</b>	<b>3,643</b>	<b>4,007</b>	<b>4,808</b>

**Other Commonwealth taxation**

Taxes other than customs and excise duties, the various export charges, and some taxes on particular commodities are assessed and collected by the Commissioner of taxation. The Commissioner's organization comprises a head office in Canberra, an office in each State assessing the returns of taxpayers whose interests are restricted to that State, and a central office situated in Melbourne assessing taxpayers whose interests are in more than one State.

Details of the purposes and rates applicable to the main forms of Commonwealth taxation, excluding customs and excise, currently imposed and of current legislation are given in the following pages. Historical information is given in Year Book No. 51, pages 905-10, and in earlier issues. Taxes on income are treated separately on pages 814-25, and customs and excise duties are dealt with in the chapter Oversea Transactions. For detailed statistics relating to Commonwealth income taxes, estate duty, gift duty, and sales tax *see* the annual bulletin *Commonwealth Taxation Assessments*.

*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 1935-1964* was 12½ per cent and goods subject to special rates were taxed at the rates of 2½ and 25 per cent.

Particulars of the net amount of sales tax payable and the sales of taxable and exempt goods in each State for 1964-65 are given in the following table. The figures relate to sales during the period 1 July to 30 June. The figures for sales tax payable differ from those for net collections shown on page 772 because the latter include some adjustments in respect of earlier tax years and relate to tax payable on returns lodged during the year, which in general cover sales for the period June to May.

COMMONWEALTH SALES TAX AND AMOUNT OF SALES: STATES  
AND TERRITORIES, 1964-65

(\$'000)

—	N.S.W. (a)	Vic.	Qld	S.A.	W.A.	Tas.	N.T.	Aust.
Net sales on which sales tax was payable at—								
2½ per cent . . . . .	191,610	177,505	59,350	44,260	30,050	10,692	139	513,606
12½ per cent . . . . .	537,905	389,968	169,459	111,726	79,727	23,494	1,599	1,313,878
22½ per cent . . . . .	32,452	26,071	13,076	9,530	5,530	1,179	79	87,918
25 per cent . . . . .	264,121	205,967	88,017	64,804	40,127	10,089	374	673,500
<i>Total, net sales</i> . . . . .	<i>1,026,089</i>	<i>799,511</i>	<i>329,902</i>	<i>230,320</i>	<i>155,434</i>	<i>45,453</i>	<i>2,192</i>	<i>2,588,902</i>
Sales of exempt goods by registered persons . . . . .	2,740,490	1,958,654	884,995	563,822	469,453	189,263	12,226	6,818,904
Total sales of taxable and exempt goods . . . . .	3,766,579	2,758,166	1,214,898	794,142	624,887	234,717	14,418	9,407,806
Sales tax payable . . . . .	145,360	110,541	47,613	33,417	21,993	5,991	315	365,232

(a) Includes Australian Capital Territory.

Sales of taxable and exempt goods and sales tax payable for Australia as a whole are shown in the following table for the years 1960-61 to 1964-65.

COMMONWEALTH SALES TAX AND AMOUNT OF SALES  
AUSTRALIA, 1960-61 TO 1964-65

(\$ million)

Year of sale	Net sales on which sales tax was payable	Sales of exempt goods by registered persons	Total sales of taxable and exempt goods	Sales tax payable
1960-61 . . . . .	2,081	4,894	6,975	343
1961-62 . . . . .	2,100	4,832	6,931	297
1962-63 . . . . .	2,303	5,254	7,557	314
1963-64 . . . . .	2,393	6,116	8,509	329
1964-65 . . . . .	2,589	6,819	9,408	365

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 1935-1964*. 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.

*Pay-roll tax.* From 1 September 1957 to the end of June 1965 pay-roll tax of 2½ per cent was payable by employers on all wages and salaries in excess of £200 (\$400) a week or £10,400 (\$20,800) per annum. Employers whose export sales have increased above the annual average of export sales effected during a base period of two years ended 30 June 1960 are entitled under the Commonwealth Government's export incentive scheme to a rebate of pay-roll tax of twelve and one-half times the percentage increase in export sales.

*Estate duty.* Under the *Estate Duty Assessment Act 1914-1963* estate duty is assessed on the net value of the estate less a statutory exemption determined in accordance with the following formula: (a) where the whole of the estate passes to the widow or widower, children (including adopted children, step-children and ex-nuptial children), or grand-children of the deceased, the sum of \$20,000 decreasing by £1 for every £4 (\$2 for every \$8) by which the value exceeds

\$20,000 and ceasing to apply at \$100,000; (b) where no part of the estate passes to the widow or widower, children or grand-children, the sum of \$10,000 decreasing by £1 for every £4 (\$2 for every \$8) by which the value exceeds \$10,000 and ceasing to apply at \$50,000; and (c) where only part of the estate passes to the widow or widower, children or grand-children, the statutory exemption is to be calculated proportionately under (a) and (b). Rebates of duty are provided on estates which become liable for duty on two or more occasions within a period of five years.

The rates of duty levied under the *Estate Duty Act 1914-1941* increase as the value of the estate for duty increases, as follows: £1 to £10,000 (\$2 to \$20,000), 3 per cent; £10,001 to £20,000 (\$20,001 to \$40,000), 3 per cent to 6 per cent; £20,001 to £120,000 (\$40,001 to \$240,000), 6 per cent to 26 per cent.; £120,001 to £500,000 (\$240,001 to \$1,000,000), 26 per cent to 27.9 per cent; £500,001 (\$1,000,001) and over, 27.9 per cent.

Particulars of the number and value of estates and duty assessed, for each of the assessment years 1959-60 to 1963-64, are given in the following table.

COMMONWEALTH ESTATE DUTY ASSESSMENTS, 1959-60 TO 1963-64

	1959-60	1960-61	1961-62	1962-63	1963-64
Number of estates	13,978	14,196	16,449	16,634	17,658
Gross value assessed \$'000	467,120	489,952	558,764	588,306	633,552
Deductions \$'000	80,906	91,366	95,450	106,732	115,002
Statutory exemption \$'000	63,194	66,102	74,360	74,510	81,836
Dutiable value \$'000	323,020	332,482	388,954	407,064	436,714
Duty payable \$'000	28,232	31,178	34,328	37,988	39,840
Average dutiable value \$	23,110	23,420	23,646	24,472	24,732
Average duty per estate \$	2,020	2,196	2,086	2,284	2,256

*Gift duty.* The *Gift Duty Act 1941-1947* and the *Gift Duty Assessment Act 1941-1963* impose a gift duty on all gifts made after 29 October 1941. A gift has been defined as any disposition of property which is made otherwise than by will without adequate consideration in money or money's worth. There is a liability on both the donor and the donee to furnish a return, and both are jointly and severally liable for payment of the duty.

The following rates of duty are levied under the *Gift Duty Act 1941-1947* and relate to the total value of all gifts made by the donor within a period of eighteen months: not exceeding \$4,000, nil; \$4,001 to \$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; \$1,000,001 and over, 27.9 per cent. An amendment which operated from 3 June 1947, provides that gift duty shall not exceed half the amount by which the value of the gift exceeds \$4,000.

*Wool tax.* From 1 July 1964 to 30 June 1965, the wool tax rate was  $1\frac{1}{2}$  per cent of the sale value of the wool. This rate was increased to 2 per cent from 1 July 1965. (See also the chapter Rural Industry.)

*Wheat export charge and wheat tax.* The *Wheat Export Charge Act 1963* repealed the *Wheat Export Charge Act 1958* and provided for an export charge on wheat and wheat products for the seasons 1963-64 to 1967-68 inclusive. The charge which may be levied is the excess of the export price over the cost of production or 1s. 6d. (\$0.15) per bushel, whichever is the less. Under the *Wheat Industry Stabilization Act 1963-1965*, to which the *Wheat Export Charge Act* is complementary, the Commonwealth Government guarantees a return to wheat-growers of the ascertained cost of production on up to 150 million bushels of wheat harvested each season exported from Australia. Collections from the wheat export charge are paid into the *Wheat Price Stabilization Fund*, out of which payments will be made to the Australian Wheat Board, when required, for the purpose of building up the average export price for any season to the guaranteed price. If the fund is exhausted, additional payments will be made from the Consolidated Revenue Fund. As the return from exports has been below the guaranteed price, there have been no collections of the wheat export charge since the 1956-57 (No. 20) Pool when \$3,178,000 was collected. The *Wheat Tax Act 1965* imposes a tax of three-tenths of a penny (0.25 cents) for each bushel of wheat delivered to the Wheat Board on or after 1 October 1965. (See also the chapter Rural Industry.)

## COMMONWEALTH CONSOLIDATED REVENUE FUND: EXPENDITURE 777

*Miscellaneous export charges.* These consist of charges levied on exports of apples and pears (*Apple and Pear Export Charges Act 1938-1960*), canned fruits (*Canned Fruits Export Charges Act 1962-1963*), dairy produce (*Dairy Produce Export Charge Act 1924-1962*), dried fruits (*Dried Fruits Export Charges Act 1924-1929*), eggs (*Eggs Export Charges Act 1947*) and meat (*Meat Export Charges Act 1935-1954*), and on grapes used in the manufacture of wine (*Wine Grapes Charges Act 1929-1957*).

*Stevedoring industry charge.* The rate of charge between 1 April 1962 and the end of June 1965 was 3s. 4d. (33½ cents).

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

- (a) In respect of leaf sold to a manufacturer:
  - (i) one half cent per pound of leaf, payable by the grower or other persons who own the leaf immediately before sale, and
  - (ii) one cent per pound 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 leaf used by him—one half cent per pound of leaf,
  - (ii) in other cases—one cent per pound of leaf.

(See also the chapter Rural Industry.)

*Dairy produce and butterfat levies.* The *Butterfat Levy Act 1965* superseded the *Dairy Produce Levy Act 1958* and provides for a maximum rate of 6s. (\$0.60) per hundredweight of butterfat content of dairy products and for the apportionment of the proceeds between oversea marketing (40 per cent), local promotion (40 per cent) and research (20 per cent) from the dairy produce levy. (See also the chapter Rural Industry.)

*Canning fruit charge.* Rates applied during 1964-65 were 5s. (\$0.50) per ton to 30 November 1964 and 7s. 6d. (\$0.75) per ton from 1 December 1964 to 30 June 1965. (See also the chapter Rural Industry.)

*Honey levy.* The current rate of levy on honey sold for domestic consumption in Australia is four-tenths of a cent per pound.

*Livestock slaughter levy.* The *Livestock Slaughter Act 1964-1965* imposed a levy on all cattle (over 200 lb. dressed weight), sheep and lambs slaughtered within Australia for human consumption. These levies operated from 1 August 1964 and replaced the charge imposed on meat exports and also subsumed the cattle slaughter levy for beef research purposes imposed in 1960 (see page 909 of Year Book No. 51). The rates of levy are not to exceed 75 cents for cattle of which a maximum of 20 cents is for beef research, and 7.5 cents for sheep or lambs, of which a maximum of 3.75 cents is for sheep or lamb research.

### Commonwealth Consolidated Revenue Fund: expenditure

#### Details of expenditure from Consolidated Revenue

In the following table gross expenditure from Consolidated Revenue is classified by function and economic type, the classification being consistent with that used for tables on pages 759-60. As with grants to other Commonwealth authorities, transfers to trust funds are here classified as expenditure according to the nature of the respective trust funds. Further information on the expenditure of business undertakings and the Territories, and on other particular functions is included in the chapters Transport and Communication and The Territories of Australia and in the chapters dealing with the respective activities.



**COMMONWEALTH CONSOLIDATED REVENUE FUND: EXPENDITURE  
BY FUNCTION AND ECONOMIC TYPE, 1960-61 TO 1964-65  
(\$'000)**

	1960-61	1961-62	1962-63	1963-64	1964-65
<b>Health and welfare—</b>					
Advances . . . . .		1,000	1,000		600
Cash benefits to persons . . . . .	661,514	731,198	758,972	833,112	879,894
Current expenditure on goods and services . . . . .	20,492	22,440	26,284	28,206	30,408
Capital expenditure on goods and services . . . . .	2,692	2,258	2,412	3,100	3,510
Grants to the States . . . . .	2,302	2,450	2,602	2,218	3,224
Grants towards private capital expenditure . . . . .	4,306	6,946	6,372	7,408	8,000
<i>Total, health and welfare</i> . . . . .	<i>691,306</i>	<i>766,292</i>	<i>797,642</i>	<i>874,044</i>	<i>925,638</i>
<b>Defence—</b>					
Current expenditure on goods and services . . . . .	374,692	408,048	427,014	474,422	568,686
Grants to oversea governments and organizations . . . . .	2,302	3,154	7,584	5,414	12,210
Other . . . . .	22,610	-1,776	-2,326	38,842	17,214
Total . . . . .	399,604	409,426	432,272	518,678	598,110
Less Amounts charged to loan fund . . . . .		47,282	132,140	77,430	
<i>Total, defence</i> . . . . .	<i>399,604</i>	<i>362,144</i>	<i>300,132</i>	<i>441,248</i>	<i>598,110</i>
<b>Repatriation—</b>					
Cash benefits to persons . . . . .	149,728	157,308	165,806	182,538	183,294
Current expenditure on goods and services . . . . .	41,284	44,902	50,056	55,210	58,818
Capital expenditure on goods and services . . . . .	772	922	996	712	1,124
Grants towards private capital expenditure . . . . .	2,212	3,118	2,342	800	2,794
<i>Total, repatriation</i> . . . . .	<i>193,996</i>	<i>206,250</i>	<i>219,200</i>	<i>239,260</i>	<i>246,030</i>
<b>Housing—</b>					
Expenses of business undertakings . . . . .	1,442	1,270	1,298	1,458	1,376
<b>Advances—</b>					
War Service Homes . . . . .	70,000	70,000	75,000	70,000	70,000
Other . . . . .	5,040	5,496	6,682	7,770	16,890
Cash benefits to persons . . . . .	704	130	38	46	130
Current expenditure on goods and services . . . . .	2,212	2,342	2,602	3,056	3,842
Capital expenditure on goods and services . . . . .	9,422	9,720	10,502	9,686	12,436
Grants towards private capital expenditure . . . . .					11,350
<i>Total, housing</i> . . . . .	<i>88,820</i>	<i>88,958</i>	<i>96,122</i>	<i>92,016</i>	<i>116,024</i>
<b>Other functions—</b>					
Expenses of business undertakings . . . . .	258,954	273,976	262,396	286,800	314,898
Other current expenditure on goods and services . . . . .	195,183	220,378	241,846	287,786	341,374
Capital expenditure on goods and services—					
Business undertakings(a) . . . . .	91,068	104,376	137,460	151,120	177,330
Other . . . . .	45,060	49,534	51,612	61,558	73,448
Subsidies . . . . .	49,452	73,726	71,252	115,658	99,808
Cash benefits to persons . . . . .	10,296	12,592	12,536	13,350	18,746
Grants to the States—					
Current purposes . . . . .	15,662	18,110	20,396	23,106	31,258
Capital purposes . . . . .	111,164	123,528	133,222	140,476	178,742
Grants to oversea governments and organizations(b) . . . . .	44,128	49,434	57,582	70,348	84,150
Grants towards private capital expenditure . . . . .					4,050
<b>Advances—</b>					
Snowy Mountains Hydro-electric Authority . . . . .	37,000	32,020	18,532	23,658	26,100
States . . . . .	2,830	2,968	6,720	10,754	13,788
Overseas governments and organizations . . . . .		3,570		4	78
Other . . . . .	7,004	25,728	7,974	15,430	8,272
<i>Total, advances</i> . . . . .	<i>46,834</i>	<i>64,286</i>	<i>33,226</i>	<i>49,846</i>	<i>48,238</i>
<b>Expenditure not allocated to function—</b>					
Current expenditure on goods and services . . . . .	14,450	14,170	8,348	9,392	11,008
Capital expenditure on goods and services . . . . .	10,570	11,930	12,518	11,028	13,462
Grants to the States . . . . .	584,942	655,390	695,808	729,730	744,884
Advances to oversea governments and organizations . . . . .	6,760	7,268	31,148	8,070	24,868
<b>Debt charges(c)—</b>					
Interest . . . . .	86,978	86,214	81,084	81,260	81,868
Payment to National Debt Sinking Fund . . . . .	46,208	50,218	54,486	57,530	61,500
Loan Consolidation and Investment Reserve . . . . .	285,122	44,310	52,756	29,750	222,744
Redemption of Treasury bills . . . . .				36,000	
<b>Grand total</b> . . . . .	<b>3,276,557</b>	<b>3,283,084</b>	<b>3,370,772</b>	<b>3,809,376</b>	<b>4,418,178</b>

(a) Includes expenses of undertakings in Northern Territory and Australian Capital Territory.  
(b) Includes grants to Administration of Papua and New Guinea and grants under Colombo Plan, United Nations Technical Assistance Administration, etc. (c) Excludes loan management expenses included in other functions.

Minus sign (—) denotes the result of differences in timing between payments for, and deliveries of, defence equipment.

More detailed information on defence expenditure, on current and capital expenditure on goods and services, and on primary production research and sales promotion, etc. is given in the following tables.

## Defence services expenditure

Details of the expenditure on defence services shown in the following table cover expenditure from Consolidated Revenue and Loan Funds by the service and associated departments, including the cost of maintaining forces in overseas posts. In recent years there has been no expenditure on defence services from Trust Funds. Re-allocation of items has caused revision to some of the figures which appeared in previous issues.

COMMONWEALTH CONSOLIDATED REVENUE FUND  
EXPENDITURE ON DEFENCE, 1960-61 TO 1964-65

(\$'000)

	1960-61	1961-62	1962-63	1963-64	1964-65
<b>Department of Defence—</b>					
Administrative and general expenses . . . . .	2,499	2,803	5,293	3,532	4,207
Buildings, works, sites, etc. . . . .	36	452	241	113	294
Maintenance and rent . . . . .	72	65	100	112	117
<i>Total, Defence</i> . . . . .	<i>2,607</i>	<i>3,320</i>	<i>5,634</i>	<i>3,757</i>	<i>4,618</i>
<b>Department of the Navy—</b>					
Naval Forces—pay, maintenance, etc. . . . .	64,500	67,194	63,708	72,359	83,624
Naval construction and additions to the fleet . . . . .	15,796	12,939	14,805	23,763	35,967
Ships, aircraft and aircraft engines . . . . .	4,302	10,156	14,932	9,702	8,622
Buildings, works, sites, etc. . . . .	2,799	2,595	2,879	2,413	4,052
Maintenance and rent . . . . .	2,216	2,132	2,099	2,417	2,631
Retirement benefits . . . . .	838	790	838	1,024	1,172
<i>Total, Navy</i> . . . . .	<i>90,451</i>	<i>95,806</i>	<i>99,261</i>	<i>111,678</i>	<i>136,069</i>
<b>Department of the Army—</b>					
Military Forces—pay, maintenance, etc. . . . .	79,260	81,855	83,544	91,300	108,920
Special units serving abroad—maintenance . . . . .	5,064	4,190	3,658	4,026	4,566
Arms, armament and equipment . . . . .	34,666	33,692	36,958	48,432	61,690
Buildings, works, sites, etc. . . . .	6,699	5,263	5,482	6,551	13,856
Maintenance and rent . . . . .	4,474	4,460	4,649	5,444	6,372
Retirement benefits . . . . .	2,118	1,858	2,202	2,668	3,368
<i>Total, Army</i> . . . . .	<i>132,281</i>	<i>131,318</i>	<i>136,493</i>	<i>158,421</i>	<i>198,772</i>
<b>Department of Air—</b>					
Air Force—pay, maintenance, etc. . . . .	53,903	55,447	55,848	59,221	69,389
R.A.A.F. squadrons overseas . . . . .	4,694	4,558	5,156	5,570	5,592
Aircraft, equipment and stores . . . . .	54,854	57,768	61,302	101,418	91,034
Buildings, works, sites, etc. . . . .	7,666	6,532	6,144	5,616	7,598
Maintenance and rent . . . . .	4,247	4,751	5,279	5,324	5,570
Retirement benefits . . . . .	2,028	1,704	1,738	1,996	2,996
<i>Total, Air</i> . . . . .	<i>127,392</i>	<i>130,760</i>	<i>135,467</i>	<i>179,145</i>	<i>182,179</i>
<b>Department of Supply—</b>					
Administrative and general expenses . . . . .	5,592	6,046	6,825	3,746	8,912
Defence Research and Development Laboratories . . . . .	4,932	5,360	7,756	9,292	10,608
Government factories—maintenance of production capacity . . . . .	2,562	2,890	2,952	3,090	2,766
Transport and storage services . . . . .	2,270	2,266	4,178	4,508	6,764
Weapons Research Establishment . . . . .	18,980	19,020	15,256	29,012	28,320
Munitions factories—working capital . . . . .	300	240	660	164	..
Machinery, plant equipment, etc. . . . .	3,416	3,276	4,080	4,650	4,850
Buildings, works, sites, n.e.i. etc. . . . .	2,481	2,430	2,602	2,185	2,486
Maintenance and rent . . . . .	1,431	1,758	1,799	1,939	2,038
<i>Total, Supply</i> . . . . .	<i>41,964</i>	<i>43,288</i>	<i>46,110</i>	<i>58,586</i>	<i>66,744</i>
Defence aid for Malaysia . . . . .	..	..	..	144	3,376
Economic assistance to support defence programme of S.E.A.T.O. member countries . . . . .	1,552	1,154	2,496	1,888	2,504
Security Intelligence Organization . . . . .	1,338	1,322	1,410	1,716	1,920
Civil defence . . . . .	224	444	546	642	644
Recruiting campaign . . . . .	948	962	1,000	1,378	1,690
Aid to India . . . . .	..	..	2,892	1,284	60
Other . . . . .	847	1,052	963	39	-466
<i>Total, Defence Services</i> . . . . .	<i>399,604</i>	<i>409,426</i>	<i>432,272</i>	<i>518,678</i>	<i>598,110</i>
Less Expenditure charged to Loan Fund . . . . .	..	47,282	132,140	77,430	..
<b>Total expenditure charged to Consolidated Revenue Fund</b> . . . . .	<b>399,604</b>	<b>362,144</b>	<b>300,132</b>	<b>441,248</b>	<b>598,110</b>

## Current expenditure on goods and services

This table gives details of expenditure on items included under this general heading in the table on page 778, and in the main includes expenditure on administrative services and other activities (i.e. what might be termed 'running expenses') and therefore *excludes* expenditure on capital works (see table on page 781). Information on the functions of departments and the Acts administered by the Ministers of Departments may be found on pages 87-98 of Year Book No. 49.

