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COMMONWEALTH PAYMENTS TO OR FOR THE STATES 1967-68

PRESENTED BY
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TREASURER OF THE COMMONWEALTH,
FOR THE INFORMATION OF HONOURABLE MEMBERS
ON THE OCCASION OF THE BUDGET 1967-68

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FOREWORD

This Paper, which is a revised version of similar Papers issued in connection with the Budgets of recent years, provides a survey of payments made by the Commonwealth to assist the States. The main body of the Paper describes the payments currently being made to the States. In Appendices some of the earlier history of these payments is outlined. Details are also given of payments of interest and repayments of capital by the States in respect of loans made by the Commonwealth for specific purposes.

Because of their importance in Commonwealth-State financial relations, the Paper includes a section relating to the annual borrowing programmes approved by the Loan Council for State works and housing. Figures are also given of the annual borrowing programmes approved by the Loan Council for State semi-government and local authorities.

All figures in the document are expressed in dollars although, prior to 14 February 1966, payments were made in pounds. It should be noted that, because of rounding, details in tables may not add to totals.

A brief account of Commonwealth payments to or for the States is also given in Statement No. 3 accompanying the Budget Speech for 1967-68. The total figures shown there are less than the totals shown herein because in the Budget statements payments for the maintenance of tuberculosis hospitals are charged to the National Welfare Fund and contributions towards the cost of development of an integrated township at Exmouth are charged to Defence Services.

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CHAPTER I—OUTLINE OF COMMONWEALTH ASSISTANCE

Since Federation the Commonwealth has made payments of various descriptions to the States. Prior to World War II, Commonwealth payments were mainly of a marginal character and were confined, for the most part, to special grants to assist the financially weaker States and to certain specific purpose grants relating to such matters as Commonwealth assistance for roads and contributions under the Financial Agreement.

Since the second world war and the immediate post-war period there has been a marked increase in the amount and variety of Commonwealth assistance to the States. This has reflected, amongst other things, increases in the range and variety of governmental activities which have accompanied economic and social developments in this period of rapid growth of the Australian economy; greater participation by the Commonwealth in matters which were previously considered to be the sole responsibility of the States; and the effects of the introduction and continuation of uniform income tax and of other changes on the basic allocation of financial resources between the Commonwealth and the States.

Commonwealth financial assistance to the States may conveniently be classified under two main heads: assistance for revenue purposes and assistance for capital purposes.

On the revenue side most of the Commonwealth assistance is for *general* purposes: that is, the States are able to use it for any purpose which they see fit.

The financial assistance grants, formerly called tax reimbursement grants, make up the bulk of the assistance provided for general revenue purposes. These financial assistance grants are determined annually on the basis of an agreed formula. In addition, general revenue assistance is currently being provided to the States of Western Australia and Tasmania in the form of special grants paid on the recommendation of the Commonwealth Grants Commission. On occasions the Commonwealth has supplemented in various ways the normal general revenue grants to the States. (General revenue assistance is described in Chapter II and Appendix II).

Assistance for *specific* revenue purposes includes, for example, assistance provided for *current* expenditure on universities, contributions to interest and sinking fund charges on State debts which are made under the Financial Agreement, and specific assistance to help the States relieve the effects of natural disasters (*see* Chapter III).

Chapter III also deals with Commonwealth *specific* purpose assistance being provided by way of grants, both repayable and non-repayable, for *capital* purposes. These grants, some of which complement specific purpose revenue grants, include assistance in respect of roads, railways, universities and certain other education services, and some aspects of hospital services.

The Commonwealth also assists in financing *capital* expenditure by the States through the assistance provided in financing the annual borrowing programmes approved by the Loan Council for State works and housing. Chapter V provides information on the Loan Council borrowing programmes for State works and housing, which represent the amounts the Loan Council has agreed should be raised by way of loans for use by the States for *general* purposes and for Commonwealth advances to the States for housing purposes. Information on the borrowing programmes of State semi-governmental and local authorities is also included in Chapter V.