COMMONWEALTH CONSOLIDATED REVENUE FUND: CURRENT EXPENDITURE  
ON GOODS AND SERVICES, 1960-61 TO 1964-65

(\$'000)

	1960-61	1961-62	1962-63	1963-64	1964-65
<b>Education—</b>					
Australian National University . . . . .	4,778	6,400	7,020	8,640	11,400
Australian Universities Commission . . . . .	56	58	88	122	158
Office of Education . . . . .	824	1,042	1,304	1,482	1,726
Other . . . . .	2,922	3,100	3,616	4,132	5,502
<i>Total, education</i> . . . . .	8,580	10,600	12,028	14,376	18,786
<b>Health and welfare</b> . . . . .	20,492	22,440	26,284	28,206	30,408
<b>Defence—</b>					
<i>Total</i> . . . . .	374,692	408,048	427,014	474,422	568,686
<i>Less Amounts charged to Loan Fund</i> . . . . .		47,282	132,140	77,430	
<i>Total, defence</i> . . . . .	374,692	360,766	294,874	396,992	568,686
<b>Repatriation</b> . . . . .	41,284	44,902	50,056	55,210	58,818
<b>Housing</b> . . . . .	2,212	2,342	2,602	3,056	3,842
<b>Law, order and public safety—</b>					
Crown Solicitor's Office . . . . .	840	878	960	1,144	1,216
High Court . . . . .	316	338	332	340	370
Bankruptcy administration . . . . .	428	484	522	576	624
Other . . . . .	3,772	3,330	3,820	4,422	5,096
<i>Total, law, order, etc.</i> . . . . .	5,356	5,030	5,634	6,482	7,306
<b>Development of resources and assistance to industry—</b>					
Bureau of Meteorology . . . . .	3,454	3,722	3,992	4,428	4,906
Forestry Branch . . . . .	390	468	450	394	646
Commercial intelligence services abroad . . . . .	1,742	2,032	2,376	2,726	2,996
<b>Primary production—</b>					
Wheat and wool industries . . . . .	5,770	8,174	8,396	9,122	22,150
Other research and sales promotion, export funds, etc. . . . .	2,336	3,088	3,918	5,230	5,790
Bureau of Agricultural Economics . . . . .	344	376	372	444	472
Bureau of Mineral Resources, Geology and Geophysics . . . . .	2,692	3,366	4,020	4,930	4,708
Division of National Mapping . . . . .	834	1,154	1,346	1,414	1,706
Atomic Energy Commission . . . . .	4,758	5,608	6,518	7,594	8,040
Commonwealth Scientific and Industrial Research Organization . . . . .	15,476	17,164	18,988	21,408	24,406
Other . . . . .	13,352	13,936	15,192	16,760	18,250
<i>Total, development, etc.</i> . . . . .	51,148	59,088	65,568	74,450	94,070
<b>Civil aviation—</b>					
Maintenance and development of civil aviation . . . . .	14,564	14,758	15,728	17,736	20,296
Meteorological services . . . . .	1,656	1,790	1,920	2,140	2,392
Other . . . . .	4,796	5,374	7,180	8,658	9,244
<i>Total, civil aviation, etc.</i> . . . . .	21,016	21,922	24,828	28,534	31,932
<b>Legislature and general administration—</b>					
Parliament . . . . .	4,240	4,148	4,278	4,414	4,894
Governor-General . . . . .	296	342	344	358	392
Audit . . . . .	1,450	1,542	1,692	1,950	2,024
Public Service Board . . . . .	1,658	1,736	1,838	2,134	2,420
Taxation Branch and Boards of Review . . . . .	20,400	21,974	22,628	25,400	27,080
Bureau of Census and Statistics . . . . .	4,376	6,648	5,572	6,276	7,346
Commonwealth Superannuation Board . . . . .	254	288	362	422	498
Electoral Branch . . . . .	1,388	2,220	1,568	2,530	2,772
News and Information Bureau . . . . .	958	1,058	1,240	1,396	1,660
Other . . . . .	32,224	34,808	37,186	(a)51,484	(a)59,330
<i>Total, legislature, etc.</i> . . . . .	67,244	74,764	76,708	96,364	108,416
<b>Immigration—</b>					
Assisted migration . . . . .	13,495	10,618	13,205	17,745	25,458
Other . . . . .	7,947	8,374	8,361	8,397	9,306
<i>Total, immigration</i> . . . . .	21,442	18,992	21,566	26,142	34,764
<b>Regulation of trade and industry—</b>					
Conciliation and Arbitration Commission, Industrial Court and Registrar . . . . .	636	704	734	816	884
Patents, trade marks and designs . . . . .	952	1,040	1,178	1,330	1,478
Inspection of goods for export . . . . .	2,720	2,892	3,186	3,670	4,498
Other . . . . .	1,220	240	3,240	3,466	3,380
<i>Total, regulation, etc.</i> . . . . .	5,528	4,876	8,338	9,282	10,240
<b>Other functions—</b>					
National Library . . . . .	706	926	1,034	1,374	1,622
High Commissioner's Office, United Kingdom . . . . .	1,932	2,166	2,330	2,562	2,982
Other overseas representation . . . . .	4,640	5,380	6,144	6,752	7,290
United Nations and Allied Organizations . . . . .	2,528	5,474	2,396	3,864	3,288
Antarctic Division . . . . .	1,528	1,462	1,628	1,668	1,902
Other . . . . .	3,535	9,698	13,644	(a)15,936	(a) 8,776
<i>Total, other functions</i> . . . . .	14,869	25,106	27,176	32,156	25,860
<b>Not allocated to function—</b>					
Superannuation contributions, n.e.i. . . . .	6,796	6,774	6,790	8,706	10,592
Other . . . . .	7,654	7,396	1,558	686	416
<i>Total, not allocated</i> . . . . .	14,450	14,170	8,348	9,392	11,008
<b>Grand total</b> . . . . .	648,313	664,998	624,010	780,642	1,004,136

(a) Changes in departmental accounting procedures, which were introduced in 1963-64, affect comparability between years.

## Capital expenditure on goods and services

In the following table details are given of capital expenditure on goods and services during each of the years 1960-61 to 1964-65. The table covers capital expenditure on goods and services from the Consolidated Revenue Fund for purposes other than defence and repatriation services.

COMMONWEALTH CONSOLIDATED REVENUE FUND: CAPITAL EXPENDITURE  
ON GOODS AND SERVICES, 1960-61 TO 1964-65

(\$'000)

	1960-61	1961-62	1962-63	1963-64	1964-65
<b>Business undertakings—</b>					
Cultural and recreational facilities . . . . .	2,858	5,694	7,660	6,548	9,246
<b>Transport and communication—</b>					
Postmaster-General . . . . .	84,290	93,878	123,946	136,836	159,796
Railways . . . . .	2,502	3,392	4,416	5,878	6,514
Other . . . . .	160	488	388	708	960
Housing . . . . .	8,612	8,938	9,564	8,814	11,620
Other . . . . .	1,258	924	1,050	1,150	914
<i>Total, business undertakings . . . . .</i>	<i>99,680</i>	<i>113,314</i>	<i>147,024</i>	<i>159,934</i>	<i>189,050</i>
<b>Other—</b>					
<b>Education—</b>					
Australian National University . . . . .	2,088	4,040	2,896	4,678	5,392
Australian Capital Territory . . . . .	3,210	3,084	3,350	3,712	3,956
<i>Total, education . . . . .</i>	<i>5,298</i>	<i>7,124</i>	<i>6,246</i>	<i>8,390</i>	<i>9,348</i>
<b>Health and welfare—</b>					
Australian Capital Territory . . . . .	590	718	1,608	2,148	2,584
Other health and welfare . . . . .	2,102	1,540	804	952	926
<i>Total, health and welfare . . . . .</i>	<i>2,692</i>	<i>2,258</i>	<i>2,412</i>	<i>3,100</i>	<i>3,510</i>
<b>Repatriation . . . . .</b>	<b>772</b>	<b>922</b>	<b>996</b>	<b>712</b>	<b>1,124</b>
<b>Development of resources and assistance to industry—</b>					
Atomic Energy Commission . . . . .	2,658	1,938	1,524	1,064	1,390
Australian Capital Territory . . . . .	3,140	1,348	1,582	920	2,822
Commonwealth Scientific and Industrial Research Organization . . . . .	2,640	2,054	1,936	3,610	6,396
Other development, etc. . . . .	1,060	1,352	1,768	1,684	1,580
<i>Total, development . . . . .</i>	<i>9,498</i>	<i>6,692</i>	<i>6,810</i>	<i>7,278</i>	<i>12,188</i>
Civil aviation . . . . .	11,690	8,796	9,688	11,578	17,394
<b>Roads—</b>					
Australian Capital Territory . . . . .	4,318	6,060	5,932	5,388	6,450
Other roads . . . . .	404	2,166	3,930	3,664	2,912
<i>Total, roads . . . . .</i>	<i>4,722</i>	<i>8,226</i>	<i>9,862</i>	<i>9,052</i>	<i>9,362</i>
<b>Housing . . . . .</b>	<b>810</b>	<b>782</b>	<b>938</b>	<b>872</b>	<b>816</b>
<b>Other functions—</b>					
Australian Capital Territory . . . . .	5,534	6,078	7,732	12,936	11,178
Papua and New Guinea . . . . .	110	42	80	48	4
Other . . . . .	8,208	12,576	11,194	12,276	13,874
<i>Total, other functions . . . . .</i>	<i>13,852</i>	<i>18,696</i>	<i>19,006</i>	<i>25,260</i>	<i>25,056</i>
<b>Not allocated to function . . . . .</b>	<b>10,570</b>	<b>11,930</b>	<b>12,518</b>	<b>11,028</b>	<b>13,462</b>
<b>Grand total . . . . .</b>	<b>159,584</b>	<b>178,740</b>	<b>215,500</b>	<b>237,204</b>	<b>281,310</b>

## Expenditure on primary production—research and sales promotion, export funds, etc.

Expenditure under this item is classified in the table on page 780 to development of resources and assistance to industry as it includes the proceeds of special industry taxes and profits from marketing schemes which are paid to trust funds or other authorities for the purposes of the industries concerned. Information relating to the taxes levied is given in the table on page 774. Some details of expenditure from the trust funds are included in the table on page 783. Details of expenditure from the Consolidated Revenue Fund during the last five years are given in the following table.

**COMMONWEALTH CONSOLIDATED REVENUE FUND: EXPENDITURE ON  
PRIMARY PRODUCTION—RESEARCH AND SALES PROMOTION,  
EXPORT FUNDS, ETC., 1960-61 TO 1964-65**  
(\$'000)

	1960-61	1961-62	1962-63	1963-64	1964-65
<b>Research and sales promotion—</b>					
Canned fruit (sales promotion)	54	107	84	101	64
Cattle and beef research	165	339	1,008	1,433	1,613
Dairy produce research	397	554	523	590	510
Dairy produce sales promotion	443	525	525	523	526
Tobacco industry research	249	338	183	401	364
Wheat research	523	468	595	638	720
Wool industry research	..	..	..	1,594	..
Wool research	2,910	3,014	2,925	1,604	3,181
Wool use promotion	2,336	4,691	4,875	5,286	18,249
<b>Export funds—</b>					
Apple and pear	161	204	169	245	213
Canned fruits	117	132	131	185	170
Canned fruits excise	..	..	..	279	1,044
Dairy produce	163	207	412	530	675
Dried fruits	68	107	89	102	165
Egg	120	68	36	57	78
Honey	..	..	4	74	94
Meat	200	278	431	484	741
Wine	185	225	319	225	274
<b>Other—</b>					
Fisheries development	2	..	1	..	..
Other	9	4	1	1	2
<b>Total</b>	<b>8,105</b>	<b>11,261</b>	<b>12,312</b>	<b>14,351</b>	<b>28,682</b>

**Commonwealth Consolidated Revenue Fund: receipts**

Sources of receipts

The following table shows details of receipts from each source during the years 1960-61 to 1964-65.

**COMMONWEALTH CONSOLIDATED REVENUE FUND: SOURCES OF RECEIPTS  
1960-61 TO 1964-65**  
(\$'000)

Source	1960-61	1961-62	1962-63	1963-64	1964-65
<b>Taxation</b>	<b>2,850,479</b>	<b>2,833,049</b>	<b>2,880,918</b>	<b>3,218,838</b>	<b>3,787,027</b>
Business undertakings	307,735	316,779	342,400	375,777	423,948
<b>Territories—</b>					
Northern Territory	3,480	4,002	4,210	4,944	5,611
Australian Capital Territory	7,423	7,986	11,250	14,086	18,193
Cocos (Keeling) Islands	6	4	4	8	8
<b>Total, Territories</b>	<b>10,909</b>	<b>11,992</b>	<b>15,464</b>	<b>19,038</b>	<b>23,813</b>
<b>Interest</b>	<b>29,176</b>	<b>34,008</b>	<b>43,524</b>	<b>46,852</b>	<b>48,394</b>
Dividends or payments in the nature of a dividend	3,980	4,105	3,826	5,076	5,118
Repayments	2,048	4,822	7,007	11,532	8,897
Coinage	642	1,179	212	..	..
Defence	11,653	9,612	12,325	44,651	28,961
Air navigation charges	2,062	2,786	2,966	3,755	4,437
Quarantine and other health services	239	222	311	372	344
Patents, trade marks, etc.	953	1,163	1,211	1,281	1,315
Bankruptcy	285	338	362	405	430
Net profit on Australian note issue	25,861	31,502	25,561	26,983	30,521
Unrequired balances of trust accounts	4,107	7,049	9,400	25,182	8,472
Australian Aluminium Production Commission	5,000	500	500	500	500
Reserve Bank Reserve Fund	5,381	6,705	8,973	3,351	4,983
Commonwealth Banking Corporation	1,512	1,843	1,433	2,290	3,467
Other	14,535	15,430	14,379	23,493	37,551
<b>Grand total</b>	<b>3,276,557</b>	<b>3,283,084</b>	<b>3,370,772</b>	<b>3,809,376</b>	<b>4,418,178</b>

Further information on receipts of business undertakings and the Territories is included respectively in the chapters Transport and Communication and The Territories of Australia.

### Commonwealth trust funds

The next table shows the opening and closing balances and receipts and expenditure of some of the more important trust funds of the Commonwealth for the year 1964-65, and the following table shows the totals for the last five years.

#### COMMONWEALTH TRUST FUNDS: RECEIPTS, EXPENDITURE AND BALANCES, 1964-65 (\$'000)

Fund	Balance at 30 June 1964	Year ended 30 June 1965		Balance at 30 June 1965
		Receipts	Expenditure	
Canadian Loan . . . . .	14,986	563	500	15,049
Coal Mining Industry Long Service Leave . . . . .	3,463	758	1,021	3,199
Coinage . . . . .		3,788	3,788	
Defence Forces Retirement Benefits . . . . .	52,506	19,749	9,582	62,673
Insurance Deposits . . . . .	22,728	5,753	4,933	23,548
Imperial Pensions . . . . .	855	12,498	12,960	393
International Development and Relief . . . . .	337	660	476	520
Lend-Lease Settlement . . . . .	611	19	341	288
Loan Consolidation and Investment Reserve . . . . .	458,511	244,219	11,311	691,419
National Debt Sinking . . . . .	371,113	192,624	261,193	302,544
National Welfare . . . . .	418,382	894,564	890,366	422,581
Parliamentary Retiring Allowances . . . . .	1,120	317	216	1,221
Post Office Stores and Services . . . . .	8,300	150,941	156,105	3,136
Superannuation . . . . .	231,731	58,908	28,996	261,643
Swiss Loan . . . . .	33,630	1,116		34,746
Temple Society . . . . .	1,433	52	7	1,478
Tobacco Industry . . . . .	228	662	490	401
War Service Homes . . . . .		73,014	73,014	
War Service Homes—Insurance . . . . .	1,698	703	737	1,663
Wheat Prices Stabilization . . . . .		1,893	1,893	
Wheat Research . . . . .	1,773	1,304	1,200	1,877
Wine Research . . . . .	853	38	38	853
Wool Research . . . . .	13,920	3,681	6,580	11,021
Other . . . . .	23,176	159,652	159,696	23,132
<b>Total . . . . .</b>	<b>1,661,353</b>	<b>1,827,477</b>	<b>1,625,444</b>	<b>1,863,386</b>

#### COMMONWEALTH TRUST FUNDS: SUMMARY, 1960-61 TO 1964-65 (\$ million)

	1960-61	1961-62	1962-63	1963-64	1964-65
Balances brought forward . . . . .	1,536	1,748	1,655	1,613	1,661
Receipts . . . . .	2,119	1,432	1,443	1,546	1,827
Expenditure . . . . .	1,907	1,525	1,485	1,498	1,625
Balance carried forward . . . . .	1,748	1,655	1,613	1,661	1,863

### Commonwealth Loan Fund

Brief historical notes relating to the Commonwealth Loan Fund are given in earlier issues of the Year Book (see No. 37, page 640). The following tables show details for the years 1960-61 to 1964-65 of receipts by, and expenditure from, Commonwealth Loan Fund in respect of loans raised for both Commonwealth and State Governments. Information relating to the Commonwealth Government securities on issue is given in the division Government Securities on Issue, Commonwealth and States of this chapter.

## Loans raised for the Commonwealth

The following table shows the receipts by, and expenditure from, Commonwealth Loan Fund in respect of loans raised for the Commonwealth Government during the years 1960-61 to 1964-65.

**COMMONWEALTH LOAN FUND: LOANS RAISED FOR THE COMMONWEALTH  
RECEIPTS AND EXPENDITURE, 1960-61 TO 1964-65**  
(\$'000)

	1960-61	1961-62	1962-63	1963-64	1964-65
<b>RECEIPTS</b>					
Balance from 30 June . . . . .	334	158	196	97	125
Loans raised in Australia—					
Stocks and bonds . . . . .	59,616	82,000	57,831	143,919	87,905
Special bonds . . . . .	13,467	21,054	38,972	26,352	34,342
Advance loan subscriptions . . . . .	Dr. 1,571	2,749	22,814	Dr. 21,560	3,305
Treasury bills—Public (net) . . . . .	Dr. 30,000	73,200	Dr. 117,400	Dr. 2,400	38,000
Treasury bills—Internal (investment of Trust Fund) (net) . . . . .	35,200	5,400	77,800	39,400	33,400
Treasury notes . . . . .	..	..	138,980	13,590	Dr. 72,138
Peace savings certificates . . . . .	3	3	2	2	2
Loans raised overseas—					
London—Stock and bonds . . . . .	29,270	1	5,414	20,636	..
New York—Bonds . . . . .	3,525	13,994	34,931	..	4,421
Loan—Qantas Empire Airways Limited . . . . .	3,146	23,653	4,134	4,033	26,292
Loan—Australian National Airlines Commission . . . . .	1,785	..	1,119	1,121	8,566
International Bank dollar loan . . . . .	..	..	28,472	24,232	21,151
Canadian bonds . . . . .	2,879	..	..	..	..
Swiss loan . . . . .	2,009	..	..	..	..
Netherlands loan . . . . .	..	1,772	..	..	..
<i>Total, loans raised</i> . . . . .	<i>119,329</i>	<i>223,827</i>	<i>293,069</i>	<i>249,325</i>	<i>185,247</i>
Deduct—					
Expenses of flotation—					
Loans raised in Australia . . . . .	Cr. 392	Cr. 318	1,804	Cr. 631	306
London loans . . . . .	1,051	1,051	85	317	..
New York loans . . . . .	65	119	911	..	147
Canadian loans . . . . .	66	Cr. 7	..	..	..
Swiss loans . . . . .	123	1	..	..	..
Netherlands loan . . . . .	..	83	..	..	..
<i>Total, deductions</i> . . . . .	<i>913</i>	<i>Cr. 1,172</i>	<i>2,799</i>	<i>Cr. 314</i>	<i>452</i>
<i>Total loan raisings less expenses of flotation</i> . . . . .	<i>118,417</i>	<i>224,999</i>	<i>290,270</i>	<i>249,638</i>	<i>184,795</i>
<i>Grand total</i> . . . . .	<i>118,750</i>	<i>225,157</i>	<i>290,466</i>	<i>249,736</i>	<i>184,920</i>
<b>EXPENDITURE</b>					
Financial assistance to States for housing—					
New South Wales . . . . .	26,000	34,006	32,600	33,000	35,000
Victoria . . . . .	20,600	27,054	25,700	26,500	27,000
Queensland . . . . .	6,200	8,400	7,800	8,600	6,600
South Australia . . . . .	11,600	18,072	18,982	19,400	20,500
Western Australia . . . . .	6,000	7,412	6,940	6,800	7,200
Tasmania . . . . .	4,000	5,856	5,200	6,000	6,400
<i>Total, States, housing</i> . . . . .	<i>74,400</i>	<i>100,800</i>	<i>97,222</i>	<i>100,300</i>	<i>102,700</i>
Defence services . . . . .	..	47,281	132,141	77,431	..
War and repatriation services . . . . .	4,054	3,154	1,214	8,525	7,234
Loan—Qantas . . . . .	3,146	23,653	4,134	4,033	26,292
Loan—Australian National Airlines Commission . . . . .	1,785	..	1,119	1,121	8,566
Mount Isa Railway Agreement . . . . .	..	7,500	11,917	12,100	3,016
Snowy Mountains Hydro-electric Authority Works and other purposes—Repayments . . . . .	Cr. 104	Cr. 60	Cr. 33	Cr. 566	Cr. 93
Redemptions—					
Treasury bills—Internal . . . . .	..	25,800	..	..	..
Stock and bonds—Australia . . . . .	7	5	9,299	9,085	..
Stock and bonds—London . . . . .	29,272	..	..	14,180	..
Bonds—New York . . . . .	..	10,111	..	..	..
Special bonds . . . . .	6,032	6,715	7,155	..	17,400
Balance at 30 June . . . . .	158	196	97	125	205
<i>Grand total</i> . . . . .	<i>118,750</i>	<i>225,157</i>	<i>290,466</i>	<i>249,736</i>	<i>184,920</i>

## Loans raised for the States

The following table shows the receipts by, and expenditure from, Commonwealth Loan Fund in respect of loans raised for the State Governments during the years 1960-61 to 1964-65.