The table below summarises, for the period from 1963-64 to 1967-68 (estimated), Commonwealth payments to or for the States outside the Loan Council context, for both revenue and capital purposes, together with Loan Council borrowing programmes for the same years. More detailed figures, including figures for earlier years, are given in subsequent Chapters and in Appendices.

TABLE 1.—COMMONWEALTH PAYMENTS TO OR FOR THE STATES
AND LOAN COUNCIL BORROWING PROGRAMMES
\$'000

	1963-64	1964-65	1965-66	1966-67	1967-68 (Estimate)
PAYMENTS TO OR FOR THE STATES					
REVENUE—					
Financial Assistance Grants	635,967	681,349	757,351	(a) 826,613	900,100
Special Grants	22,900	31,720	41,770	40,072	35,407
Other General Revenue Grants	(b) 17,650	..	..	(c) 10,750	..
Total General Revenue	676,517	713,069	799,121	877,435	935,507
Specific Purpose	65,445	73,378	91,777	100,761	103,958
Total Revenue	741,962	786,447	890,898	978,196	1,039,465
CAPITAL—					
Additional Assistance Grants	(d) 22,350	..	..	..	..
Specific Purpose	165,631	202,197	238,816	251,511	319,914
Total Capital	187,981	202,197	238,816	251,511	319,914
TOTAL	929,943	988,644	1,129,715	1,229,708	1,359,379
LOAN COUNCIL BORROWING PROGRAMMES					
STATE WORKS AND HOUSING PROGRAMMES—					
Works	443,700	477,300	488,000	525,000	554,160
Housing	100,300	102,700	117,000	120,000	122,840
Total	544,000	580,000	605,000	645,000	677,000
STATE AUTHORITIES' PROGRAMMES—					
Larger Authorities(e)	242,341	250,240	246,658	268,294	311,000
Smaller Authorities(f)	54,587	54,775	65,786	72,460	n.a.
Total	296,928	305,015	312,444	340,754	n.a.
TOTAL	840,928	885,015	917,444	985,754	n.a.

(a) Including special assistance of \$5,000,000.

(b) Additional assistance grants identified in State accounts and budget documents as being used for revenue purposes.

(c) Special revenue assistance to New South Wales and Queensland.

(d) Amounts identified in State accounts and budget documents as being used for capital purposes.

(e) For 1963-64 to 1966-67 those authorities borrowing more than \$200,000 in a financial year; for 1967-68 those authorities borrowing more than \$300,000 in a financial year.

(f) For 1963-64 to 1966-67 those authorities for which State governments approved annual borrowing programmes of \$200,000 or less; for 1967-68 those authorities borrowing \$300,000 or less in a financial year. From 1962-63 the Loan Council has not set an overall limit on borrowings by these authorities.

CHAPTER II.—THE GENERAL REVENUE GRANTS

Grants for general revenue purposes are, as the name implies, subject to no conditions as to the purpose for which they may be spent. General revenue grants, in one form or another, have been paid by the Commonwealth to the States since Federation. Some of the history of these grants is given in Appendix II. This Chapter outlines mainly the present basis of the general revenue grants.

At the present time there are two main types of grants paid to the States for general revenue purposes. Firstly, there are the financial assistance grants, formerly called tax reimbursement grants, paid to every State. Secondly, there are the 'special grants' paid on the recommendation of the Commonwealth Grants Commission; currently special grants are paid to Western Australia and Tasmania only.

THE FINANCIAL ASSISTANCE GRANTS

The financial assistance grants, which replaced the tax reimbursement grants and supplementary grants which had been paid to the States under earlier arrangements, were instituted in 1959–60 under arrangements agreed at a Premiers' Conference in June 1959 and embodied in the *States Grants Act 1959*. In brief, this specified the financial assistance grants payable to each State in 1959–60 and laid down a formula for determining the annual grants in succeeding years. Under this formula the grant paid to a State in the previous year increased in proportion to the increase in the State's own population and in the level of average wages for Australia as a whole. In addition, to assist the States to improve the standard and range of services provided by them, a 'betterment factor' was introduced equal to 10 per cent of the increase for the year in average wages; thus an increase of 4 per cent in average wages was raised to 4.4 per cent. Subject to certain modifications to the grants in 1961–62 (*see Appendix II*), this formula determined the financial assistance grant payable to each State in each of the years 1960–61 to 1964–65, inclusive.