**COMMONWEALTH LOAN FUND: LOANS RAISED FOR THE STATES  
RECEIPTS AND EXPENDITURE, 1960-61 TO 1964-65**  
(\$'000)

	1960-61	1961-62	1962-63	1963-64	1964-65
<b>RECEIPTS</b>					
Balance from 30 June . . . . .	..	..	..	..	..
Loans raised in Australia—					
Stock and bonds . . . . .	327,677	337,257	361,622	363,889	457,159
Special bonds . . . . .	24,728	33,682	39,192	65,207	53,124
Loans raised overseas—					
London—Stock and bonds . . . . .	29,493	..	32,221	28,762	..
New York—Bonds . . . . .	18,268	34,021	39,287	..	17,686
Canadian bonds . . . . .	14,919	..	..	..	..
Swiss bonds . . . . .	10,412	..	..	..	..
Netherlands bonds . . . . .	..	8,142	..	..	..
<b>Total . . . . .</b>	<b>425,498</b>	<b>413,101</b>	<b>472,323</b>	<b>457,857</b>	<b>527,969</b>
<b>EXPENDITURE</b>					
Payments of loan proceeds to the States—					
New South Wales . . . . .	121,388	124,596	130,808	140,020	149,470
Victoria . . . . .	97,238	99,091	105,360	111,728	120,954
Queensland . . . . .	42,150	46,300	42,576	42,412	48,000
South Australia . . . . .	51,934	50,296	51,458	55,184	59,020
Western Australia . . . . .	37,280	39,162	41,044	44,006	46,968
Tasmania . . . . .	26,890	28,996	29,768	30,318	32,244
<i>Total payments to States . . . . .</i>	<i>376,880</i>	<i>388,441</i>	<i>401,014</i>	<i>423,668</i>	<i>456,656</i>
Redemptions—					
Stock and bonds—Australia . . . . .	9,963	..	54,620	24,384	30,000
Special bonds . . . . .	9,162	8,478	8,543	9,806	16,238
London . . . . .	29,493	..	8,146	..	25,075
New York . . . . .	..	16,183	..	..	..
Balance at 30 June . . . . .	..	..	..	..	..
<b>Grand total . . . . .</b>	<b>425,498</b>	<b>413,101</b>	<b>472,323</b>	<b>457,857</b>	<b>527,969</b>

## STATE FINANCE

## Functions of State Governments

In comparing the financial results of the States allowances must be made for the various functions discharged by the respective State Governments and for local conditions in each case. Direct comparisons of the revenue, expenditure and debt of the individual States are difficult, owing to the fact that functions which in one State are assumed by the central government are in another delegated to local government or semi-governmental bodies which are vested with certain defined borrowing powers and whose financial transactions are not included with those of the central government. Care is needed, therefore, in making comparisons, and the particulars contained in this chapter should be read with those contained in the chapter Local Government.

## Accounts of State Governments

The various financial transactions of the States are in each case concerned mainly with one or other of three funds—the Consolidated Revenue Fund the Trust Fund and the Loan Fund.



All revenue (except certain items paid into special funds) collected by a State is paid into its *Consolidated Revenue Fund*, from which payments are made under authority of an annual Appropriation Act passed by the legislature, or by a permanent appropriation under a special Act. Figures relating to New South Wales represent the transactions of the Consolidated Revenue Fund and the business undertakings included in the annual budget papers. These undertakings are: railways, tramways and omnibuses, and Sydney Harbour Trust Section of the Maritime Services Board. Adjustments have been made to the Budget figures, however, in order to eliminate duplications caused by inter-fund payments. Particulars for all other States relate to the transactions of the Consolidated Revenue Fund.

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

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

#### Inter-relation of Commonwealth and State finances

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

#### State Consolidated Revenue Fund expenditure

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

The working expenses of railways and tramways are the largest item of State Government expenditure. In 1964-65 the working expenses of the railways, tramways and omnibuses were 22.6 per cent of the total expenditure from the State Consolidated Revenue Funds; education, 23.3 per cent; debt charges, 17.5 per cent; charitable, public health and hospitals, 13.3 per cent; and law, order and public safety, 5.9 per cent.

#### Total expenditure

The total expenditure from the Consolidated Revenue Funds of the several States and the expenditure per head of population during each of the years 1960-61 to 1964-65 are shown in the following table.

#### STATE CONSOLIDATED REVENUE FUND EXPENDITURE, 1960-61 TO 1964-65

Year	N.S.W.(a)	Vic.	Qld	S.A.	W.A.	Tas.	Total
EXPENDITURE (\$'000)							
1960-61 .	565,403	369,863	218,870	161,582	141,075	55,985	1,512,779
1961-62 .	597,489	392,597	234,431	177,192	151,780	63,302	1,616,790
1962-63 .	624,888	414,150	246,928	186,789	158,687	64,301	1,695,742
1963-64 .	683,992	444,874	260,454	199,755	170,681	69,577	1,829,333
1964-65 .	734,160	480,668	271,215	216,803	184,840	77,447	1,965,133
PER HEAD OF POPULATION (\$)							
1960-61 .	145.88	127.83	145.55	168.82	193.31	159.92	146.73
1961-62 .	151.33	132.67	153.53	180.79	203.51	177.47	153.73
1962-63 .	155.62	137.05	159.17	186.98	207.59	177.57	158.27
1963-64 .	167.38	143.93	165.53	195.82	218.21	190.00	167.53
1964-65 .	176.58	151.67	169.91	207.81	231.76	210.40	176.53

(a) See above for transactions included.

## Details of expenditure

The following tables show the total expenditure and expenditure per head of population for each of the principal items. For further information on the finances of the various types of business undertakings in the States see the chapters Transport and Communication and Local Government of this Year Book.

## STATE CONSOLIDATED REVENUE FUND EXPENDITURE: DETAILS, 1964-65

	N.S.W.(a)	Vic.	Qld	S.A.	W.A.	Tas.(b)	Total
<b>EXPENDITURE</b>							
(\$'000)							
Debt (interest, exchange, debt redemption, etc.) . . . . .	95,722	89,057	46,732	52,410	35,988	24,081	343,990
Railways . . . . .	172,936	92,866	82,245	28,786	36,846	2,490	416,169
Tramways and omnibuses . . . . .	25,989				1,029	760	27,778
Harbours and rivers, etc. . . . .	13,908	1,408		3,256	2,016	63	20,652
Water supply, sewerage, irrigation and drainage . . . . .		8,926		9,948	5,407	560	24,840
Other business and industrial undertakings . . . . .		1,240	49	1,135	3,759	77	6,260
Education . . . . .	178,515	125,199	51,369	49,074	35,452	17,723	457,333
Health and charitable . . . . .	89,435	65,850	38,893	29,041	26,776	10,514	260,508
Justice . . . . .	12,003	4,730	3,689	1,517	1,451	796	24,187
Police . . . . .	26,708	20,068	11,698	6,500	5,331	2,675	72,981
Penal establishments . . . . .	6,241	3,003	1,346	1,587	1,384	644	14,204
Public safety . . . . .	1,710	83	1,362	338	1,387	157	4,038
All other expenditure . . . . .	110,994	68,238	33,832	33,211	29,012	16,907	292,194
<b>Total . . . . .</b>	<b>734,160</b>	<b>480,668</b>	<b>271,215</b>	<b>216,803</b>	<b>184,840</b>	<b>77,447</b>	<b>1,965,133</b>

## PER HEAD OF POPULATION

(\$)

Debt (interest, exchange, debt redemption, etc.) . . . . .	23.02	28.10	29.28	50.24	45.12	65.42	30.90
Railways . . . . .	41.60	29.30	51.52	27.57	46.20	6.76	37.39
Tramways and omnibuses . . . . .	6.25				1.29	2.06	2.50
Harbours and rivers, etc. . . . .	3.35	0.44		3.12	2.53	0.17	1.86
Water supply, sewerage, irrigation and drainage . . . . .		2.82		9.54	6.78	1.52	2.23
Other business and industrial undertakings . . . . .		0.39	0.03	1.09	4.71	0.19	0.56
Education . . . . .	42.94	39.50	32.18	47.04	44.45	48.15	41.08
Health and charitable . . . . .	21.51	20.78	24.37	27.84	33.57	28.56	23.40
Justice . . . . .	2.89	1.49	2.31	1.45	1.83	2.16	2.17
Police . . . . .	6.42	6.33	7.33	6.23	6.68	7.27	6.56
Penal establishments . . . . .	1.50	0.95	0.84	1.52	1.74	1.75	1.28
Public safety . . . . .	0.41	0.03	0.85	0.32	0.48	0.43	0.36
All other expenditure . . . . .	26.70	21.53	21.20	31.85	36.38	45.95	26.25
<b>Total . . . . .</b>	<b>176.58</b>	<b>151.67</b>	<b>169.91</b>	<b>207.81</b>	<b>231.76</b>	<b>210.40</b>	<b>176.53</b>

(a) See page 786 for transactions included. (b) Tasmanian transport services are under the separate control of semi-governmental authorities. Figures shown for relevant items represent payments to the authorities.

**TOTAL STATE CONSOLIDATED REVENUE FUND EXPENDITURE: DETAILS**  
**1960-61 TO 1964-65**  
**(\$'000)**

—	1960-61	1961-62	1962-63	1963-64	1964-65
Debt (interest, exchange, debt redemption, etc.) . . . . .	250,433	274,909	301,723	320,403	343,990
Railways, tramways and omnibuses (working expenses) . . . . .	397,556	400,363	397,940	420,585	443,947
Harbours and rivers, etc. . . . .	12,627	15,847	15,985	19,035	20,652
Water supply, sewerage, irrigation and drainage . . . . .	22,421	25,374	25,706	26,313	24,840
Other business and industrial undertakings . . . . .	5,530	5,386	5,492	5,187	6,260
Education . . . . .	298,696	328,004	359,053	401,009	457,333
Health and charitable . . . . .	211,989	226,568	231,051	239,167	260,508
Justice . . . . .	18,899	20,022	19,910	21,749	24,187
Police . . . . .	56,278	59,607	62,961	68,008	72,981
Penal establishments . . . . .	10,621	11,714	12,223	13,054	14,204
Public safety . . . . .	2,836	3,345	3,773	3,935	4,038
All other expenditure . . . . .	224,893	245,653	259,925	290,887	292,194
<b>Total . . . . .</b>	<b>1,512,779</b>	<b>1,616,790</b>	<b>1,695,742</b>	<b>1,829,333</b>	<b>1,965,133</b>

### State Consolidated Revenue Fund receipts

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

Of these sources, that yielding the largest revenue to the Consolidated Revenue Funds for the States as a whole in the year 1964-65 was Commonwealth payments under financial assistance and other grants (37.9 per cent of the total revenue). Next in magnitude was the group of business undertakings (28.9 per cent), the principal contributors being the Government railways and tramways, followed by taxation receipts (18.1 per cent). More than one-quarter of the total State taxation collections are not paid into Consolidated Revenue Funds, however, but into special funds (*see* pages 790 and 792). Of the remaining sources of revenue, interest (n.e.i.) constituted 4.3 per cent, land revenue 2.9 per cent, and National Welfare Fund payments 1.0 per cent.

#### Total receipts

The following table shows particulars of the total receipts and the receipts per head of population of the Consolidated Revenue Funds of the several States.

STATE CONSOLIDATED REVENUE FUND RECEIPTS  
1960-61 TO 1964-65

Year	N.S.W.(a)	Vic.	Qld	S.A.	W.A.	Tas.	Total
<b>RECEIPTS</b> (\$'000)							
1960-61 . . .	564,727	370,203	217,634	163,959	138,665	55,590	1,510,778
1961-62 . . .	591,223	392,618	234,650	178,205	149,852	62,585	1,609,133
1962-63 . . .	625,260	414,151	246,983	187,368	157,182	63,318	1,694,262
1963-64 . . .	684,535	444,368	260,897	203,006	167,888	68,391	1,829,087
1964-65 . . .	729,091	480,668	267,139	214,181	180,143	75,828	1,947,050
<b>PER HEAD OF POPULATION</b> (\$)							
1960-61 . . .	145.70	127.95	144.73	171.30	190.01	158.79	146.53
1961-62 . . .	149.74	132.68	153.67	181.82	200.93	175.46	153.00
1962-63 . . .	155.71	137.05	159.21	187.56	205.62	174.86	158.13
1963-64 . . .	167.51	143.76	165.82	199.01	214.63	186.77	167.51
1964-65 . . .	175.36	151.67	167.36	205.30	225.87	206.01	174.91

(a) See page 786 for transactions included.

## Sources of revenue

Classifying the revenue of the several States in the manner indicated on page 788, particulars for the year 1964-65 were as follows.

STATE CONSOLIDATED REVENUE FUND RECEIPTS  
BY SOURCES, 1964-65

Source of revenue	N.S.W. (a)	Vic.	Qld	S.A.	W.A.	Tas. (b)	Total
<b>RECEIPTS</b> (\$'000)							
Taxation(c) . . . . .	130,330	115,642	39,771	34,901	20,271	10,677	351,592
Business undertakings . . . . .	255,024	127,416	79,813	57,256	42,631	348	562,487
Lands . . . . .	29,798	7,933	10,713	2,193	4,107	1,715	56,458
Interest, n.e.i. . . . .	7,332	19,064	13,733	18,148	11,734	12,752	82,764
Commonwealth grants(d)—							
Financial assistance . . . . .	230,537	171,750	101,111	78,155	70,498	29,297	681,349
Other(e) . . . . .	6,364	4,344	5,589	6,515	18,067	15,134	56,013
Commonwealth National Welfare Fund payments(f)	10,828	3,527	1,634	2,222	140	800	19,150
Miscellaneous . . . . .	58,877	30,993	14,773	14,790	12,696	5,107	137,237
<b>Total . . . . .</b>	<b>729,091</b>	<b>480,668</b>	<b>267,139</b>	<b>214,181</b>	<b>180,143</b>	<b>75,828</b>	<b>1,947,050</b>
<b>PER HEAD OF POPULATION</b> (\$)							
Taxation(c) . . . . .	31.35	36.49	24.92	33.45	25.42	29.01	31.58
Business undertakings . . . . .	61.34	40.20	50.00	54.88	53.45	0.95	50.53
Lands . . . . .	7.17	2.50	6.71	2.10	5.15	4.66	5.07
Interest, n.e.i. . . . .	1.76	6.02	8.60	17.40	14.71	34.64	7.43
Commonwealth grants(d)—							
Financial assistance . . . . .	55.45	54.19	63.34	74.91	88.39	79.59	61.21
Other(e) . . . . .	1.53	1.37	3.52	6.24	22.65	41.12	5.03
Commonwealth National Welfare Fund payments(f)	2.60	1.11	1.02	2.13	0.18	2.17	1.72
Miscellaneous . . . . .	14.16	9.78	9.25	14.18	15.92	13.87	12.33
<b>Total . . . . .</b>	<b>175.36</b>	<b>151.67</b>	<b>167.36</b>	<b>205.30</b>	<b>225.87</b>	<b>206.01</b>	<b>174.91</b>

(a) See page 786. (b) Tasmanian transport services are under the separate control of semi-governmental authorities. (c) In all States certain taxation collections are not paid into Consolidated Revenue Fund. For total collections see next page. (d) Excludes Commonwealth payments paid to trust funds. (e) Includes payments under Financial Agreement, special grants, additional financial assistance, grants to universities, etc. (f) Consolidated Revenue Fund receipts only. Excludes payments to Trust Funds.

## State receipts from taxation

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

## Net taxation collections

The following tables show, for the year 1964-65, details of the collections by each State Government from the various types of tax in operation, irrespective of whether such moneys have been paid into the Consolidated Revenue Funds or not. For this reason the particulars hereunder differ from those shown in the tables relating to the Consolidated Revenue Funds and present a comprehensive statement of all taxation collections by the Government in each State.

STATE RECEIPTS FROM TAXATION: NET COLLECTIONS<sup>(a)</sup>, BY TYPE OF TAX  
1964-65  
(\$'000)

Tax	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
<b>Motor—</b>							
Registration fees and taxes . . . . .	35,950	24,244	15,531	11,857	7,496	3,318	98,396
Drivers', etc., licences . . . . .	6,771	1,797	809	921	785	271	11,354
Other . . . . .	17,618	14,007	8,523	45	1,540	348	42,081
<i>Total, motor . . . . .</i>	<i>60,338</i>	<i>40,048</i>	<i>24,863</i>	<i>12,824</i>	<i>9,821</i>	<i>3,937</i>	<i>151,831</i>
<b>Probate and succession duties . . . . .</b>	<b>38,318</b>	<b>31,614</b>	<b>9,871</b>	<b>6,604</b>	<b>3,030</b>	<b>2,006</b>	<b>91,443</b>
<b>Stamp duties, n.e.i. . . . .</b>	<b>39,988</b>	<b>34,398</b>	<b>12,546</b>	<b>8,636</b>	<b>7,678</b>	<b>2,629</b>	<b>105,876</b>
<b>Land . . . . .</b>	<b>29,717</b>	<b>19,725</b>	<b>3,784</b>	<b>4,969</b>	<b>2,892</b>	<b>1,678</b>	<b>62,765</b>
<b>Liquor . . . . .</b>	<b>11,285</b>	<b>7,524</b>	<b>3,718</b>	<b>1,095</b>	<b>1,928</b>	<b>630</b>	<b>26,179</b>
<b>Lotteries . . . . .</b>	<b>..</b>	<b>6,717</b>	<b>737</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>7,454</b>
<b>Racing . . . . .</b>	<b>7,272</b>	<b>10,425</b>	<b>3,339</b>	<b>2,592</b>	<b>2,697</b>	<b>1,015</b>	<b>27,340</b>
<b>Poker machine licence fees . . . . .</b>	<b>13,666</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>13,666</b>
<b>Licences, n.e.i. . . . .</b>	<b>425</b>	<b>1,186</b>	<b>210</b>	<b>195</b>	<b>595</b>	<b>24</b>	<b>2,635</b>
<b>Other . . . . .</b>	<b>17</b>	<b>1</b>	<b>5,818</b>	<b>341</b>	<b>959</b>	<b>..</b>	<b>7,136</b>
<b>Grand total . . . . .</b>	<b>201,026</b>	<b>151,640</b>	<b>64,887</b>	<b>37,255</b>	<b>29,600</b>	<b>11,918</b>	<b>496,326</b>

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

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

STATE RECEIPTS FROM TAXATION: PAYMENTS INTO SPECIAL FUNDS, 1964-65  
(\$'000)

Tax	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
Motor . . . . .	56,932	34,856	19,029	1,426	8,370	784	121,398
Stamp duties, n.e.i. . . . .	..	546	..	..	..	..	546
Liquor . . . . .	..	385	150	..	..	..	535
Racing . . . . .	98	..	349	928	..	458	1,832
Poker machine licence fees . . . . .	13,666	..	..	..	..	..	13,666
Other . . . . .	..	211	5,587	..	959	..	6,756
<b>Total . . . . .</b>	<b>70,696</b>	<b>35,998</b>	<b>25,115</b>	<b>2,354</b>	<b>9,329</b>	<b>1,241</b>	<b>144,734</b>

The table hereunder shows, for the year 1964-65, the proportions of collections under individual classes of tax to total taxation revenue.

**STATE RECEIPTS FROM TAXATION: PROPORTIONS OF INDIVIDUAL TAXES TO TOTAL, 1964-65**

(Per cent)

Tax	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
Motor	30.02	26.41	38.32	34.42	33.18	33.03	30.59
Probate and succession duties	19.06	20.85	15.21	17.73	10.24	16.83	18.42
Stamp duties, n.e.i.	19.89	22.68	19.34	23.18	25.94	22.06	21.33
Land	14.78	13.01	5.83	13.34	9.77	14.08	12.65
Liquor	5.61	4.96	5.73	2.94	6.51	5.29	5.27
Lotteries		4.43	1.14				1.50
Racing	3.62	6.88	5.15	6.96	9.11	8.52	5.51
Poker machine licence fees	6.80						2.75
Licences, n.e.i.	0.21	0.78	0.32	0.52	2.01	0.20	0.53
Other	0.01		8.97	0.91	3.24		1.43
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

The total amounts and the amounts per head raised from all sources of taxation by the several State Governments, including amounts not paid into the Consolidated Revenue Funds, during the years 1960-61 to 1964-65 are shown in the following tables.

**STATE RECEIPTS FROM TAXATION: NET COLLECTIONS, 1960-61 TO 1964-65**

Year	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
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**NET COLLECTIONS**  
(\$'000)

1960-61	127,160	111,892	45,403	24,203	19,036	9,162	336,855
1961-62	134,866	115,638	48,549	25,902	20,400	9,609	354,963
1962-63	156,182	121,964	54,046	27,691	22,996	10,184	393,062
1963-64	185,919	135,757	60,582	30,619	26,713	11,110	450,701
1964-65	201,026	151,640	64,887	37,255	29,600	11,918	496,326

**PER HEAD OF POPULATION**  
(\$)

1960-61	32.81	38.67	30.19	25.29	26.09	26.17	32.67
1961-62	34.16	39.08	31.80	26.43	27.35	26.94	33.75
1962-63	38.90	40.36	34.84	27.72	30.08	28.12	36.69
1963-64	45.50	43.92	38.50	30.02	34.15	30.34	41.28
1964-65	48.35	47.85	40.65	35.71	37.11	32.38	44.59

**STATE RECEIPTS FROM TAXATION: TOTAL NET COLLECTIONS(a), BY TYPE OF TAX, 1960-61 TO 1964-65**  
(\$'000)

Tax	1960-61	1961-62	1962-63	1963-64	1964-65
Motor . . . . .	97,850	103,216	115,518	136,714	151,831
Probate and succession duties . . . . .	67,755	75,166	80,028	91,090	91,443
Stamp duties, n.e.i. . . . .	75,775	73,056	81,757	93,080	105,876
Land . . . . .	39,830	45,321	49,410	55,134	62,765
Liquor . . . . .	18,105	19,722	22,203	23,784	26,179
Lotteries . . . . .	7,217	7,017	7,090	7,310	7,454
Racing . . . . .	17,053	18,230	21,198	23,361	27,340
Entertainments . . . . .	2,843	2,180	941	53	
Poker machine licence fees . . . . .	3,354	3,544	6,558	11,268	13,666
Licences, n.e.i., and all other . . . . .	7,075	7,511	8,360	8,906	9,772
<b>Total . . . . .</b>	<b>336,855</b>	<b>354,963</b>	<b>393,062</b>	<b>450,701</b>	<b>496,326</b>

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

**Taxation collections paid to special funds**

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

**STATE RECEIPTS FROM TAXATION: TOTAL PAYMENTS INTO SPECIAL FUNDS, 1960-61 TO 1964-65**  
(\$'000)

Tax	1960-61	1961-62	1962-63	1963-64	1964-65
Motor . . . . .	82,263	86,120	96,872	111,830	121,398
Stamp duties, n.e.i. . . . .	419	401	484	508	546
Liquor . . . . .	363	341	464	540	535
Racing . . . . .	1,142	1,097	1,356	1,481	1,832
Poker machine licence fees . . . . .	3,354	3,544	6,558	11,268	13,666
Other . . . . .	4,812	5,080	5,527	5,948	6,756
<b>Total . . . . .</b>	<b>92,353</b>	<b>96,583</b>	<b>111,262</b>	<b>131,575</b>	<b>144,734</b>

**State Consolidated Revenue Fund receipts  
from business undertakings**

A considerable proportion of State gross revenue is made up of receipts from business undertakings under the control of the Governments. The most important of these are railways and tramways, harbour works, water supply and sewerage, and electricity supply. In addition, State batteries for the treatment of auriferous ores in Western Australia and various minor revenue-producing services rendered by the Governments of all States are included. For the year 1964-65 the receipts from these sources was \$562,487,000 or 28.9 per cent of the receipts from all sources.

**STATE CONSOLIDATED REVENUE FUND: RECEIPTS FROM BUSINESS  
UNDERTAKINGS, BY SOURCE, 1964-65**  
(\$'000)

Source	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.(a)	Total
Railways(b)	213,258	102,027	79,813	29,572	36,381	..	461,052
Tramways and omnibuses	24,749		..			..	24,749
Harbours, rivers, lights	17,017	(c) 2,408	..	6,126	1,820	..	27,371
Water supply, sewerage, irrigation and drainage	..	11,865	..	18,556	2,906	98	33,424
Electricity supply	..	9,964	..				9,964
Other	..	1,152	..	3,002	1,524	250	5,928
<b>Total</b>	<b>255,024</b>	<b>127,416</b>	<b>79,813</b>	<b>57,256</b>	<b>42,631</b>	<b>348</b>	<b>562,487</b>

(a) Tasmanian transport services are under the separate control of semi-governmental authorities.  
(b) The following contributions to railways revenue from Consolidated Revenue Fund are excluded—New South Wales, \$1,600,000; South Australia, \$8,000,000. (c) Includes Harbour Trust Fund contribution, \$1,773,000.

**STATE CONSOLIDATED REVENUE FUND  
RECEIPTS FROM BUSINESS UNDERTAKINGS, 1960-61 TO 1964-65**

Year	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas. (a)	Total
<b>RECEIPTS</b> (\$'000)							
1960-61	214,252	103,989	70,795	45,879	42,151	95	477,162
1961-62	215,080	106,449	70,144	48,897	44,077	223	484,870
1962-63	220,965	108,401	73,267	49,927	45,103	163	497,826
1963-64	242,824	115,715	81,124	54,904	47,175	236	541,978
1964-65	255,024	127,416	79,813	57,256	42,631	348	562,487

**PER HEAD OF POPULATION**  
(\$)

1960-61	55.28	35.94	47.08	47.94	57.76	0.28	46.28
1961-62	54.48	35.98	45.94	49.90	59.10	0.62	46.10
1962-63	55.02	35.88	47.22	49.98	59.00	0.46	46.46
1963-64	59.42	37.44	41.56	53.82	60.30	0.64	49.64
1964-65	61.34	40.20	50.00	54.88	53.45	0.95	50.53

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

In the table below particulars of total State receipts from business undertakings for the various types of undertakings are shown for the years 1960-61 to 1964-65.

**STATE CONSOLIDATED REVENUE FUND: TOTAL RECEIPTS FROM BUSINESS  
UNDERTAKINGS, BY SOURCE, 1960-61 TO 1964-65**  
(\$'000)

Source	1960-61	1961-62	1962-63	1963-64	1964-65
Railways, tramways and omnibuses	420,245	419,711	429,633	465,557	485,800
Harbour services	17,405	21,340	21,480	25,058	27,371
Water supply, sewerage, irrigation and drainage	29,991	32,767	34,801	38,548	33,424
Other	9,521	11,053	11,911	12,815	15,892
<b>Total</b>	<b>477,162</b>	<b>484,870</b>	<b>497,826</b>	<b>541,978</b>	<b>562,487</b>



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

### Other State Consolidated Revenue Fund receipts

#### State land receipts

The receipts from the sale and rental of Crown lands have, with few exceptions, been treated from the earliest times as forming part of the Consolidated Revenue Funds, and have been applied to meet ordinary expenses. The following table shows the revenue from sales and rentals of Crown lands for the year 1964-65.

STATE CONSOLIDATED REVENUE FUND LAND RECEIPTS, BY SOURCE  
1964-65  
(\$'000)

Source	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
Sales . . . . .	1,776	430	1,128	469	248	94	4,145
Conditional purchases . . . . .	438	..	..	23	401	..	861
Rentals(a) . . . . .	24,333	1,870	8,778	775	882	109	36,747
Forestry . . . . .	2,972	5,153	..	..	2,577	1,499	12,200
Other . . . . .	279	479	807	927	..	14	2,505
<b>Total . . . . .</b>	<b>29,798</b>	<b>7,933</b>	<b>10,713</b>	<b>2,193</b>	<b>4,107</b>	<b>1,715</b>	<b>56,458</b>

(a) Includes mining royalties, rents, etc.

The total land receipts for all States for the years 1960-61 to 1964-65 respectively were: \$30,537,000, \$31,572,000, \$32,725,000, \$38,478,000, and \$56,458,000.

#### State receipts from Commonwealth grants

Commonwealth grants to the States represent a very large proportion of the States' receipts. In 1964-65 the total amount (excluding sundry minor items) paid to the Consolidated Revenue Funds of the States was \$737,362,000 (37.9 per cent). Details were as follows: contribution towards interest on States' debts under the Financial Agreement, \$15,170,000; special grants to the States of Western Australia and Tasmania, \$31,720,000; financial assistance, \$681,349,000; grants to universities, \$8,477,000; and other grants, \$646,000. In addition to these, the States receive a number of other grants which are paid to Trust Funds. The main items in this class are the contribution to the sinking fund on States' debts (\$16,646,000 in 1964-65) paid to the National Debt Sinking Fund, grants for Commonwealth Aid Roads (\$130,000,000 in 1964-65), and grants for universities (\$32,797,000 in 1964-65) paid to State Trust Funds. More detailed information concerning Commonwealth grants to the States is given on pages 763-6.

#### State receipts from Commonwealth National Welfare Fund

The States also receive payments from the Commonwealth in respect of hospital and pharmaceutical benefits, milk for school children, and reimbursement of maintenance expenditure on tuberculosis sanatoriums. These receipts are paid into Consolidated Revenue Funds or Trust Funds according to the varying accounting procedures in the States. In 1964-65 the total amount paid to State Consolidated Revenue Funds was \$19,150,000 (1.0 per cent). This amount was made up of hospital benefits, \$2,667,000; pharmaceutical benefits, \$4,495,000; milk for school children, \$2,881,000; tuberculosis—reimbursement of maintenance expenditure, \$8,447,000; other, \$660,000.

#### State surplus revenue

The following table shows for each of the years 1960-61 to 1964-65 the total amount and amount per head of population of the surplus or deficit of each State.

## STATE SURPLUS REVENUE, 1960-61 TO 1964-65

Year	N.S.W.(a)	Vic.	Qld	S.A.	W.A.	Tas.	Total
------	-----------	------	-----	------	------	------	-------

TOTAL AMOUNT  
(\$'000)

1960-61 . . .	-676	340	-1,236	2,376	-2,409	-395	-2,000
1961-62 . . .	-6,266	21	219	1,013	-1,928	-717	-7,656
1962-63 . . .	372	1	55	580	-1,506	-983	-1,480
1963-64 . . .	544	-505	443	3,251	-2,792	-1,185	-246
1964-65 . . .	-5,069	..	-4,076	-2,622	-4,695	-1,619	-18,083

PER HEAD OF POPULATION  
(\$)

1960-61 . . .	-0.17	0.12	-0.82	2.48	-3.30	-1.13	-0.19
1961-62 . . .	-1.59	0.01	0.14	1.03	-2.59	-2.01	-0.73
1962-63 . . .	0.09	..	0.04	0.58	-1.97	-2.72	-0.14
1963-64 . . .	0.13	-0.16	0.28	3.19	-3.57	-3.24	-0.02
1964-65 . . .	-1.22	..	-2.55	-2.51	-5.89	-4.40	-1.62

(a) See page 786.

Minus sign (-) indicates deficit.

## State Loan Funds

The principal purpose of State public borrowing is to assist in financing the development of the resources of the country, e.g. the establishment and operation of railway systems and electricity undertakings, construction of roads and water and sewerage works, and improvements to harbour and rivers.

Statements relating to 'gross' loan expenditure are shown on page 796. Gross expenditure represents the amounts disbursed during each year. Details of 'net' loan expenditure, i.e. gross expenditure less any credits to the Loan Fund during the year on account of repayments of advances to local governing bodies, settlers, etc., the sale of assets, and transfers from other funds, may be found in the annual bulletin *State, Territory and Local Government Authorities' Finance and Government Securities*. Such moneys are credited to the Loan Fund in the year of repayment irrespective of when the advance was made.

## Gross loan expenditure

Particulars of gross loan expenditure on works, services, etc., are shown in the following tables.

**STATE GROSS LOAN EXPENDITURE ON WORKS, SERVICES, ETC.: DETAILS**  
**1964-65**  
**(\$'000)**

—	N.S.W.	Vic.(a)	Qld	S.A.	W.A.	Tas.	Total
<b>Public works and services—</b>							
Railways . . . . .	18,500	15,501	15,234	6,400	9,199	600	65,433
Tramways and omnibuses . . . . .					180		180
Roads . . . . .	4,018	2,465	(b) —480	87	873	3,468	29,632
Bridges . . . . .							
Harbours and rivers . . . . .	8,900	4,408	860	2,205	2,830	1,784	78,731
Lights and lighthouses . . . . .	18,675	17,720	258				
Water supply . . . . .				1,410		17,531	9,790
Sewerage . . . . .	15,200	16,000	4,540	6,000	794	80	
Electricity supply . . . . .		80					
Gas supply . . . . .	68,314	54,817	20,529	21,700	20,452	9,070	194,882
Public buildings . . . . .							
Loans and grants to local bodies . . . . .	567	2,234	15,868		589	10	19,269
Housing(c) . . . . .	1,860	1,675	4,300	600	1,540	40	10,015
Other public works, etc. . . . .	1,090	632		132	1,080	1,807	4,741
<b>Primary production—</b>							
Soldier settlement . . . . .	41	78					119
Land for settlement . . . . .	1,204	2,430	93	1		280	4,007
Advances to settlers . . . . .		560		1,241		1,100	2,901
Water conservation, irrigation and drainage . . . . .	16,723		5,989	1,892	1,332		25,936
Vermine-proof fencing . . . . .		1	4	(d)	24		29
Agriculture . . . . .	1,800				254	209	2,263
Agricultural Bank . . . . .			5,100				5,100
Forestry . . . . .	1,600	2,092	4,597	1,880	300	1,712	12,181
Mines and mineral resources . . . . .	716	132	712	295	220	78	2,152
Other . . . . .	1,233	3,366		453	384	155	5,591
Other purposes . . . . .		(e) 2,258		1,618	894	764	5,533
<b>Total . . . . .</b>	<b>160,441</b>	<b>127,855</b>	<b>77,604</b>	<b>73,597</b>	<b>50,736</b>	<b>35,667</b>	<b>525,900</b>

(a) Expenditure from loan funds and on account of loans; includes expenditure from loan funds, from Treasurer's Advance Account, and from State Loans Repayment Fund. (b) Represents transfer of liability on account of expenditure incurred in earlier years. The amount involved has been debited against the item Loans and grants to local bodies, and included in the expenditure shown for 1964-65. (c) Excludes expenditure from Commonwealth loans under Commonwealth-State Housing Agreement. (d) Included in item Advances to settlers. (e) Includes Rural Finance and Settlement Commission, for advances to rural industries, \$1,320,000.

**STATE GROSS LOAN EXPENDITURE ON WORKS, SERVICES, ETC.**  
**1960-61 TO 1964-65**

Year	N.S.W.	Vic.(a)	Qld	S.A.	W.A.	Tas.	Total
<b>GROSS LOAN EXPENDITURE</b>							
(\$'000)							
1960-61 . . . . .	130,364	103,410	59,372	62,770	38,705	33,534	428,154
1961-62 . . . . .	135,040	106,834	61,377	61,310	41,545	32,191	438,297
1962-63 . . . . .	140,661	110,665	62,862	59,602	44,310	32,914	451,014
1963-64 . . . . .	148,897	117,750	69,647	63,496	47,270	34,988	482,048
1964-65 . . . . .	160,441	127,855	77,604	73,597	50,736	35,667	525,900
<b>PER HEAD OF POPULATION</b>							
(\$)							
1960-61 . . . . .	33.63	35.74	39.48	65.58	53.04	95.79	41.53
1961-62 . . . . .	34.20	36.10	40.20	62.55	55.71	90.25	41.67
1962-63 . . . . .	35.03	36.62	40.52	59.66	57.97	90.89	42.10
1963-64 . . . . .	36.44	38.10	44.27	62.25	60.43	95.55	44.15
1964-65 . . . . .	38.59	40.34	48.62	70.54	63.62	96.90	47.24

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

## Total loan expenditure

The preceding tables do not include particulars of expenditure on loan discounts and flotations, the funding of deficits, the retirement of treasury bills, and similar items of a nature other than works, services, etc. Summaries of the gross and net expenditure and repayments in respect of all loan purposes for the years 1962-63 to 1964-65 are shown in the next table.

**STATE LOAN EXPENDITURE: SUMMARY, 1962-63 TO 1964-65**  
(\$'000)

—	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
1962-63							
Works and services—							
Gross expenditure . . . . .	140,661	110,665	62,862	59,602	44,310	32,914	451,014
Net expenditure . . . . .	129,478	104,682	52,011	50,010	38,894	30,201	405,275
Repayments . . . . .	11,184	5,983	10,851	9,592	5,416	2,713	45,739
Other than works, etc.(a)—							
Gross expenditure . . . . .	-6,294	1,593	..	79	-240	300	-4,562
Net expenditure . . . . .	-6,294	1,593	1,400	..	-348	310	-3,339
Repayments . . . . .	..	..	-1,400	79	(b)107	-10	-1,224
<b>Total loan expenditure—</b>							
Gross . . . . .	134,368	112,258	62,862	59,681	44,070	33,214	446,452
Net . . . . .	123,184	106,275	53,411	50,010	38,546	30,511	401,937
Repayments . . . . .	11,184	5,983	9,451	9,671	5,524	2,703	44,515
1963-64							
Works and services—							
Gross expenditure . . . . .	148,897	117,750	69,647	63,496	47,270	34,988	482,048
Net expenditure . . . . .	139,267	111,495	58,694	52,849	43,100	32,712	438,117
Repayments . . . . .	9,629	6,255	10,953	10,647	4,170	2,276	43,931
Other than works, etc.(a)—							
Gross expenditure . . . . .	-640	1,000	1,500	100	623	234	2,818
Net expenditure . . . . .	-640	1,000	1,500	..	520	193	2,573
Repayments . . . . .	..	..	..	100	(b)103	42	245
<b>Total loan expenditure—</b>							
Gross . . . . .	148,256	118,751	71,147	63,596	47,893	35,222	484,866
Net . . . . .	138,627	112,496	60,194	52,849	43,620	32,905	440,690
Repayments . . . . .	9,629	6,255	10,953	10,747	4,273	2,317	44,176
1964-65							
Works and services—							
Gross expenditure . . . . .	160,441	127,855	77,604	73,597	50,736	35,667	525,900
Net expenditure . . . . .	148,320	120,267	65,421	62,554	46,779	33,306	476,646
Repayments . . . . .	12,121	7,588	12,184	11,042	3,957	2,361	49,254
Other than works, etc.(a)—							
Gross expenditure . . . . .	-3,562	611	1,500	43	293	113	-1,003
Net expenditure . . . . .	-3,562	611	1,500	..	179	46	-1,226
Repayments . . . . .	..	..	..	43	(b)114	67	223
<b>Total loan expenditure—</b>							
Gross . . . . .	156,879	128,465	79,104	73,639	51,029	35,780	524,898
Net . . . . .	144,758	120,878	66,921	62,554	46,958	33,352	475,420
Repayments . . . . .	12,121	7,588	12,184	11,085	4,071	2,428	49,477

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

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

Information relating to the government securities on issue on behalf of the States is given in the division on Government Securities on Issue: Commonwealth and States (see page 799).

### COMMONWEALTH AND STATE FINANCE

#### Consolidated Revenue Fund expenditure and receipts

The following table shows the aggregate expenditure and receipts of the Consolidated Revenue Funds of the Commonwealth and States for each of the years 1960-61 to 1964-65. In the table the combined Commonwealth and State totals have been adjusted to exclude major duplications, but the separate Commonwealth and State figures are as shown in other divisions of this chapter. The items excluded from the total figures are: payments made by the Commonwealth to the States and included in the State Consolidated Revenue Funds on account of financial assistance grants in 1960-61 to 1964-65, interest under the Financial Agreement, special grants, special financial assistance, grants to universities, cattle tick control, Tuberculosis Act capital expenditure, National Welfare Fund payments, and estimated payments of pay-roll tax by the States to the Commonwealth. There are other relatively minor payments for which adjustments have not been made, and the adjusted figures are therefore still slightly overstated.

#### COMMONWEALTH AND STATE CONSOLIDATED REVENUE FUND EXPENDITURE AND RECEIPTS, 1960-61 TO 1964-65

Year	Expenditure			Receipts		
	Commonwealth	States	Total	Commonwealth	States	Total
	\$'000	\$'000	\$m	\$'000	\$'000	\$m
1960-61 . . . . .	3,276,557	1,512,779	4,172.5	3,276,557	1,510,778	4,170.5
1961-62 . . . . .	3,283,084	1,616,790	4,212.8	3,283,084	1,609,133	4,205.2
1962-63 . . . . .	3,370,772	1,695,742	4,347.5	3,370,772	1,694,262	4,346.1
1963-64 . . . . .	3,809,376	1,829,333	4,886.8	3,809,376	1,829,087	4,886.6
1964-65 . . . . .	4,418,178	1,965,173	5,606.3	4,418,178	1,947,050	5,588.2

#### Taxation collections

The following table shows the combined Commonwealth and State taxation collections and the amount per head of population for the years 1960-61 to 1964-65. Taxation collections by the State Governments which are not paid into the Consolidated Revenue Funds are included.

#### COMMONWEALTH AND STATE TAXATION: TOTAL NET COLLECTIONS(a) BY TYPE OF TAX, 1960-61 TO 1964-65

Tax	1960-61	1961-62	1962-63	1963-64	1964-65
NET COLLECTIONS (\$'000)					
Income taxes . . . . .	1,614,532	1,656,300	1,621,181	1,874,484	2,295,607
Customs and excise duty . . . . .	718,387	701,612	759,005	815,036	899,722
Sales tax . . . . .	346,079	297,648	313,062	325,189	362,857
Land tax . . . . .	39,830	45,321	49,410	55,134	62,765
Pay-roll tax . . . . .	122,519	121,943	126,510	136,443	150,078
Estate, probate and succession duties . . . . .	97,369	109,224	115,727	130,961	132,974
Stamp duties, n.e.i. . . . .	75,775	73,056	81,757	93,080	105,876
Motor taxes . . . . .	97,850	103,216	115,518	136,714	151,831
Liquor taxes . . . . .	18,105	19,722	22,203	23,784	26,179
Racing . . . . .	17,053	18,230	21,198	23,361	27,340
Entertainments tax, n.e.i. . . . .	2,843	2,180	941	53	..
Licences, n.e.i. and other taxes(b) . . . . .	36,993	39,560	47,469	55,298	68,127
Total—					
Commonwealth . . . . .	2,850,479	2,833,049	2,880,918	3,218,838	3,787,030
States . . . . .	336,855	354,963	393,062	450,701	496,326
Grand total . . . . .	3,187,334	3,188,012	3,273,980	3,669,539	4,283,356

For footnotes, see next page.