The present arrangements for the payment of financial assistance grants to the States reflect decisions reached at Premiers' Conferences held in June 1965, February 1967 and June 1967. Decisions reached at the June 1965 and February 1967 Premiers' Conference are incorporated in the *States Grants Act 1965–67*; legislation to give effect to the amendment agreed at the June 1967 Premiers' Conference will be introduced during 1967–68.

The June 1965 Premiers' Conference

This conference followed an earlier Premiers' Conference held in April 1965 at which the States had expressed the view that the annual rate of growth of the financial assistance grants under the 1959 arrangements had been too slow when considered in relation to the rate of growth of their commitments for expenditure on important government services. Variations were suggested including proposals designed to increase the share of the grants going to particular States.

After considering in detail the proposals made by the States at the April Conference the Commonwealth put forward a scheme at the June 1965 Conference designed to meet the main points raised by the States.

It was proposed that the annual financial assistance grant payable to each State should continue to increase in proportion to variations in population and increases in wages—the two main factors affecting current expenditure of the States. However, it was proposed to improve the betterment factor by fixing it at 1.2 per cent per annum regardless of the size of the increase in average wages. During the period of the 1959 arrangements the betterment factor had resulted in an increase in the grants of only about 0.4 per cent per annum; the Commonwealth's proposal therefore represented a trebling in the effective size of the betterment factor.

The Commonwealth also proposed that, in order to reduce the time lag before changes in population and wages were reflected in the grants, more up-to-date statistics for these two items should be used in calculating the grants. Specifically, it was proposed that the increase in average wages used to determine the grant for a financial year should be that for the year ending March of *that* financial year (instead of that for the *preceding* financial year) and that the increase in population used should be the increase during the year ending December in the financial year (instead of the increase during the preceding financial year).

It was suggested that the proposed new arrangements should continue for five years—from 1965-66 to 1969-70.

The proposals were acceptable to the States except that most of them did not favour the proposed reduction in the time-lag in average wages since, in that event, their 1965-66 grants would be determined without reference to the large rise in average wages which was expected to occur in 1964-65. It was therefore agreed that the increase in average wages would continue to be calculated as under the 1959 arrangements.

As regards the distribution of the grants, it was agreed to increase Queensland's share of the grants by adding \$2,000,000 to the amount on which Queensland's grant for each year would be calculated. This addition, which will have the

effect of progressively increasing Queensland's share of the grants relative to the other States, was made mainly in recognition of Queensland's large area and relatively small population. It was also agreed to make an addition of \$1,200,000 to the grant which Victoria would receive in 1965-66 under the proposed new formula. This addition, which had the effect of reducing the difference between Victoria's grant per head and that of New South Wales, forms part of the base used in calculating the grant paid each year to Victoria under the grants formula.

Thus, the arrangements agreed at the June 1965 Premiers' Conference provided for two main improvements in the grants formula—the trebling of the betterment factor and the reduction in the time lag before changes in population were reflected in the grants—as well as for special additions to the grants payable to Queensland and Victoria.

In outlining its proposals at the Conference the Commonwealth said that, while it envisaged that Western Australia and Tasmania would continue to be eligible to receive special grants, it expected that each of the other four States would agree to remain 'non-claimant' for the period of the new arrangements. However, the Commonwealth indicated that if there were a major change in the financial position of a State through circumstances beyond its control, it would be ready to review the position of that State under the financial assistance arrangements. In contrast to the action taken in 1959, it was agreed that no part of the existing special grants would be incorporated in the claimant States' financial assistance grants.

The Commonwealth also made it clear that, as in 1959, the new arrangements were based on the assumption that there would be no significant changes in the financial relationships between the Commonwealth and the States. In particular, the proposals were based on the understanding that the distribution of taxing powers would remain unchanged and that the States and their authorities would continue to pay pay-roll tax.