**COMMONWEALTH AND STATE TAXATION: TOTAL NET COLLECTIONS(a)**  
**BY TYPE OF TAX, 1960-61 TO 1965-65—continued**

Tax	1960-61	1961-62	1962-63	1963-64	1964-65
<b>PER HEAD OF POPULATION</b>					
(\$)					
Income taxes . . . . .	155.38	156.16	149.96	170.00	204.07
Customs and excise duties . . . . .	69.14	66.15	70.21	73.92	79.99
Sales tax . . . . .	33.31	28.06	28.96	29.49	32.26
Land tax . . . . .	3.83	4.27	4.57	5.00	5.58
Pay-roll tax . . . . .	11.79	11.50	11.70	12.37	13.34
Estate, probate and succession duties . . . . .	9.37	10.30	10.70	11.88	11.82
Stamp duties, n.e.i. . . . .	7.29	6.89	7.56	8.44	9.41
Motor taxes . . . . .	9.42	9.73	10.69	12.40	13.50
Liquor taxes . . . . .	1.74	1.86	2.05	2.16	2.33
Racing . . . . .	1.64	1.72	1.96	2.12	2.43
Entertainments tax, n.e.i. . . . .	0.27	0.21	0.09	..	..
Licences, n.e.i., and other taxes(b) . . . . .	3.56	3.73	4.39	5.01	6.05
<b>Total—</b>					
Commonwealth . . . . .	274.32	267.11	266.48	291.91	336.68
States . . . . .	32.67	33.75	36.69	41.28	44.59
<b>Grand total . . . . .</b>	<b>306.74</b>	<b>300.58</b>	<b>302.84</b>	<b>332.79</b>	<b>380.78</b>

(a) For separate details of Commonwealth and State taxation collections, see pages 772 and 790-2.

(b) Includes arrears of State income taxes.

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

For the following reasons, Government Securities on Issue, as set out in the tables in this division, may not be aggregated without adjustment to indicate what is sometimes described as the 'public debt' or 'net public debt' of the Commonwealth and State Governments. There are forms of debt not evidenced by the issue of securities. Again, some of the securities included in the tables are held by the Governments themselves. For example, a State Government may hold temporarily, or even for long periods, securities issued by the Commonwealth Government. The Commonwealth Government itself, through such institutions as the National Debt Commission, or through the Trust Funds, holds large investments in securities issued, either directly by itself or on behalf of the States. In addition, some of the securities issued on behalf of the States and held by the Commonwealth Government represent the proceeds of overseas loans, securities for which were issued directly by the Commonwealth Government. From the point of view of the aggregate net debt of the Commonwealth and the States, it would thus involve duplication if the sum of the securities on issue were to be regarded as representing the 'net public debt'.

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

In the statistical tables relating to Government securities, details of securities on issue, annual interest liability and average rate of interest liability, except on pages 803-5, are shown in the currencies in which they are repayable or payable respectively. Australian currency equivalents for overseas loans have been calculated using International Monetary Fund par rates of exchange (and the calculated equivalent for Swiss francs) ruling at 30 June in each year shown. Rates of exchange to \$A at 30 June 1965 were as follows: £Sterling, 0.4000; United States dollars, 1.1200; Canadian dollars, 1.2108; Swiss francs, 4.89775; Netherlands guilders, 4.0544; German Deutsche marks, 4.4800.

The full text of the original Financial Agreement between the Commonwealth and the States was given in Year Book No. 31, page 21, a summary of the original Agreement as affected by the subsequent Agreements in later issues up to No. 37 (see pages 685-90), and a summary of the main provisions in further issues up to No. 50 (see pages 952-3).

## Government securities on issue: Commonwealth and States

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

In the following tables details are given of government securities on issue on account of the Commonwealth and States, annual interest payable and average rates of interest.

GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATES  
30 JUNE 1965

	Currency in which repayable							Total— Aus- tralian currency equivalents(a)
	Aus- tralian currency	Sterling	United States dollars	Can- adian dollars	Swiss francs	Nether- lands guilders	German Deutsche marks	
	\$A'000	£Stg'000	\$US '000	\$Can '000	Sw. fr. '000	f.'000	D.M. '000	\$A'000
<b>For Commonwealth purposes</b>	2,512,888	76,253	368,641	49,665	194,288	7,150	84,596	3,133,997
<b>On account of States—</b>								
New South Wales	2,050,277	102,772	101,133	4,922	15,833	10,383	..	2,407,364
Victoria	1,518,481	44,880	45,617	3,958	12,732	8,346	..	1,679,338
Queensland	771,706	45,778	33,110	1,986	6,391	4,250	..	919,706
South Australia	811,354	33,546	22,480	2,106	6,774	4,191	..	919,446
Western Australia	591,340	32,922	16,765	1,511	4,863	3,264	..	691,660
Tasmania	439,163	8,772	10,779	1,150	3,703	2,416	..	473,019
<b>Total, States</b>	<b>6,182,321</b>	<b>268,670</b>	<b>229,884</b>	<b>15,633</b>	<b>50,296</b>	<b>32,850</b>	<b>..</b>	<b>7,090,533</b>
<b>Total, Commonwealth and States—</b>								
Stock and bonds	7,802,802	339,675	343,726	29,292	240,000	40,000	..	9,041,948
Treasury bills, internal	632,400	..	..	..	..	..	..	632,400
Treasury notes	80,432	..	..	..	..	..	..	80,432
Treasury bills, public	116,000	..	..	..	..	..	..	116,000
International Bank loans	..	..	195,469	36,006	4,584	..	84,596	224,082
Commonwealth notes	..	..	59,330	..	..	..	..	52,973
Debentures	56,970	..	..	..	..	..	..	56,970
Balance of securities of States taken over by Commonwealth and still represented by State securities	..	..	..	..	..	..	..	..
Other	6,604	(b) 1,008	..	..	..	..	..	10,603
<b>Grand total—</b>								
Currencies in which repayable	8,695,208	344,924	598,525	65,298	244,584	40,000	84,596	..
Australian currency equivalents(a) \$A'000	8,695,208	862,309	534,397	53,930	49,938	9,866	18,883	10,224,530

(a) For rates of exchange to \$A ruling at 30 June 1965, see page 680. (b) State securities issued by the Government of Western Australia to meet the costs of acquisition of the Midland Railway Company of Western Australia Ltd.

GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATES  
ANNUAL INTEREST PAYABLE, 30 JUNE 1965

	Currency in which payable							Total— Aus- tralian currency equivalents(a)
	Aus- tralian currency	Sterling	United States dollars	Can- adian dollars	Swiss francs	Nether- lands guilders	German Deutsche marks	
	\$A'000	£Stg'000	\$US '000	\$Can '000	Sw. fr. '000	f.'000	D.M. '000	\$A'000
<b>For Commonwealth purposes</b>	89,540	3,608	18,437	2,297	7,982	358	4,801	119,709
<b>On account of States—</b>								
New South Wales	93,462	4,706	5,056	283	712	519	..	110,250
Victoria	70,340	1,941	2,294	228	573	417	..	77,650
Queensland	34,614	1,712	1,560	114	287	213	..	40,492
South Australia	37,338	1,191	1,125	121	305	210	..	41,534
Western Australia	27,156	1,131	836	87	219	163	..	30,886
Tasmania	20,208	353	557	66	167	121	..	21,706
<b>Total, States</b>	<b>283,118</b>	<b>11,034</b>	<b>11,428</b>	<b>899</b>	<b>2,263</b>	<b>1,643</b>	<b>..</b>	<b>322,515</b>
<b>Grand total—</b>								
Currencies in which repayable	372,658	14,641	29,865	3,196	10,245	2,000	4,801	..
Australian currency equivalents(a) \$A'000	372,658	36,603	26,665	2,640	2,092	493	1,072	442,223

(a) For rates of exchange to \$A ruling at 30 June 1965 see page 680.

GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATES  
ANNUAL INTEREST PAYABLE, 30 JUNE 1965—continued

	Currency in which payable							Total— Aus- tralian currency equiva- lents(a)
	Aus- tralian currency	Sterling	United States dollars	Can- adian dollars	Swiss francs	Nether- lands guilders	German Deutsche marks	
<b>AVERAGE RATE OF INTEREST LIABILITY</b>								
(Per cent)								
For Commonwealth purposes	3.56	4.73	5.00	4.62	4.11	5.00	5.68	3.82
On account of States—								
New South Wales	4.56	4.58	5.00	5.75	4.50	5.00	..	4.58
Victoria	4.63	4.32	5.03	5.75	4.50	5.00	..	4.62
Queensland	4.49	3.74	4.71	5.75	4.50	5.00	..	4.40
South Australia	4.60	3.55	5.00	5.75	4.50	5.00	..	4.52
Western Australia	4.59	3.44	4.99	5.75	4.50	5.00	..	4.75
Tasmania	4.60	4.02	5.17	5.75	4.50	5.00	..	4.59
<i>Total, States</i>	<i>4.58</i>	<i>4.11</i>	<i>4.97</i>	<i>5.75</i>	<i>4.50</i>	<i>5.00</i>	<i>..</i>	<i>4.55</i>
<b>Grand total</b>	<b>4.29</b>	<b>4.24</b>	<b>4.99</b>	<b>4.88</b>	<b>4.19</b>	<b>5.00</b>	<b>5.68</b>	<b>4.33</b>

(a) For rates of exchange to \$A ruling at 30 June 1965, see page 680.

GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATES  
30 JUNE 1961 TO 1965

	30 June—					
	1961	1962	1963	1964	1965	
For Commonwealth purposes—						
Australian currency	\$A'000	2,652,908	2,560,948	2,518,728	2,568,714	2,512,888
Sterling	£Stg'000	75,339	75,188	77,327	79,393	76,253
United States dollars	\$US'000	317,812	315,617	362,025	351,347	368,641
Canadian dollars	\$Can'000	51,933	51,627	50,948	50,376	49,665
Swiss francs	Sw. fr.'000	210,657	209,658	196,556	194,288	194,288
Netherlands guilders	f.'000	..	7,150	7,150	7,150	7,150
German Deutsche marks	D.M.'000	6,355	6,355	6,355	37,901	84,596
<i>Total, Commonwealth—Australian cur-     rency equivalents(a)</i>	<i>\$A'000</i>	<i>3,214,656</i>	<i>3,119,350</i>	<i>3,120,672</i>	<i>3,172,396</i>	<i>3,133,997</i>
On account of States—						
Australian currency	\$A'000	4,779,728	5,097,400	5,393,340	5,749,642	6,182,321
Sterling	£Stg'000	266,691	266,161	273,843	284,795	268,670
United States dollars	\$US'000	178,256	187,701	227,930	220,966	229,884
Canadian dollars	\$Can'000	16,765	16,765	16,668	16,065	15,633
Swiss francs	Sw. fr.'000	50,296	50,296	50,296	50,296	50,296
Netherlands guilders	f.'000	..	32,850	32,850	32,850	32,850
<i>Total, States—Australian currency equi-     valents(a)</i>	<i>\$A'000</i>	<i>5,630,480</i>	<i>5,962,610</i>	<i>6,313,596</i>	<i>6,690,562</i>	<i>7,090,533</i>
<b>Total, Commonwealth and States—     Australian currency equivalents(a)</b>	<b>\$A'000</b>	<b>8,845,136</b>	<b>9,081,960</b>	<b>9,434,268</b>	<b>9,862,958</b>	<b>10,224,530</b>

(a) For rates of exchange to \$A ruling at 30 June 1965, see page 680.



**GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATES  
ANNUAL INTEREST PAYABLE, 30 JUNE 1961 TO 1965**

	30 June—				
	1961	1962	1963	1964	1965
<b>AMOUNT</b>					
<b>For Commonwealth purposes—</b>					
Australian currency . . . \$A'000	86,554	85,290	84,550	89,405	89,540
Sterling . . . £Stg'000	3,395	3,386	3,504	3,714	3,608
United States dollars . . . \$US'000	14,570	15,053	17,711	17,334	18,437
Canadian dollars . . . \$Can'000	2,388	2,380	2,352	2,327	2,297
Swiss francs . . . Sw. fr.'000	8,723	8,675	8,080	7,982	7,982
Netherlands guilders . . . f.'000	..	357	357	357	358
German Deutsche marks . . . D.M.'000	302	302	302	2,116	4,801
<b>Total, Commonwealth—Australian currency equivalents(a) . . . \$A'000</b>	<b>111,974</b>	<b>111,090</b>	<b>112,870</b>	<b>118,280</b>	<b>119,709</b>
<b>On account of States—</b>					
Australian currency . . . \$A'000	208,144	225,886	238,128	255,105	283,118
Sterling . . . £Stg'000	10,355	10,328	10,917	11,529	11,034
United States dollars . . . \$US'000	7,900	8,976	11,227	10,889	11,428
Canadian dollars . . . \$Can'000	964	964	959	924	899
Swiss francs . . . Sw. fr.'000	2,263	2,263	2,263	2,263	2,263
Netherlands guilders . . . f.'000	..	1,643	1,643	1,643	1,643
<b>Total, States—Australian currency equivalents(a) . . . \$A'000</b>	<b>242,388</b>	<b>261,326</b>	<b>277,106</b>	<b>295,278</b>	<b>322,515</b>
<b>Total, Commonwealth and States— Australian currency equivalents(a) . . . \$A'000</b>	<b>354,362</b>	<b>372,416</b>	<b>389,976</b>	<b>413,558</b>	<b>442,223</b>

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

<b>For Commonwealth purposes—</b>					
Australian currency . . . . .	3.26	3.33	3.36	3.48	3.56
Sterling . . . . .	4.51	4.50	4.53	4.68	4.73
United States dollars . . . . .	4.58	4.77	4.89	4.93	5.00
Canadian dollars . . . . .	4.60	4.61	4.62	4.62	4.62
Swiss francs . . . . .	4.14	4.14	4.11	4.11	4.11
Netherlands guilders . . . . .	..	5.00	5.00	5.00	5.00
German Deutsche marks . . . . .	4.75	4.75	4.75	4.58	5.68
<b>Total, Commonwealth—Australian currency equivalents(a) . . . . .</b>	<b>3.48</b>	<b>3.56</b>	<b>3.62</b>	<b>3.73</b>	<b>3.82</b>
<b>On account of States—</b>					
Australian currency . . . . .	4.35	4.43	4.42	4.44	4.58
Sterling . . . . .	3.88	3.88	3.99	4.05	4.11
United States dollars . . . . .	4.43	4.79	4.93	4.93	4.97
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
<b>Total, States—Australian currency equivalents(a) . . . . .</b>	<b>4.30</b>	<b>4.38</b>	<b>4.39</b>	<b>4.41</b>	<b>4.55</b>
<b>Total, Commonwealth and States— Australian currency equivalents(a) . . . . .</b>	<b>4.01</b>	<b>4.10</b>	<b>4.13</b>	<b>4.19</b>	<b>4.33</b>

(a) For rates of exchange to \$A ruling at 30 June 1965 see page 680.

## Government securities on issue and annual interest payable—Australian currency

In the following tables, details, including per capita figures, are shown in Australian currency equivalents calculated at rates of exchange ruling at 30 June of each of the years concerned.

**GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATES  
30 JUNE 1965—AUSTRALIAN CURRENCY**

	Currency in which repayable						Total	
	Australian currency	Sterling	United States dollars	Canadian dollars	Swiss francs	Netherlands guilders		German Deutsche marks
<b>SECURITIES ON ISSUE</b>								
(\$'000)								
For Commonwealth purposes—								
Treasury bills, internal . . .	632,400	..	..	..	..	..	..	632,400
Other short-term . . .	196,432	..	..	..	..	..	..	196,432
Other . . .	1,684,056	190,633	329,143	41,018	39,669	1,764	18,883	2,305,165
<i>Total, Commonwealth</i>	<i>2,512,888</i>	<i>190,633</i>	<i>329,143</i>	<i>41,018</i>	<i>39,669</i>	<i>1,764</i>	<i>18,883</i>	<i>3,133,997</i>
On account of States—								
New South Wales . . .	2,050,277	256,931	90,297	4,065	3,233	2,561	..	2,407,364
Victoria . . .	1,518,481	112,201	40,729	3,269	2,600	2,059	..	1,679,339
Queensland . . .	771,706	114,444	29,563	1,640	1,305	1,048	..	919,706
South Australia . . .	811,354	83,865	20,071	1,739	1,383	1,034	..	919,446
Western Australia . . .	591,340	82,305	14,969	1,248	993	805	..	691,660
Tasmania . . .	439,163	21,930	9,624	950	756	596	..	473,019
<i>Total, States</i>	<i>6,182,321</i>	<i>671,677</i>	<i>205,254</i>	<i>12,911</i>	<i>10,269</i>	<i>8,102</i>	<i>..</i>	<i>7,090,533</i>
Total Commonwealth and States—								
Treasury bills, internal . . .	632,400	..	..	..	..	..	..	632,400
Other short-term . . .	196,432	..	..	..	..	..	..	196,432
Other . . .	7,866,376	862,309	534,397	53,930	49,938	9,866	18,883	9,395,698
<b>Grand total</b>	<b>8,695,208</b>	<b>862,309</b>	<b>534,397</b>	<b>53,930</b>	<b>49,938</b>	<b>9,866</b>	<b>18,883</b>	<b>10,224,530</b>

## PER HEAD OF POPULATION

(\$)

For Commonwealth purposes . . .	221.21	16.78	28.98	3.61	3.49	0.16	1.66	275.89
On account of States—								
New South Wales . . .	489.02	61.28	21.54	0.97	0.77	0.61	..	574.19
Victoria . . .	473.33	34.97	12.70	1.02	0.81	0.64	..	523.47
Queensland . . .	479.12	71.05	18.35	1.02	0.81	0.65	..	571.00
South Australia . . .	769.61	79.55	19.04	1.65	1.31	0.98	..	872.14
Western Australia . . .	735.07	102.31	18.61	1.55	1.23	1.00	..	859.78
Tasmania . . .	1,199.82	59.91	26.29	2.60	2.07	1.63	..	1,292.32
<i>Total, States</i>	<i>550.22</i>	<i>59.78</i>	<i>18.27</i>	<i>1.15</i>	<i>0.91</i>	<i>0.72</i>	<i>..</i>	<i>631.05</i>
Total Commonwealth and States . . .	765.46	75.91	47.04	4.77	4.40	0.87	1.66	900.10

## ANNUAL INTEREST PAYABLE

(\$'000)

For Commonwealth purposes	89,540	9,019	16,462	1,897	1,630	88	1,072	119,708
On account of States—								
New South Wales . . .	93,462	11,765	4,514	234	145	128	..	110,250
Victoria . . .	70,340	4,853	2,048	188	117	103	..	77,650
Queensland . . .	34,614	4,280	1,393	94	59	53	..	40,492
South Australia . . .	37,338	2,978	1,004	100	62	52	..	41,534
Western Australia . . .	27,156	2,828	746	72	45	40	..	30,886
Tasmania . . .	20,208	883	497	55	34	30	..	21,706
<i>Total, States</i>	<i>283,118</i>	<i>27,584</i>	<i>10,203</i>	<i>742</i>	<i>462</i>	<i>405</i>	<i>..</i>	<i>322,515</i>
Total Commonwealth and States . . .	372,658	36,603	26,665	2,640	2,092	493	1,072	442,223

GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATES  
30 JUNE 1965—AUSTRALIAN CURRENCY—*continued*

	Currency in which repayable—							Total
	Aust- ralian	Sterling	United States dollars	Can- adian dollars	Swiss francs	Nether- lands guilders	German Deutsche marks	

ANNUAL INTEREST PAYABLE PER HEAD OF POPULATION  
(\$A)

For Commonwealth purposes	7.88	0.79	1.45	0.17	0.14	0.01	0.09	10.54
On account of States—							0	
New South Wales . . . . .	22.29	2.81	1.08	0.06	0.03	0.03	..	26.30
Victoria . . . . .	21.93	1.51	0.64	0.06	0.04	0.03	..	24.20
Queensland . . . . .	21.49	2.66	0.86	0.06	0.04	0.03	..	25.14
South Australia . . . . .	35.42	2.82	0.95	0.09	0.06	0.05	..	39.40
Western Australia . . . . .	33.76	3.52	0.93	0.09	0.06	0.05	..	38.39
Tasmania . . . . .	55.21	2.41	1.36	0.18	0.09	0.08	..	59.30
<i>Total, States . . . . .</i>	<i>25.20</i>	<i>2.45</i>	<i>0.91</i>	<i>0.07</i>	<i>0.04</i>	<i>0.04</i>	<i>..</i>	<i>28.70</i>
<b>Total, Commonwealth and States . . . . .</b>	<b>32.81</b>	<b>3.22</b>	<b>2.35</b>	<b>0.23</b>	<b>0.18</b>	<b>0.04</b>	<b>0.09</b>	<b>38.93</b>

GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATES  
SECURITIES ON ISSUE AND ANNUAL INTEREST PAYABLE, 30 JUNE 1961  
TO 1965—AUSTRALIAN CURRENCY  
(\$A '000)

	30 June—				
	1961	1962	1963	1964	1965

SECURITIES ON ISSUE

For Commonwealth purposes—					
Treasury Bills, Internal . . . . .	502,200	481,800	559,600	599,000	632,400
Other short-term . . . . .	372,000	416,000	385,076	330,570	196,432
Other . . . . .	2,340,456	2,221,550	2,175,996	2,242,826	2,305,165
<i>Total, Commonwealth . . . . .</i>	<i>3,214,656</i>	<i>3,119,350</i>	<i>3,120,672</i>	<i>3,172,396</i>	<i>3,133,997</i>
On account of States—					
New South Wales . . . . .	1,952,568	2,056,616	2,167,012	2,283,382	2,407,364
Victoria . . . . .	1,307,512	1,392,540	1,482,260	1,577,722	1,679,339
Queensland . . . . .	722,308	765,770	811,274	862,774	919,706
South Australia . . . . .	739,498	780,646	824,186	870,504	919,446
Western Australia . . . . .	545,756	578,760	613,396	652,796	691,660
Tasmania . . . . .	362,838	388,278	415,468	443,384	473,019
<i>Total, States . . . . .</i>	<i>5,630,480</i>	<i>5,962,610</i>	<i>6,313,596</i>	<i>6,690,562</i>	<i>7,090,533</i>
<b>Total, Commonwealth and States—</b>					
Treasury bills, internal . . . . .	502,200	481,800	559,600	599,000	632,400
Other short-term . . . . .	372,000	416,000	385,076	330,570	196,432
Other . . . . .	7,970,936	8,184,160	8,489,592	8,933,388	9,395,698
<b>Grand total . . . . .</b>	<b>8,845,136</b>	<b>9,081,960</b>	<b>9,434,268</b>	<b>9,862,958</b>	<b>10,224,530</b>

GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATES  
SECURITIES ON ISSUE AND ANNUAL INTEREST PAYABLE, 30 JUNE 1961  
TO 1965—AUSTRALIAN CURRENCY—*continued*  
(\$A'000)

	30 June—				
	1961	1962	1963	1964	1965
<b>ANNUAL INTEREST PAYABLE</b>					
For Commonwealth purposes . . . . .	111,974	111,090	112,870	118,280	119,708
On account of States—					
New South Wales . . . . .	84,252	90,084	95,314	101,280	110,250
Victoria . . . . .	57,624	62,422	66,350	70,890	77,650
Queensland . . . . .	30,050	32,670	34,524	36,920	40,492
South Australia . . . . .	31,780	34,172	35,974	38,114	41,534
Western Australia . . . . .	22,958	24,914	26,420	28,284	30,886
Tasmania . . . . .	15,724	17,064	18,524	19,790	21,706
<i>Total, States</i> . . . . .	<i>242,388</i>	<i>261,326</i>	<i>277,106</i>	<i>295,278</i>	<i>322,515</i>
<b>Total, Commonwealth and States</b> . . . . .	<b>354,362</b>	<b>372,416</b>	<b>389,976</b>	<b>413,558</b>	<b>442,223</b>

Government securities on issue at each rate of interest and according to earliest and latest years of maturity

For details of securities on issue for Commonwealth and State purposes at 30 June 1965 at each rate of interest and classified according to the earliest and latest years of maturity see the annual bulletin *State, Territory and Local Government Authorities' Finance and Government Securities*.