Following the June 1965 Premiers' Conference, a change was made in the method of payment of the financial assistance grants. Prior to 1965-66 the grants had been paid on the second last working day of each month at the rate of one-fifteenth of the estimated annual grant during the first nine months of a financial year and two-fifteenths in each of the last three months. From 1965-66 the grants have been paid on the 15th of the month (or the nearest working day thereto) at the rate of one-twelfth of the estimated annual grant.

The February 1967 Premiers' Conference

At this Conference it was agreed to alter the formula used to calculate the financial assistance grants so as to reduce the time lag before increases in average wages are reflected in the grants. As a result of this alteration the percentage increase in average wages used to calculate each year's grant (including the grants

for 1966-67) became that for the twelve months ended March in the year of payment instead of the percentage increase in average wages for the financial year immediately *preceding* the year of payment. The other elements of the formula were not altered.

It was also agreed to pay the States special assistance of \$5,000,000 in 1966-67. This amount was distributed among the States in the same proportions as the grants produced by the formula.

As a result of these decisions, the States received \$11,800,000 more in 1966-67 by way of general revenue grants than if the grants formula had not been altered and the special assistance of \$5,000,000 had not been made available.

The June 1967 Premiers' Conference

At this Conference the Commonwealth agreed that, for purposes of determining the formula grants for 1967-68 (and future years), the special assistance of \$5,000,000 in 1966-67 would be treated as part of the formula grant of that year.

The Present Grants Formula

As a result of the decisions reached at the Premiers' Conferences mentioned the grants formula now provides that the grant for each State for each financial year is determined by taking that State's grant for the previous year (with the addition of \$2,000,000 each year up to 1969-70 in the case of Queensland) and:

- (a) increasing it by the percentage change in the *population* of that State during the year ending 31 December of the year of payment;
- (b) increasing the amount so obtained by the percentage increase in *average wages* for Australia as a whole for the year ended 31 March of the year of payment; and
- (c) increasing this amount by the *betterment factor* of 1.2 per cent.

The table below shows the financial assistance grants paid to each State from 1959-60, including the estimated grants payable in 1967-68. Annual payments of tax reimbursement and supplementary grants prior to 1959-60 are given in Table 42 following Appendix II.

TABLE 2—FINANCIAL ASSISTANCE GRANTS
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1959-60 ..	166,900	121,250	72,750	55,350	50,924	21,826	489,000
1960-61 ..	183,977	134,743	79,901	61,454	55,954	23,960	539,989
1961-62 ..	198,498	146,029	87,460	66,451	60,171	25,671	584,280
1962-63 ..	206,642	152,267	91,083	69,552	62,480	26,616	608,640
1963-64 ..	215,712	159,482	94,821	72,729	65,597	27,626	635,967
1964-65 ..	230,537	171,750	101,111	78,155	70,498	29,297	681,349
1965-66 ..	255,001	191,922	113,356	86,467	78,474	32,131	757,351
1966-67 ..	276,944	208,790	125,514	94,346	86,396	34,773	(a)826,613
1967-68 (Estimate)	299,800	226,600	138,500	102,700	94,900	37,600	900,100

(a) Including special assistance of \$5,000,000.

THE SPECIAL GRANTS

Before the establishment of the Commonwealth Grants Commission in 1933, grants comparable to what are now called 'special grants' were made to South Australia, Western Australia and Tasmania. (See Appendix II.) Since 1959-60 only Western Australia and Tasmania have received special grants and, under the financial assistance arrangements agreed at the June 1965 Premiers' Conference, these two States continue to be eligible to receive special grants.

The Commonwealth Grants Commission, which was established under the *Commonwealth Grants Commission Act* 1933, consists of three members who are appointed by the Governor-General for terms not exceeding three years at a time. The members of the Commission give their services on a part-time basis and are assisted by a full-time staff. The present members are Sir Leslie Melville, K.B.E. (Chairman), Mr H. J. Goodes, C.B.E., and Mr W. R. Lane.