**Short-term securities on issue**

Particulars of the short-term securities (Treasury bills, Treasury notes and seasonal securities) of the Commonwealth and States in Australia at intervals from 30 June 1961 to 30 June 1965 are shown in the following table. These securities are included in the government securities on issue as shown elsewhere. No short-term securities have been raised overseas since September 1956, when all such securities held in London were expatriated to Australia.

GOVERNMENT SHORT-TERM SECURITIES ON ISSUE MATURING IN AUSTRALIA<sup>(a)</sup>  
COMMONWEALTH AND STATES, 30 JUNE 1961 TO 30 JUNE 1965  
(\$A'000)

Date	Commonwealth		States <sup>(b)</sup>	Total
	Treasury bills	Treasury notes		
30 June 1961 . . . . .	372,000	..	..	372,000
.. .. 1962 . . . . .	416,000	..	..	416,000
.. .. 1963 . . . . .	246,000	139,076	..	385,076
30 September 1963 . . . . .	256,000	205,868	6,000	467,868
31 December 1963 . . . . .	356,000	294,978	20,000	670,978
31 March 1964 . . . . .	306,000	297,028	12,000	615,028
30 June 1964 . . . . .	178,000	152,570	..	330,570
30 September 1964 . . . . .	242,000	183,996	10,000	435,996
31 December 1964 . . . . .	432,000	203,750	26,000	661,750
31 March 1965 . . . . .	80,000	394,846	24,000	498,846
30 June 1965 . . . . .	116,000	80,342	..	196,342

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

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

In 1962-63, daily issues of Treasury notes replaced those of seasonal securities which had, during the three previous financial years, all matured in the course of the same financial year in which they were issued. Treasury notes with a currency of thirteen weeks were issued in multiples of \$2,000 over the minimum subscription of \$10,000, and increases in value were subject to the usual income tax rebate of two shillings in the pound (ten cents in the dollar). In 1964-65 the issue prices of Treasury notes were 99.05 per cent from August to January, 99.025 per cent from January to April and 98.95 per cent from April to June, and the yields varied accordingly from 3.85 per cent to 3.95 per cent and 4.25 per cent.

**Government securities on issue on account of the States; local government and semi-governmental authority securities on issue**

In some States certain public utilities, such as tramways, water supply and sewerage, harbour services, etc., are controlled by boards or trusts, which in addition to receiving advances from the central government raise loans by borrowing on their own behalf, while in other States these services are controlled by the central government. Direct comparisons between States of the securities on issue on account of the several States should therefore be made with caution. The table following shows for 1959-60 to 1963-64 particulars of the securities on issue on account of the States, the securities on issue by local government and semi-governmental authorities, and the aggregates of these.

**GOVERNMENT SECURITIES ON ISSUE ON ACCOUNT OF THE STATES: LOCAL GOVERNMENT AND SEMI-GOVERNMENTAL AUTHORITY SECURITIES ON ISSUE  
30 JUNE 1960 TO 1964**

—	State	Local government (a)	Semi-gov- ernmental (a)	Total
<b>SECURITIES ON ISSUE</b>				
(\$A'000)(b)				
<b>30 June 1964—</b>				
New South Wales . . . . .	2,283,382	216,246	726,517	3,226,146
Victoria . . . . .	1,577,722	135,320	1,225,597	2,938,639
Queensland . . . . .	862,774	256,864	223,573	1,343,210
South Australia . . . . .	870,504	22,784	103,637	996,925
Western Australia . . . . .	652,796	40,009	58,738	751,543
Tasmania . . . . .	443,384	37,764	46,595	527,743
<b>Total, 30 June 1964</b> . . . . .	<b>6,690,562</b>	<b>708,986</b>	<b>2,384,658</b>	<b>9,784,206</b>
1963 . . . . .	6,313,596	642,634	2,195,150	9,151,380
1962 . . . . .	5,962,610	581,016	2,003,985	8,547,610
1961 . . . . .	5,630,480	517,535	1,842,494	7,990,509
1960 . . . . .	5,301,202	473,289	1,711,246	7,485,737
<b>PER HEAD OF POPULATION</b>				
(\$A)(b)				
<b>30 June 1964—</b>				
New South Wales . . . . .	554.66	52.53	176.48	783.67
Victoria . . . . .	503.91	43.22	391.44	938.57
Queensland . . . . .	542.96	161.65	140.70	845.31
South Australia . . . . .	843.82	22.09	100.46	966.37
Western Australia . . . . .	826.41	50.65	74.36	951.42
Tasmania . . . . .	1,216.20	103.59	127.81	1,447.59
<b>Total, 30 June 1964</b> . . . . .	<b>606.98</b>	<b>64.32</b>	<b>216.34</b>	<b>887.64</b>
1963 . . . . .	583.87	59.43	203.00	846.30
1962 . . . . .	561.89	54.75	188.85	805.49
1961 . . . . .	540.24	49.66	176.78	766.68
1960 . . . . .	519.87	46.41	167.82	734.11

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

## Commonwealth loan raisings

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

## New loans raised

*Australia.* The following table shows details of new loans raised in Australia by the Commonwealth during the three years 1962-63 to 1964-65.

## COMMONWEALTH NEW LOANS(a) RAISED IN AUSTRALIA, 1962-63 TO 1964-65

Month of raising	Amount invited	Amount sub- scribed	Rate of interest per annum	Year of maturity	Price of issue	Allocation of loan		
						Commonwealth		States
						War (1939- 45) etc.	Other pur- poses	
	\$'000	\$'000	Per cent		Per cent	\$'000	\$'000	\$'000
1962-63—								
September (Loan No. 137)	100,000	{ 57,906 20,929 81,489	{ 4½ 4½ 5	{ 1965 1972 1985	{ 99½ 100 100	{ .. .. ..	29,437	130,888
February (Loan No. 139)	120,000	{ 86,323 23,331 143,716	{ 4½ 4½ 5	{ 1966 1972 1985	{ 100 99 100	{ .. .. ..	76,915	176,455
July-June (Special bonds)(b)	..	62,466	4-5	{ 1969 1970	{ 100 100	{ 7,179 ..	24,637	30,649
1963-64—								
July (Loan No. 142)	90,000	{ 66,932 50,351 31,752	{ 3½ 4½ 4½	{ 1966 1973 1986	{ 99½ 99 99½	{ .. .. ..	27,322	121,713
October (Loan No. 143)	120,000	{ 42,551 49,964 46,265	{ 3½ 4½ 4½	{ 1966 1973 1986	{ 99½ 99½ 100	{ .. .. ..	43,508	95,272
February (Loan No. 145)	140,000	{ 72,549 37,384 44,982	{ 3½ 4½ 4½	{ 1967 1974 1987	{ 99½ 99½ 100	{ .. .. ..	83,533	71,382
May (Loan No. 147)	80,000	{ 9,689 15,907 41,753	{ 4½ 4½ 4½	{ 1967 1975 1984	{ 100 100 99	{ .. .. ..	14,760	52,589
July-June (Special bonds)(b)	..	72,159	3½-4½	1971	100	4,311	12,447	55,401
1964-65—								
August (Loan No. 149)	100,000	{ 13,794 13,062 115,184	{ 4½ 4½ 5	{ 1967 1975 1984	{ 99½ 100 100	{ .. .. ..	25,152	116,888
November (Loan No. 151)	120,000	{ 11,500 17,560 71,351	{ 4½ 4½ 5	{ 1967 1975 1985	{ 99½ 100 100	{ .. .. ..	20,093	80,318
February (Loan No. 152)	120,000	{ 9,169 24,327 45,109	{ 4½ 4½ 5	{ 1967 1972 1985	{ 99½ 99½ 100	{ .. .. ..	13,925	64,680
April (Loan No. 153)	80,000	{ 33,566 6,577 52,731	{ 5 5 5½	{ 1968 1975 1985	{ 100 99 100	{ .. .. ..	61,769	31,104
June (Loan No. 155)(c)	134,000	{ 22,000 20,000 92,000	{ 5 5 5½	{ 1968 1975 1985	{ 100 99 100	{ .. .. ..	24,408	109,592
July-June	..	52,190	3½-5½	1972	100	7,187	8,117	36,886

(a) Includes loans raised for redemption of Treasury bills, but excludes conversion loans, loans for redemption of debt maturing in London, short-term debt and certain miscellaneous debt (see page 811).  
(b) Special bonds open for continuous subscription redeemable at prices commencing at par and increasing to a premium of 3 per cent if held until maturity, 1966-72. Interest increases over period of currency.  
(c) Special issue. For details see following paragraph.

The loan of \$134,000,000 raised in June 1965 was for the purpose of fulfilling an undertaking given by the Commonwealth that the States would have access to loan funds for their works programmes up to the approved Loan Council borrowing programmes. These programmes

totalled \$510,000,000 in 1962-63, \$544,000,000 in 1963-64, and \$580,000,000 in 1964-65. The subscription to the special loan in 1964-65 came from the Loan Consolidation and Investment Reserve Trust Account.

Finance for the approved Loan Council programmes from 1962-63 to 1964-65 was provided from the following sources:

	1962-63 \$'000	1963-64 \$'000	1964-65 \$'000
Public loans, domestic raisings, etc.	406,294	508,782	424,092
Oversea loans and special Commonwealth assistance . . . . .	102,706	35,218	155,908
<b>Total . . . . .</b>	<b>510,000</b>	<b>544,000</b>	<b>580,000</b>

In addition to the new loans raised as shown in the table on the previous page and the redemption and conversion loans shown on page 809 there were other miscellaneous loan operations in Australia (*see* page 811).

*London.* A loan of £Stg 12,000,000, 5½ per cent interest, price of issue 98 per cent, maturing 1978, was raised in London during 1962-63 and a further loan of £Stg20,000,000, 5½ per cent interest, price of issue 98.5 per cent, maturing 1982, was raised in 1963-64.

*New York.* The following table gives details of the loans raised during the period 1962-63 to 1964-65.

**COMMONWEALTH NEW LOANS REPAYABLE IN UNITED STATES  
DOLLARS, 1962-63 TO 1964-65**

Month of raising	Amount of loan	Rate of interest per annum	Price of issue	Year of maturity	Allocation of loan	
					Commonwealth	States
	\$US'000	Per cent	Per cent		\$US'000	\$US'000
1962-63—						
July . . . . .	30,000	5½	97½	1982	5,508	24,492
October . . . . .	25,000	5½	99	1982	4,590	20,410
April . . . . .	30,000	5	97½	1983	30,000	..
July-June . . . . .	4,600	5½	100	1967	(a) 4,600	..
July-June . . . . .	1,250	4¼-4½	100	1971	(b) 1,250	..
1963-64—						
July-June . . . . .	2,000	4¼-4½	100	1965-71	(a) 2,000	..
July-June . . . . .	2,500	4½-5½	100	1966-72	(a) 2,500	..
July-June . . . . .	1,250	4¼-4½	100	1971	(b) 1,250	..
1964-65—						
May(c) . . . . .	25,000	5½	98½	1985	5,000	20,000
July-June . . . . .	7,000	4¼-4½	100	1965-71	(a) 7,000	..
July-June . . . . .	17,500	4½-5½	100	1966-72	(a) 17,500	..
July-June . . . . .	4,750	4½-5½	100	1967-73	(a) 4,750	..
July-June . . . . .	8,500	4¼-4½	100	1971	(b) 8,500	..
July-June . . . . .	1,000	4½-5½	100	1973	(b) 1,000	..

(a) Proceeds used for Qantas Empire Airways Loan. (b) Proceeds used for Australian National Airlines Commission Loan. (c) Prospectus issued in New York and loan offered for subscription in the United States, United Kingdom and the various European centres.

**Conversion and redemption loans**

*Australia.* Particulars of conversion loans raised in Australia during the three years 1962-63 to 1964-65 are given in the following table.

## COMMONWEALTH CONVERSION AND REDEMPTION LOANS RAISED IN AUSTRALIA, 1962-63 TO 1964-65

Month of raising	Old loan		New loan				Increase in annual liability for interest
	Amount	Rate of interest per annum	Amount	Rate of interest per annum	Price of issue	Year of maturity	
	\$A'000	Per cent	\$A'000	Per cent	Per cent		\$A'000
1962-63—			{ 100,794	4½	99½	1965	-408
September . . .	{ 153,146	3½	{ 99,414	4½	100	1972	
	{ 202,088	4½	{ 79,450	5	100	1985	
			{ a 11,602	4½-5	100	1969	38
February . . .	79,972	4	{ 42,966	4½	100	1966	
			{ 25,414	4½	99	1999	
			{ 4,306	5	100	1985	-8,122
April . . .	{ 125,784	5	{ (a)1,192	4½-5	100	1970	
	{ 359,572	5½	{ 199,580	4	100	1966	
July-June (Special bonds)	15,698	4-5½	15,698	4-5	100	{ 1969	..
			{ 56,190	3½	99½	1970	260
1963-64—			{ 60,836	4½	99½	1966	
October . . .	288,670	3½	{ 84,420	4½	100	1973	
			{ a 19,766	4-4½	100	1986	-1,174
February . . .	99,192	4½	{ 67,542	3½	99½	1970	
			{ 17,580	4½	99½	1967	
			{ 4,282	4½	100	1974	-1,596
May . . .	165,652	4½	{ (a)1,748	3½-4½	100	1987	
			{ 67,108	4½	100	1971	
			{ 31,528	4½	100	1967	-48
July-June (Special bonds)	19,398	4-5½	19,398	3½-4½	100	{ 1975	
			{ 25,220	4½	99	1984	
			{ (a) 202	3½-4½	100	1971	-48
						{ 1970	
						{ 1971	
1964-65—			{ 58,284	4½	99½	1967	1,687
August . . .	415,672	3½	{ 58,018	4½	100	1975	
			{ 165,109	5	100	1984	
			{ a 27,970	4½-5	100	1972	-2,895
April . . .	303,026	4½-5	{ 69,967	5	100	1968	
			{ 42,466	5	99	1975	
			{ 80,498	5½	100	1985	..
July-June (Special bonds)	35,276	3½-5½	{ (a)3,040	4½-5½	100	1972	
						{ 1971	
			{ 35,276	3½-5½	100	1972	

(a) Special bonds.

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

London. The following table shows particulars of loans raised in London during the years 1960-61, 1962-63 and 1963-64 for the purpose of redeeming and converting London loans. None was raised during 1961-62 or since 1963-64.

## COMMONWEALTH LOANS RAISED FOR THE CONVERSION AND REDEMPTION OF LOANS MATURING IN LONDON, 1960-61 TO 1963-64

Month of raising	Old loan		New loan				Increase in annual liability for interest and exchange		
	Amount	Rate of interest per annum	Amount raised in—		Rate of interest per annum	Price of issue		Year of maturity	
			Australia	London					
	£Stg '000	Per cent	\$A'000	£Stg '000	Per cent	Per cent	£Stg '000	\$A'000 (a)	
1960-61—									
July . . .	13,925	3	..	13,925	6	98	1977-80	418	1,045
January . . .	20,579	3½	..	20,000	6	97½	{ 1975	531	1,328
1962-63—							{ 1981-83		
July . . .	11,790	4	..	10,000	6	97	1972	128	320
1963-64—									
October . . .	5,655	4	..	5,741	5½	98½	1982	90	225

(a) No account has been taken of the cost of issuing the conversion loans at a discount. Exchange calculated at \$A1 = £Stg 0.4000 (the International Monetary Fund par rate of exchange in the years shown).



*New York.* During 1946-47 four loans totalling \$US128,000,000 were raised in New York to redeem loans which became due for redemption or which the Commonwealth had the option of redeeming. No further loans were raised in New York for this purpose until December 1954. The loan raised in New York for this purpose in March 1957 amounted to \$US17,114,000, at 5 per cent interest, issued at par, maturing in 1972. No loans were raised for the purpose of redeeming loans which became due for redemption or which the Commonwealth had the option of redeeming during 1957-58 to 1960-61, or in 1962-63 and 1963-64. In 1961-62 a re-financing loan of \$US30,000,000 was raised at 5½ per cent interest, issued at 98.25 per cent, maturing in 1982.

Drawings from cash loans, for which Commonwealth notes were issued in New York between 1956 and 1964, were used to finance the purchase of aircraft and equipment by Qantas Empire Airways from November 1956, and to finance aircraft purchases by Trans-Australia Airlines from September 1958. At 30 June 1965 outstanding notes which are subject to interest rates varying between 4½ per cent and 5½ per cent and which are all repayable before 1 January 1974 amounted to \$US59,330,000.

#### **International Bank for Reconstruction and Development loans**

To provide dollar funds of the purchase of certain types of capital equipment and plant which were indispensable to the furtherance of development in Australia and which could be obtained only in the United States of America or Canada, the Commonwealth Government arranged five loans from the International Bank for Reconstruction and Development between August 1950 and December 1956, amounting to \$US308,500,000, repayable over periods of from ten to twenty-five years at rates of interest of from 4½ to 4¾ per cent. The proceeds of the latest of these loans were finally drawn in March 1959.

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

The loan on behalf of Qantas Empire Airways of \$US9,230,000 at 4¾ per cent maturing in 1966-87 was finally drawn at the end of July 1958, and in 1962-63, 1963-64 and 1964-65 respectively drawings of \$US31,851,000, \$US27,018,000 and \$US23,519,000 were made from the loan (at 5½ per cent maturing in 1966-87) raised for the purposes of the Snowy Mountains Hydro-electric Authority.

Drawings from International Bank loans have been made mainly in United States dollars and partly in Canadian dollars, Swiss francs and German Deutsche marks.

#### **Swiss loans**

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

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

The second loan was for a period of fifteen years with an option to redeem after ten years. The rate of interest was 3¾ per cent, issue price 99.50 per cent. Bonds and interest are payable only in Swiss francs. The third loan was for a period of fifteen years with an option to redeem after ten years. The rate of interest was 4½ per cent, issue price 99 per cent. The fourth loan was issued at par in March 1961, at the rate of 4¾ per cent maturing in April 1976. Payments of interest and repayments of principal are to be made only in Swiss francs.

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

#### **Canadian loans**

In October 1955, the Commonwealth Government arranged for the issue in Canada of a public loan of 15,000,000 Canadian dollars raised to assist Australia's development programme. The loan was for a period of fifteen years with an option on the part of the Australian Government to repay the loan in full or in part at any time prior to 1 November 1970. The rate of interest

was 4 per cent, payable half-yearly, and the issue price 98.50 per cent. A second loan, of 20,000,000 Canadian dollars, was raised in March 1961, on the security of the Commonwealth of Australia, 5½ per cent twenty-year bonds being issued at the rate of 98.50 per cent. Bonds and interest are payable in Canadian dollars in each case. The loans were fully subscribed, and the net Canadian dollar proceeds were sold to the Reserve Bank for Australian currency.

#### Netherlands loan

In 1961 the Commonwealth arranged for a public flotation in the Netherlands of a loan of 40,000,000 Netherlands guilders at par, with an interest rate of 5 per cent per annum. The proceeds were used to assist the loan programmes of the Commonwealth and States. The loan is to be repaid in fifteen annual instalments from 1967 to 1981, but, at the Commonwealth's option, an earlier redemption date may be negotiated on and after 15 December 1971.

#### Summary of loan transactions

The following table contains a summary of loan transactions on behalf of the Commonwealth and State Governments during the five years 1960-61 to 1964-65.

#### COMMONWEALTH LOAN TRANSACTIONS: SUMMARY, 1960-61 TO 1964-65

	1960-61	1961-62	1962-63	1963-64	1964-65
<b>New loans(a) raised in—</b>					
Australia . . . . . \$A'000	407,762	460,152	476,160	582,238	600,120
London . . . . . £Stg'000	..	..	12,000	21,067	..
New York(b) . . . . . \$US'000	30,517	51,483	122,701	32,768	87,261
Switzerland . . . . . francs '000	60,000	..	..	..	..
Canada . . . . . \$Can'000	20,000	..	..	..	..
Netherlands . . . . . guilders '000	..	40,000	..	..	..
<b>Miscellaneous debt in Australia(c)</b>					
\$A'000	7,352	8,930	34,793	-54	24,184
<b>Net change in short-term debt—</b>					
Australia—Public . . . . . \$A'000	-30,000	44,000	-170,000	-68,000	-62,000
Internal . . . . . \$A'000	35,200	-20,400	77,800	39,400	33,400
Treasury notes . . . . . \$A'000	..	..	139,076	13,494	-85,632
<b>Loans raised for conversion or redemption of existing securities maturing in—</b>					
Australia . . . . . \$A'000	562,774	457,888	793,663	455,820	540,628
London . . . . . £Stg'000	33,925	..	10,000	5,741	..
New York . . . . . \$US'000	..	30,000	..	..	..

(a) Includes loans raised for redemption of Treasury bills. (b) Includes proceeds of \$US31,851,000 \$US27,018,000 and \$US23,519,000 in 1962-63, 1963-64 and 1964-65 from International Bank for Reconstruction and Development loan used for the purposes of the Snowy Mountains Hydro-electric Authority. (c) Advance loan subscriptions (net change), 'over the counter sales' (instalment stock and inscribed stock and bonds issued by State Governments) and Peace Savings Certificates (interest credited).

Minus sign (-) denotes a decrease in debt.

#### Government securities on issue maturing in Australia, classified by holder

The following table shows details of government securities maturing in Australia classified according to holder as at the 30th June 1964 and 1965.

**GOVERNMENT SECURITIES ON ISSUE: COMMONWEALTH AND STATE  
MATURING IN AUSTRALIA, BY HOLDER(a), 30 JUNE 1964 AND 1965**

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

Holder	30 June—			
	1964		1965	
	Amount	Proportion of total	Amount	Proportion of total
	\$ million	Per cent	\$ million	Per cent
Reserve Bank of Australia . . . . .	676	8.1	806	9.3
Trading banks . . . . .	964	11.6	946	10.9
Savings banks . . . . .	1,998	24.0	2,066	23.8
Life insurance offices . . . . .	686	8.3	744	8.6
Fire, marine and general insurance offices . . . . .	90	1.1	98	1.1
Other private financial institutions—				
Pension and provident funds . . . . .	104	1.2	124	1.4
Friendly societies, hospitals and medical funds . . . . .	16	0.2	16	0.2
Trustee companies . . . . .	148	1.8	130	1.5
Pastoral finance companies . . . . .	20	0.2	16	0.2
Money market dealers . . . . .	356	4.3	342	3.9
Miscellaneous . . . . .	24	0.3	26	0.3
Government financial institutions—				
Insurance offices and funds . . . . .	86	1.0	100	1.1
Pension and provident funds . . . . .	146	1.8	170	2.0
Public trustees . . . . .	40	0.5	40	0.5
All other(b) . . . . .	12	0.1	8	0.1
Public authorities (excluding finance)—				
Commonwealth Government (including Commonwealth semi-government) . . . . .	1,350	16.2	1,508	17.3
State Government . . . . .	46	0.6	24	0.3
Local government and State semi-government . . . . .	216	2.6	244	2.8
Companies (excluding finance) . . . . .	202	2.4	174	2.0
Other holders—				
Marketing boards . . . . .	6	0.1	4	0.1
Farmers . . . . .	126	1.5	116	1.3
Non-profit organizations . . . . .	52	0.6	52	0.6
All other . . . . .	954	11.5	942	10.8
<b>Total . . . . .</b>	<b>8,318</b>	<b>100.0</b>	<b>8,696</b>	<b>100.0</b>

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

### National Debt Sinking Fund

#### Securities on issue on behalf of the Commonwealth

Particulars relating to the creation of sinking funds are included in issues of the Year Book prior to No. 23. The old sinking funds were merged in the National Debt Sinking Fund on 11 August 1923. Particulars of receipts and expenditure of the Commonwealth Account for the years 1960-61 to 1964-65 are as follows.

**NATIONAL DEBT SINKING FUND: COMMONWEALTH ACCOUNT, 1960-61 TO 1964-65**  
 (\$'000)

	1960-61	1961-62	1962-63	1963-64	1964-65
<b>Receipts—</b>					
From Consolidated Revenue . . . . .	46,185	50,323	54,460	57,739	62,171
Loans and advances repaid . . . . .	7,501	7,667	7,984	8,806	10,318
War Service Homes money repaid . . . . .	19,616	18,844	22,175	27,131	31,137
Reparation moneys . . . . .	32	16			
Interest on investments . . . . .	(a) 15,660	(a) 13,234	(a) 12,082	(a) 12,872	(a) 12,040
<i>Total, receipts</i> . . . . .	88,995	90,083	96,701	106,547	115,666
<b>Expenditure (net cost)—</b>					
Securities repurchased and redeemed in—					
Australia . . . . .	117,066	105,050	31,309	49,311	153,857
London . . . . .	1,189	340	165	1,507	7,239
New York . . . . .	(b) 16,125	(b) 20,661	(b) 19,350	(b) 20,334	(b) 22,301
Canada . . . . .			15	97	69
<i>Total, expenditure</i> . . . . .	134,380	126,051	50,838	71,249	183,466
Balance at 30 June . . . . .	320,369	284,401	330,264	365,562	297,761
Face value of securities repurchased and redeemed in—					
Australia . . . . .	118,709	105,371	31,279	48,881	153,823
London . . . . .	962	301	130	1,268	6,279
New York . . . . .	(b) 7,441	(b) 9,535	(b) 8,913	(b) 9,330	(b) 10,204
Canada . . . . .			7	48	34
<i>Total, face value</i> . . . . .	127,112	115,207	40,330	59,526	170,340

(a) Includes interest received under *National Debt Sinking Fund (Special Payment) Act 1951*: 1960-61, \$5.6m; 1961-62, \$3.8m; 1962-63, \$3.5m; 1963-64, \$3.5m; 1964-65, \$3.5m. (b) Includes instalment repayments of loans from International Bank for Reconstruction and Development: 1960-61—face value, \$7.0m, net cost, \$15.1m; 1961-62—face value, \$7.3m, net cost, \$15.8m; 1962-63—face value, \$7.6m, net cost \$16.6m; 1963-64—face value, \$8.0m, net cost \$17.4m; 1964-65—face value \$8.4m, net cost, \$18.3m.

**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 1964-65 and for all States during the years 1960-61 to 1964-65 are shown in the following tables.

**NATIONAL DEBT SINKING FUND: STATES' ACCOUNT, 1964-65**  
 (\$'000)

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	Total
<b>Receipts—</b>							
Contributions under Financial Agreement—							
Commonwealth . . . . .	5,662	3,937	2,109	2,193	1,616	1,129	16,646
States . . . . .	19,778	15,325	7,503	7,655	6,446	3,392	60,099
Interest from States on cancelled securities . . . . .	1	8	8	4	4	1	26
Special contributions by States . . . . .	63	102	30	20	6	2	222
Interest on investments, etc. . . . .	1	-12	-7	-9	-4	-4	-36
<i>Total, receipts</i> . . . . .	25,505	19,361	9,643	9,862	8,067	4,520	76,958
<b>Expenditure (net cost)—</b>							
Securities repurchased and redeemed in—							
Australia . . . . .	15,044	14,447	5,741	7,783	6,053	3,739	52,808
London . . . . .	6,879	2,727	2,614	1,062	1,125	205	14,612
New York . . . . .	3,882	2,246	1,322	1,119	823	556	9,948
Canada . . . . .	113	90	46	48	35	27	358
<i>Total, expenditure</i> . . . . .	25,918	19,511	9,723	10,012	8,036	4,527	77,726
Balance at 30 June 1965 . . . . .	1,581	1,098	664	636	473	330	4,783
Face value of securities repurchased and redeemed in—							
Australia . . . . .	15,045	14,452	5,741	7,794	6,053	3,739	52,825
London . . . . .	5,511	2,360	2,230	960	1,009	180	12,250
New York . . . . .	1,776	1,029	606	512	377	254	4,554
Canada . . . . .	56	45	23	24	17	13	178
<i>Total, face value</i> . . . . .	22,388	17,885	8,600	9,291	7,456	4,187	69,807

**NATIONAL DEBT SINKING FUND: STATES' ACCOUNT, 1960-61 TO 1964-65**  
(\\$'000)

—	1960-61	1961-62	1962-63	1963-64	1964-65
<b>Receipts—</b>					
<b>Contributions under Financial Agreement—</b>					
Commonwealth . . . . .	12,548	13,478	14,497	15,691	16,646
States . . . . .	45,617	49,316	52,108	55,669	60,099
Interest from States on cancelled securities . . . . .	32	30	66	45	26
Special contributions by States . . . . .	475	387	344	974	222
Interest on investments, etc. . . . .	38	8	-80	107	-36
<i>Total, receipts</i> . . . . .	<i>58,710</i>	<i>63,219</i>	<i>66,935</i>	<i>72,486</i>	<i>76,958</i>
<b>Expenditure (net cost)—</b>					
<b>Securities repurchased and redeemed in—</b>					
Australia . . . . .	52,581	51,781	54,068	60,791	52,808
London . . . . .	1,888	1,249	6,068	4,075	14,612
New York . . . . .	3,680	10,115	4,138	6,228	9,948
Canada . . . . .	..	..	79	501	358
<i>Total, expenditure</i> . . . . .	<i>58,150</i>	<i>63,145</i>	<i>64,353</i>	<i>71,594</i>	<i>77,726</i>
<b>Balance at 30 June</b> . . . . .	2,004	1,078	4,660	5,522	4,783
<b>Face values of securities repurchased and redeemed in—</b>					
Australia . . . . .	52,841	51,452	54,116	60,806	52,825
London . . . . .	827	1,061	4,230	3,520	12,250
New York . . . . .	1,742	4,556	1,920	2,862	4,554
Canada . . . . .	..	..	40	248	178
<i>Total, face value</i> . . . . .	<i>55,410</i>	<i>57,068</i>	<i>60,306</i>	<i>67,435</i>	<i>69,807</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 Commonwealth, under the uniform tax arrangement, has been the only authority imposing taxes on income.

*The Income Tax and Social Services Contribution Assessment Act, 1936-1965*, the *Income Tax and Social Services Contribution Acts 1964* and the *Income Tax and Social Services Contribution Regulations* deal with the assessment and imposition of Income Tax and Social Services Contribution. The second-mentioned Act is an annual measure, and its primary purpose is to declare the rates of tax and contribution payable for the financial year. Income Tax and Social Services Contribution is a combined levy commonly known as Income Tax.

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 Income Tax (International Agreements) Act 1953-1965* gives the force of law to agreements between the Commonwealth and the Governments of the United Kingdom, Canada and New Zealand, and to a convention between the Government of the Commonwealth and the United States of America, for the avoidance of double taxation and the prevention of evasion of taxes on income.

#### Lodgment of returns and assessment of Income Tax

All persons with assessable income in excess of \$416 are required to lodge returns by 31 July each year (31 August for business incomes). The income tax payable is assessed, and assessment notices showing the amounts payable are issued during the year following the year of income. The approximate amount payable, however, has already been collected during the income year from employees by deductions from wages and from non-employees by a provisional tax. The amount shown on the assessment notice is therefore adjusted against the amount already paid and any difference either collected or refunded.

### Pay-as-you-earn system

*Salary and wage earners.* Under this system salary and wage earners are subject to instalment deductions for payment of the tax at current rates from weekly (or fortnightly) earnings. Employers are required to make the deductions in accordance with a prescribed instalment scale. This scale shows the amount to be deducted according to the income and number of dependants of the employees. Under the group scheme of deduction, covering most employers of more than ten persons, the amount deducted is remitted to the Taxation Department within seven days of the close of the month in which the deduction is made.

Not later than 14 July each year employers are required to supply each employee with a group certificate showing amount earned and total deductions during the year ended 30 June. This certificate, together with the employee's return of income, is forwarded to the Taxation Department. If the tax assessed on the basis of the return is less than the amount shown on the group certificate, a refund is forwarded with his assessment, if not, the employee is required to pay the balance.

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 Department. The employee's half is then used in the same way as a group certificate.

*Taxpayers with income other than salary or wages.* These taxpayers pay provisional tax in respect of income other than salary and wages. Collection of 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 an approximation to the tax which will be payable after the return of income for the current year has been lodged. It is ascertained by assuming that the income of the current year will be the same as that for the previous year (for which a return has already been lodged), but the rates for the current year are applied to the income and not the rates for the year in which it was derived. The assessment notice shows the provisional tax paid in the previous year as a credit against the tax assessed on the basis of the return for that year. On receipt of his assessment, the taxpayer may elect to substitute his own estimate of income for the current year and pay tax on the basis of this estimate. To protect the revenue, a penalty is imposed if the taxpayer elects to pay provisional tax on an estimate of income more than twenty per cent lower than the income of the previous year and he underestimates his income by more than twenty per cent. An employee with income of \$300 (\$200 prior to 1965-66) or more from sources other than salaries or wages is required to pay provisional tax in respect of that income.

*Tax collected.* During the collection years 1960-61 to 1964-65 net receipts (i.e. tax collected less refunds to taxpayers) from individual taxpayers was \$1,037.5m; \$1,074.7m; \$1,083.4m; \$1,272.2m and \$1,570.4m respectively. Of these amounts, instalments from salaries and wages in the respective years; accounted for \$642.8m (61.96 per cent), \$653.4m (60.80 per cent), \$684.4m (63.17 per cent), \$792.3m (62.28 per cent), and \$990.6m (63.08 per cent). The remainder came from direct cash payments from individual taxpayers.

### Assessable income

As a general principle income assessable to income tax includes all income derived directly or indirectly from sources in Australia. Thus a non-resident is taxed on income derived in Australia, while a resident is, in general, not taxed on income (other than dividends) derived from overseas, if the income is taxed in the country in which it is derived.

The word income is used in its ordinary sense and includes certain 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 (unless acquired for the purpose of profit making), lottery wins, and most capital gains are not regarded as income and are not assessable.

Certain types of Australian income are exempt from tax in Australia, the more important being (i) pensions, child endowment and other payments under the *Social Services Act 1947-1963* and the *Tuberculosis Act 1948*, (ii) income from gold-mining and uranium mining, (iii) twenty per cent of certain mining profits, (iv) dividends paid out of exempt mining profits, and (v) income received from a scholarship, bursary or other education allowance. No amount is included in assessable income on account of a house occupied by its owner.

Expenses incurred in gaining or producing assessable income or necessarily incurred in carrying on a business for that purpose are allowable deductions, except to the extent that such expenses are of a capital, private, or domestic nature, or are incurred in gaining or producing exempt income. Certain subscriptions to business associations and trade union dues are also allowable deductions.

Special deductions for both resident and non-resident taxpayers include such items as trading losses incurred over the previous seven years, bad debts, depreciation, rates and taxes on land which are annually assessed, gifts to certain institutions (e.g. scientific, charitable, benevolent, etc.) and one-third of amounts paid as calls to certain mining, prospecting, oil-prospecting, or afforestation companies operating in Australia. Resident taxpayers only are allowed a deduction from income of the full amount paid as calls and as application and allotment moneys to certain companies engaged in the search for oil in Australia and the Territory of Papua and New Guinea.

Residents of prescribed isolated areas subject to uncongenial climatic conditions and high costs of living are entitled to a zone allowance deduction. Two zones, A and B, have been prescribed and the boundaries are as defined in the Second Schedule, *Income Tax and Social Services Assessment Act 1936-1965*. The allowances are: Zone A, \$540 plus an amount equal to half the total deductions allowable to the taxpayer for the maintenance of dependants; and Zone B, \$90 plus an amount equal to one twelfth of the total deductions allowable to the taxpayer for the maintenance of dependants. Members of the defence forces serving in certain oversea localities for more than half the year of income are also entitled to a deduction of the same amount as residents of Zone A.

Income tax is levied on the taxable income remaining after making these deductions and the concessional deductions to which reference is made in the following paragraphs.

#### Concessional deductions

Concessional allowances for dependants, medical and dental expenses, life insurance and superannuation contributions, etc. are made by way of a deduction from income. The maximum deduction allowed for the income year 1965-66 for each dependant or for a housekeeper employed by the taxpayer is shown in the following table.

Dependant, etc. (resident)	Maximum deduction <sup>(a)</sup>
	\$
Spouse . . . . .	286
Daughter-housekeeper <sup>(b)</sup> . . . . .	286
Housekeeper <sup>(c)</sup> . . . . .	286
Parent or parent-in-law . . . . .	286
One child under 16 years of age . . . . .	182
Other children under 16 years of age . . . . .	130
Invalid relative <sup>(d)</sup> . . . . .	182
Child 16 to 21 years receiving full-time education . . . . .	182

(a) These deductions are allowed only if the dependant is a resident of Australia. If the dependant is maintained for part only of the year, a partial deduction is allowed. (b) Of a widower or widow. (c) Caring for a spouse in receipt of an invalid pension, or caring for children under 16 years of age of a widower or widow. (d) Child, step-child, brother or sister over 16 years of age.

When the dependant maintained derives separate income, the amount of the concessional deduction is reduced by \$2 for every \$2 by which the separate net income exceeds \$130. Separate net income includes age and invalid pensions but not child endowment. Scholarships are excluded except insofar as they relate to maintenance.

For the 1965-66 income year, medical expenses (less amounts recouped from hospital and medical funds) paid by a taxpayer who is a resident, in respect of himself or dependants, including children under twenty-one years of age, are allowed as a concessional deduction. Medical expenses include payments made to a legally qualified medical practitioner, nurse or chemist, or to a hospital, in respect of an illness or operation, payments for dental services, payments for therapeutic treatment and eye tests, expenditure on medical or surgical appliances, artificial limbs or eyes, hearing aids and spectacles, the remuneration of an attendant of a person who is blind or confined to a bed or invalid chair, and payments for the maintenance of a trained dog used for the guidance of a blind person.

Other concessional deductions allowed to resident taxpayers include: (i) payments of life insurance premiums and contributions to superannuation funds and friendly societies, not

exceeding an aggregate of \$800, (ii) payments to medical or hospital benefits funds, (iii) funeral expenses of a dependant not exceeding \$100, and (iv) expenditure incurred for the full-time education of children or dependants who are less than twenty-one years of age, with a maximum of \$300 for each child or dependant.

**Effective exemption from tax**

For the income years 1950-51 to 1962-63 taxpayers without dependants were exempt from income tax if their income did not exceed \$208. For 1963-64 to 1965-66 this exemption was \$416. The effect of the deductions for dependants was to exempt resident taxpayers up to the incomes shown hereunder.

**RESIDENT TAXPAYERS: EFFECTIVE EXEMPTIONS FROM TAX**

(\$)

Taxpayer with—	Income years		
	1953-54 to 1956-57	1957-58 to 1962-63	1963-64 to 1965-66
No dependants . . . . .	208	208	416
Wife . . . . .	468	494	702
Wife and one child . . . . .	624	676	884
Wife and two children . . . . .	728	806	1,014
Wife and three children . . . . .	832	936	1,144
Wife and four children . . . . .	936	1,066	1,274

For the 1965-66 income year an aged person (i.e. a man who has attained the age of sixty-five years or a woman who has attained the age of sixty years) is exempt from income tax if his or her net income (i.e. gross income less expenses of earning that income) does not exceed \$988. If the net income exceeds \$988 but does not exceed \$1,148 the tax cannot exceed nine-twentieths of the excess of the net income over \$988. An aged person who contributes to the maintenance of a spouse is exempt from tax if the combined net incomes of the taxpayer and the spouse do not exceed \$1,872. Where their combined incomes exceed \$1,872 the tax payable by the taxpayer (provided his net income does not exceed \$2,700) is limited to nine-twentieths of the excess of their combined net income over \$1,872.

**Rates of income tax on individuals**

The table on page 818 shows the rates of income tax for income years 1953-54 to 1965-66.

The minimum amount of income tax payable is \$1 and amounts payable and rebates are calculated to the nearest ten cents.

For primary producers the rate of income tax for the current year is determined by the average of the taxable incomes for the five years up to and including the current year. A taxpayer may elect not to have these averaging provisions applied to his assessment, but the election, once made, is irrevocable. The application of the averaging provisions is limited to that part of the taxable income which does not exceed \$8,000. When the taxable income does exceed \$8,000, the balance is taxed at ordinary rates applicable to that part. When the taxable income is less than \$8,000, the rate of tax for averaging purposes is limited to the rate on a taxable income of \$8,000.

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

Interest on Commonwealth loans issued prior to 1 January 1940 is subject to the condition that it shall not be taxed at rates higher than those for 1930-31. Interest derived from bonds, debentures, stocks or other securities issued after 1 January 1940 by the Commonwealth, together with interest on certain State semi-governmental loans issued free of State income tax, is subject to a rebate of 10 cents for each \$1 included in the taxable income.



**INCOME TAX—INDIVIDUALS: RATES OF INCOME TAX  
1953-54 TO 1965-66**

Total taxable income		1953-54		1954-55 to 1964-65(a)		1965-66(b)	
Column 1 Exceeding	Column 2 Not exceeding	Tax on amount in column 1	Tax on each \$ of balance of income	Tax on amount in column 1	Tax on each \$ of balance of income	Tax on amount in column 1	Tax on each \$ of balance of income
\$	\$	\$	cents	\$	cents	\$	cents
Nil	200	Nil	0.42	Nil	0.42	Nil	0.40
200	300	0.83	1.67	0.83	1.25	0.80	1.20
300	400	2.50	3.75	2.08	2.92	2.00	2.90
400	500	6.25	5.42	5.00	4.58	4.90	4.50
500	600	11.67	7.08	9.58	6.25	9.40	6.10
600	800	18.75	9.17	15.83	8.33	15.50	8.20
800	1,000	37.08	11.67	32.50	10.83	31.90	10.80
1,000	1,200	60.42	13.75	54.17	12.50	53.50	12.50
1,200	1,400	87.92	15.83	79.17	14.17	78.50	14.20
1,400	1,600	119.58	17.50	107.50	15.83	106.90	15.90
1,600	1,800	154.58	19.17	139.17	17.50	138.70	17.60
1,800	2,000	192.92	20.83	174.17	19.17	173.90	19.30
2,000	2,400	234.58	23.33	212.50	21.67	212.50	21.60
2,400	2,800	327.92	26.67	299.17	24.58	298.90	24.60
2,800	3,200	434.58	29.58	397.50	27.08	397.30	27.10
3,200	3,600	552.92	32.50	505.83	29.58	505.70	29.60
3,600	4,000	682.92	35.42	624.17	32.08	624.10	32.10
4,000	4,800	824.58	38.75	752.50	35.42	752.50	35.40
4,800	5,600	1,134.58	41.67	1,035.83	38.33	1,035.70	38.30
5,600	6,400	1,467.92	44.58	1,342.50	41.25	1,342.10	41.20
6,400	7,200	1,824.58	47.50	1,672.50	43.75	1,671.70	43.80
7,200	8,000	2,204.58	50.42	2,022.50	46.25	2,022.10	46.30
8,000	8,800	2,607.92	53.33	2,392.50	48.75	2,392.50	48.70
8,800	10,000	3,034.58	56.67	2,782.50	51.67	2,782.10	51.70
10,000	12,000	3,714.58	60.00	3,402.50	55.00	3,402.50	55.00
12,000	16,000	4,914.58	62.92	4,502.50	57.92	4,502.50	57.90
16,000	20,000	7,431.25	65.83	6,819.17	60.42	6,818.50	60.40
20,000	32,000	10,064.58	68.75	9,235.83	63.33	9,234.50	63.30
32,000	upwards	18,314.58	70.00	16,835.83	66.67	16,830.50	66.70

(a) For the 1959-60, 1961-62, 1962-63, and 1963-64 income years a rebate of 5 per cent was allowable on the tax calculated from this schedule. (b) Additional tax equal to 2½ per cent of the tax at general rates is also payable for the 1965-66 financial year.

## Taxes on specified incomes

The following table shows the income tax payable by taxpayers, with various incomes and numbers of dependants, on income derived in the years, 1959-60 to 1965-66.

## INCOME TAX ON SPECIFIED INCOMES, 1959-60 TO 1965-66

(\$)

Income(a)	1959-60	1960-61	1961-62 and 1962-63	1963-64	1964-65	1965-66
<b>TAXPAYER WITH NO DEPENDANTS</b>						
300 . . .	2.00	2.10	2.00	..	..	..
400 . . .	4.80	5.00	4.80	..	..	..
500 . . .	9.10	9.60	9.10	9.10	9.60	9.60
600 . . .	15.00	15.80	15.00	15.00	15.80	15.90
700 . . .	23.00	24.20	23.00	23.00	24.20	24.30
800 . . .	30.90	32.50	30.90	30.90	32.50	32.70
1,000 . . .	51.50	54.20	51.50	51.50	54.20	54.80
1,200 . . .	75.20	79.20	75.20	75.20	79.20	80.50
1,600 . . .	132.20	139.20	132.20	132.20	139.20	142.20
2,000 . . .	201.90	212.50	201.90	201.90	212.50	217.80
3,000 . . .	429.10	451.70	429.10	429.10	451.70	462.80
4,000 . . .	714.90	752.50	714.90	714.90	752.50	771.30
6,000 . . .	1,432.10	1,507.50	1,432.10	1,432.10	1,507.50	1,544.60
10,000 . . .	3,232.40	3,402.50	3,232.40	3,232.40	3,402.50	3,487.60
<b>TAXPAYER WITH DEPENDENT WIFE</b>						
300 . . .	..	..	..	..	..	..
400 . . .	..	..	..	..	..	..
500 . . .	1.00	1.00	1.00	..	..	..
600 . . .	2.40	2.50	2.40	..	..	..
700 . . .	5.30	5.60	5.30	..	..	..
800 . . .	10.00	10.50	10.00	10.00	10.50	10.50
1,000 . . .	24.00	25.30	24.00	24.00	25.30	25.50
1,200 . . .	42.60	44.80	42.60	42.60	44.80	45.30
1,600 . . .	90.50	95.30	90.50	90.50	95.30	97.00
2,000 . . .	151.10	159.10	151.10	151.10	159.10	162.70
3,000 . . .	357.60	376.40	357.60	357.60	376.40	385.50
4,000 . . .	627.70	660.70	627.70	627.70	660.70	677.20
6,000 . . .	1,320.00	1,389.50	1,320.00	1,320.00	1,389.50	1,423.80
10,000 . . .	3,092.00	3,254.70	3,092.00	3,092.00	3,254.70	3,336.00
<b>TAXPAYER WITH DEPENDENT WIFE AND ONE CHILD</b>						
300 . . .	..	..	..	..	..	..
400 . . .	..	..	..	..	..	..
500 . . .	..	..	..	..	..	..
600 . . .	..	..	..	..	..	..
700 . . .	1.10	1.20	1.10	..	..	..
800 . . .	2.90	3.00	2.90	..	..	..
1,000 . . .	11.00	11.60	11.00	11.00	11.60	11.60
1,200 . . .	25.50	26.80	25.50	25.50	26.80	27.00
1,600 . . .	67.20	70.70	67.20	67.20	70.70	71.70
2,000 . . .	122.00	128.40	122.00	122.00	128.40	131.10
3,000 . . .	315.00	331.60	315.00	315.00	331.60	339.70
4,000 . . .	573.80	604.00	573.80	573.80	604.00	619.10
6,000 . . .	1,250.60	1,316.40	1,250.60	1,250.60	1,316.40	1,348.90
10,000 . . .	3,002.70	3,160.70	3,002.70	3,002.70	3,160.70	3,239.60

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

INCOME TAX ON SPECIFIED INCOMES, 1959-60 TO 1965-66—*continued*  
(\$)

Income(a)	1959-60	1960-61	1961-62 and 1962-63	1963-64	1964-65	1965-66
<b>TAXPAYER WITH DEPENDENT WIFE AND TWO CHILDREN</b>						
300 . . .	..	..	..	..	..	..
400 . . .	..	..	..	..	..	..
500 . . .	..	..	..	..	..	..
600 . . .	..	..	..	..	..	..
700 . . .	..	..	..	..	..	..
800 . . .	..	..	..	..	..	..
1,000 . . .	4.80	5.10	4.80	..	..	..
1,200 . . .	15.20	16.00	15.20	15.20	16.00	16.00
1,600 . . .	51.70	54.40	51.70	51.70	54.40	55.10
2,000 . . .	102.40	107.80	102.40	102.40	107.80	109.90
3,000 . . .	284.70	299.70	284.70	284.70	299.70	306.90
4,000 . . .	537.30	565.60	537.30	537.30	565.60	579.60
6,000 . . .	1,203.30	1,266.60	1,203.30	1,203.30	1,266.60	1,297.90
10,000 . . .	2,938.80	3,093.50	2,938.80	2,938.80	3,093.50	3,170.70

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

#### Company income taxes

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. No such system of a 'pay-as-you-earn' is in operation in respect of companies.

Dividends received are assessable income; however, resident companies 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.

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

The rates of primary tax for all companies and additional tax for private companies applicable to income years 1952-53 to 1964-65 are shown in the following table.

**RATES OF TAX: COMPANIES, 1952-53 TO 1964-65 INCOME YEARS**  
(Cents per \$)

Income year	Private company			Public company <sup>(a)</sup>	
	Up to \$10,000	On remainder of taxable income	Rate of additional tax on undistributed income	Up to \$10,000	On remainder of taxable income
1952-53 to 1954-55 . . . . .	20	30	50	30	35
1955-56 . . . . .	25	35	50	35	40
1956-57 to 1958-59 . . . . .	22½	32½	50	32½	37½
1959-60 to 1962-63 . . . . .	25	35	50	35	40
1963-64 . . . . .	27½	37½	50	37½	42½
1964-65 . . . . .	27½	37½	50	37½	42½

(a) Excludes co-operative, non-profit and life insurance. See text following for 1964-65 rates of tax for these companies.

For non-resident companies rate of tax (cents per dollar) on dividends only was: up to \$10,000 and remainder of taxable income respectively—1951-52 to 1954-55, 25 cents and 35 cents; 1955-56, 30 cents and 40 cents; 1956-57 to 1958-59, 27½ cents and 37½ cents; 1959-60 to 1962-63, 30 cents and 40 cents; 1963-64 and 1964-65, 32½ cents and 42½ cents.

For 1964-65, companies excluded from the preceding table were taxed at the following rates (cents per dollar): up to \$10,000 and remainder of taxable income respectively—co-operative, 32½ cents and 42½ cents; friendly society dispensaries (non-profit), 32½ cents and 32½ cents; other non-profit, 32½ cents and 42½ cents; mutual life insurance, 27½ cents and 37½ cents; other life insurance—mutual income, 27½ cents and 37½ cents, other income, 37½ cents and 42½ cents.

For the income years 1952-53 to 1957-58, 1958-59 to 1961-62, and 1962-63 to 1964-65 the retention allowance (see page 820) was the following proportion of the reduced distributable income.

**RETENTION ALLOWANCE: PRIVATE COMPANIES**  
**1952-53 TO 1964-65**  
(Per cent)

Reduced distributable income	1952-53 to 1957-58	1958-59 to 1961-62	1962-63 to 1964-65
First \$2,000 or part . . . . .	50	50	..
Next \$2,000 „ „ . . . . .	40	40	..
Next \$2,000 „ „ . . . . .	35	..	..
Next \$2,000 „ „ . . . . .	30	..	..
First \$10,000 „ „ . . . . .	..	..	50
Next \$10,000 „ „ . . . . .	..	..	45
Balance . . . . .	25	35	40

In addition to the foregoing proportions, 10 per cent of distributable income from property, except dividends from other private companies, is also allowed.

For the income years 1952-53 to 1964-65 the reduced distributable income was calculated by deducting from the taxable income the primary tax payable and the amount of all property income included in taxable income. The additional tax on undistributed income was imposed at a flat rate of 50 cents in the dollar on the undistributed amount.

**Income tax assessments**

1962-63 income year. The following tables show, for the 1962-63 income year, the number of taxpayers, income, and net income tax assessed for individuals and resident and non-resident companies. For further information of this nature see the annual bulletin *Commonwealth Taxation Assessments* issued by this Bureau.

**COMMONWEALTH INCOME TAX ASSESSMENTS(a): TAXPAYERS, ACTUAL INCOME(b), TAXABLE INCOME(c) AND NET TAX ASSESSED—RESIDENT INDIVIDUALS, BY GRADE OF INCOME AND BY STATE, ETC., OF ASSESSMENT**  
(Income derived in the year 1962-63)

Grade of actual income(b) and State or Territory of assessment		Number of taxpayers			Actual income(b)	Taxable income(c)			Net tax assessed
		Males	Females	Total	Total	Salary and wages	Other income	Total	
\$	\$				\$'000	\$'000	\$'000	\$'000	\$'000
210-399		59,634	106,816	166,450	51,758	40,724	8,546	49,270	384
400-599		63,726	123,735	187,461	93,566	69,112	16,802	85,912	1,458
600-799		77,231	133,206	210,437	147,416	108,182	24,480	132,662	3,844
800-999		91,072	147,164	238,236	214,580	155,764	34,390	190,152	7,618
1,000-1,199		100,469	156,167	256,636	282,062	199,800	47,310	247,110	12,548
1,200-1,399		107,926	181,967	289,893	376,896	271,890	56,078	327,968	19,850
1,400-1,599		122,791	165,401	288,192	431,928	305,792	63,788	369,580	25,418
1,600-1,799		172,768	117,455	290,223	493,994	336,836	70,028	436,864	30,678
1,800-1,999		248,290	81,003	329,293	626,002	418,600	75,588	494,188	39,844
2,000-2,199		294,796	53,818	348,614	731,962	483,272	79,366	562,636	48,676
2,200-2,399		290,510	35,758	326,268	749,638	486,230	79,596	565,826	52,192
2,400-2,599		256,222	25,563	281,785	703,796	448,356	78,816	527,170	51,808
2,600-2,799		220,868	19,625	240,493	648,076	406,408	77,488	483,898	50,440
2,800-2,999		174,590	14,709	189,299	547,968	336,164	72,706	408,870	45,146
3,000-3,999		466,880	43,638	510,518	1,734,806	995,362	309,846	1,305,208	164,938
4,000-5,999		230,405	31,389	261,794	1,240,566	565,820	401,428	967,246	160,056
6,000-7,999		60,356	10,300	70,656	482,516	156,410	238,928	395,338	85,524
8,000-9,999		25,371	4,309	29,680	263,358	67,598	155,042	222,640	57,974
10,000-19,999		27,541	4,841	32,382	420,982	84,234	283,144	367,378	126,102
20,000-29,999		3,207	573	3,780	89,556	15,182	64,382	79,566	35,418
30,000 and over		1,355	275	1,630	77,110	11,388	54,800	66,186	34,792
Central Office		9,233	6,723	15,956	99,048	19,092	64,766	83,858	25,802
New South Wales		1,157,942	549,147	1,707,089	3,969,002	2,383,248	780,086	3,163,336	405,934
Victoria		871,767	447,823	1,319,590	3,022,606	1,767,782	655,078	2,422,860	311,494
Queensland		422,623	174,213	596,836	1,305,308	667,110	337,214	1,004,324	122,706
South Australia		291,501	134,350	425,851	924,040	518,778	213,958	732,736	85,752
Western Australia		215,220	90,717	305,937	674,652	358,952	170,612	529,564	64,524
Tasmania		98,177	41,246	139,423	297,428	173,652	55,478	229,130	25,848
Northern Territory		7,273	2,522	9,795	27,620	14,986	3,098	18,084	2,254
Australian Capital Territory		22,272	10,971	33,243	88,830	59,518	12,258	71,776	10,392
<b>Total residents</b>		<b>3,096,008</b>	<b>1,457,712</b>	<b>4,553,720</b>	<b>10,408,536</b>	<b>5,963,118</b>	<b>2,292,548</b>	<b>8,255,668</b>	<b>1,054,706</b>
<b>Total non-residents</b>		<b>1,140</b>	<b>587</b>	<b>1,727</b>	<b>7,120</b>	<b>4,190</b>	<b>2,546</b>	<b>6,736</b>	<b>1,354</b>
<b>Total residents and non-residents</b>		<b>3,097,148</b>	<b>1,458,299</b>	<b>4,555,447</b>	<b>10,415,656</b>	<b>5,967,308</b>	<b>2,295,094</b>	<b>8,262,404</b>	<b>1,056,060</b>

(a) Assessments in respect of 1962-63 incomes issued to 30 September 1964. Assessments issued after that date are not included. (b) Actual income is defined briefly as 'Gross income including exempt income less expenses incurred in gaining that income'. (c) Taxable income is the income remaining after deducting from assessable income all allowable deductions.

**COMMONWEALTH INCOME TAX ASSESSMENTS(a): TAXPAYERS, ACTUAL INCOME(b), TAXABLE INCOME(c) AND NET TAX ASSESSED—RESIDENT AND NON-RESIDENT COMPANIES, BY GRADE OF INCOME AND STATE, ETC. OF ASSESSMENT**

(Income derived in the year 1962-63)

Grade of taxable income(c) and State or Territory of assessment		Number of taxpayers	Actual income(b)	Taxable income(c)	Net tax assessed (d)
\$	\$		\$'000	\$'000	\$'000
2-	1,999	19,242	21,188	13,506	3,338
2,000-	9,999	22,485	132,032	120,654	28,556
10,000-	19,999	8,809	129,224	120,896	31,504
20,000-	39,999	4,699	139,998	130,362	37,352
40,000-	99,999	2,985	198,932	182,616	54,774
100,000-	199,999	1,168	169,878	161,152	49,964
200,000-	399,999	622	183,660	172,530	53,168
400,000-	999,999	413	263,530	250,368	75,024
1,000,000-	1,999,999	106	147,912	141,824	45,488
2,000,000 and over		123	867,290	717,060	220,806
Central Office		3,328	1,110,956	931,104	298,874
New South Wales		24,199	456,736	433,328	117,910
Victoria		17,466	344,358	326,682	89,400
Queensland		5,004	111,218	104,138	33,640
South Australia		5,746	103,062	98,174	28,272
Western Australia		2,275	61,062	54,884	17,422
Tasmania		1,210	26,946	25,988	7,778
Northern Territory		156	3,892	2,940	902
Australian Capital Territory		1,268	35,414	33,732	5,776
<b>Total</b>		<b>60,652</b>	<b>2,253,644</b>	<b>2,010,970</b>	<b>599,972</b>

(a) Assessments in respect of 1962-63 incomes issued to 31 December 1964. Assessments issued after that date are not included. (b) Actual income is defined briefly as 'Gross income including exempt income less expenses incurred in gaining that income'. (c) Taxable income is the income remaining after deducting from assessable income all allowable deductions. (d) Excludes additional tax levied on the undistributed income of private companies.

*Income tax on residents, by grade of income.* Individual income taxes assessed on residents are distributed according to grades of actual income in the following table. The year shown in each case is the year of income of the taxpayer. Assessments issued after the normal assessing period are not included.

**COMMONWEALTH INCOME TAX ASSESSMENTS: TAXPAYERS, AND NET TAX ASSESSED—RESIDENT INDIVIDUALS, BY GRADE OF ACTUAL INCOME(a)**

(Income years 1959-60 to 1962-63)

Grade of actual income (a)		Income year							
		1959-60		1960-61		1961-62		1962-63	
		No. of tax-payers	Net tax assessed	No. of tax-payers	Net tax assessed	No. of tax-payers	Net tax assessed	No. of tax-payers	Net tax assessed
\$	\$		\$'000		\$'000		\$'000		\$'000
210- 399	.	159,479	374	159,541	394	159,892	372	166,450	384
400- 599	.	183,675	1,464	185,229	1,540	181,445	1,414	187,461	1,458
600- 799	.	215,557	3,998	215,468	4,200	207,996	3,830	210,437	3,844
800- 999	.	237,864	7,636	244,387	8,268	240,502	7,744	238,236	7,618
1,000- 1,199	.	261,256	12,936	265,308	13,806	255,915	12,530	256,636	12,548
1,200- 1,399	.	288,149	19,698	291,960	20,972	287,667	19,620	289,893	19,850
1,400- 1,599	.	284,299	24,374	281,872	25,706	285,783	25,056	288,192	25,418
1,600- 1,799	.	321,739	32,138	302,734	32,570	295,816	30,702	290,223	30,678
1,800- 1,999	.	360,892	41,866	342,070	42,534	338,675	40,406	329,293	39,844
2,000- 2,199	.	355,821	48,092	353,179	50,454	362,021	49,708	348,614	48,676
2,200- 2,399	.	307,052	48,386	312,243	51,376	328,910	52,372	326,268	52,192
2,400- 2,599	.	247,214	44,906	266,540	51,036	275,566	50,440	281,785	51,808
2,600- 2,799	.	191,397	39,842	216,529	47,642	222,923	46,540	240,493	50,440
2,800- 2,999	.	146,275	34,960	167,256	42,018	172,220	41,396	189,299	45,146
3,000- 3,999	.	364,735	118,256	433,485	148,692	448,352	145,148	510,518	164,938
4,000- 5,999	.	171,906	107,662	208,536	135,850	226,306	139,076	261,794	160,056
6,000- 7,999	.	48,000	60,372	55,817	73,470	58,771	72,670	70,656	85,524
8,000- 9,999	.	21,205	42,928	23,604	49,682	24,652	48,988	29,680	57,974
10,000-19,999	.	24,441	97,610	26,167	109,372	27,154	106,488	32,382	126,102
20,000-29,999	.	3,100	30,076	3,014	30,490	3,112	29,672	3,780	35,418
30,000-59,999	.	1,269	22,848	1,237	22,792	1,208	21,166	1,393	23,778
60,000-99,999	.	144	5,616	152	5,888	153	5,330	168	5,786
100,000 and over	.	57	4,790	52	3,696	69	5,514	69	5,228
<b>Total</b>	.	<b>4,195,526</b>	<b>850,828</b>	<b>4,356,380</b>	<b>972,448</b>	<b>4,405,108</b>	<b>956,182</b>	<b>4,553,720</b>	<b>1,054,706</b>

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

**Yield of income taxes**

*Income taxes collected.* The following table shows the amounts of taxes collected and the proportions of the several components in the years 1960-61 to 1964-65.

**INCOME TAXES COLLECTED(a), 1960-61 TO 1964-65**

Tax	Collection year				
	1960-61	1961-62	1962-63	1963-64	1964-65

**AMOUNTS COLLECTED (\$'000)**

Individuals—					
Instalments from salaries and wages	642,804	653,428	684,426	792,242	990,600
Direct cash payments	394,686	421,262	398,982	479,916	579,762
Companies	565,124	565,376	519,828	586,260	709,044
Superannuation funds			15	130	162
Dividend (withholding)	11,920	16,233	17,930	15,936	16,039
<b>Total</b>	<b>1,614,534</b>	<b>1,656,300</b>	<b>1,621,181</b>	<b>1,874,484</b>	<b>2,295,607</b>

(a) Excludes collections of arrears of State income taxes existing prior to the introduction of the uniform tax arrangement.

INCOME TAXES COLLECTED<sup>(a)</sup>, 1960-61 TO 1964-65—*continued*

Tax	Collection year				
	1960-61	1961-62	1962-63	1963-64	1964-65
PERCENTAGES					
Individuals—					
Instalments from salaries and wages . . . . .	39.81	39.45	42.22	42.26	43.15
Direct cash payments . . . . .	24.45	25.43	24.61	25.60	25.26
Companies . . . . .	35.00	34.13	32.06	31.28	30.89
Superannuation funds . . . . .	..	..	..	0.01	0.01
Dividend (withholding) . . . . .	0.74	0.98	1.10	0.85	0.70
Total . . . . .	100.00	100.00	100.00	100.00	100.00

(a) Excludes collections of arrears of State income taxes existing prior to the introduction of the uniform tax arrangement.

*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 is not included.

## INCOME TAXES ASSESSED, 1958-59 TO 1962-63

(\$'000)

Tax	Income year—				
	1958-59	1959-60	1960-61	1961-62	1962-63
Individuals . . . . .	756,438	852,952	973,402	956,974	1,056,060
Companies—					
Primary tax . . . . .	463,220	585,712	552,954	536,336	599,972
Additional tax on undistributed income of private companies . . . . .	2,548	2,920	2,602	1,976	1,532
Total . . . . .	1,222,206	1,441,584	1,528,958	1,495,286	1,657,564

*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 and Social Services Contribution 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 during the collection years 1960-61 to 1964-65 were: 1960-61, \$186,348,604; 1961-62, \$211,035,328; 1962-63, \$236,625,942; 1963-64, \$242,421,772; and 1964-65, \$264,366,042.