During the initial period of its work the Commission considered 'compensation for disabilities arising from federation' as a possible basis for its recommendations. It considered also the basis of 'financial need'. In its Third Report (1936), the Commission finally chose the principle of financial need, which was expressed in the following terms:—

'Special grants are justified when a State through financial stress from any cause is unable efficiently to discharge its functions as a member of the federation and should be determined by the amount of help found necessary to make it possible for that State by reasonable effort to function at a standard not appreciably below that of other States.'

In arriving at its recommendations, the Commission each year makes a detailed comparison of the budget results and of standards of effort and services provided in the claimant States with those in the 'standard' States. Prior to 1959-60 the Commission used a standard derived from the experience of New South Wales, Victoria and Queensland; from 1959-60 the standard States have been New South Wales and Victoria.

Since 1949 each recommendation by the Commission for payment of a special grant has consisted of two parts. One part is based on an estimate of a claimant State's financial need in the current financial year, and is treated as an advance payment subject to adjustment two years later when the Commission has compared in detail the audited budget results and standards of effort and services provided in that year for both the claimant State and the standard States. The other part represents the final adjustment of the advance payment made two years earlier and is now known as the completion payment.

In 1967-68 special grants totalling \$35,407,000 have been recommended for payment, representing the total of the advance payments for the current financial year, 1967-68, and the completion payments made in respect of 1965-66. In 1966-67 a total of \$40,072,000 was paid in special grants. Table 43 following Appendix II shows special grants paid in each year since 1910-11.

The following table shows the *final* amount of special grants paid in respect of each of the years 1959-60 to 1965-66 inclusive—that is, the advance payment paid in the year concerned and the completion payment actually paid two years later. The table also shows estimates made by the Commonwealth Grants Commission of the final amounts of special grants to be recommended by it in respect of 1966-67 and 1967-68.

TABLE 3—SPECIAL GRANTS
\$'000

	Western Australia			Tasmania		
	Advance Payment	Completion Payment(a)	Total	Advance Payment	Completion Payment(a)	Total
1959-60	6,298	1,912	8,210	5,194	1,950	7,144
1960-61	7,400	620	8,020	6,800	282	7,082
1961-62	10,400	344	10,744	8,200	556	8,756
1962-63	11,800	1,320	13,120	9,800	982	10,782
1963-64	11,800	3,038	14,838	10,200	1,322	11,532
1964-65	15,800	4,706	20,506	13,618	1,166	14,784
1965-66	21,000	18	21,018	16,400	889	17,289
1966-67 (Estimate)	14,700	(b) 600	(b) 15,300	19,500	(b) 200	(b) 19,700
1967-68 (Estimate)	15,500	(b) 2,000	(b) 17,500	19,000	(b) 700	(b) 19,700

(a) Actually paid two years subsequent to the year shown.

(b) These figures are tentative only at this stage, pending detailed investigations by the Commission over the next two years.

OTHER GENERAL REVENUE ASSISTANCE

From time to time the Commonwealth has provided general revenue assistance to the States additional to that payable under the grants formula or by way of special grants recommended by the Commonwealth Grants Commission. Between 1949-50 and 1958-59, for instance, the Commonwealth made ad hoc grants to each State to supplement the amount yielded by the formula then operating. (For further details see Appendix II and Table 42.) In addition, some of the additional assistance grants paid in the years 1957-58, 1962-63 and 1963-64 were available for use by the States for general revenue purposes. (See Chapter IV.)

In 1966-67 the Commonwealth provided special financial assistance of a general revenue nature to New South Wales and Queensland to help those States meet budgetary problems arising from the effects of drought on State revenues. This assistance, which was additional to the assistance provided by the Commonwealth in meeting the two States' expenditures on drought measures (see Chapter III), amounted to \$8,000,000 in the case of New South Wales and \$2,750,000 in the case of Queensland.

In 1966-67 the Commonwealth also provided special assistance of \$5,000,000 in addition to the formula grants payable to the States. As already mentioned, this grant is now to form part of the base used in calculating each year's formula grant.

CHAPTER III—SPECIFIC PURPOSE PAYMENTS

For many years the Commonwealth has provided financial assistance in respect of certain specific types of expenditure, both current and capital, by the States. For example, from 1927–28 payments have been made under the Financial Agreement in respect of interest and sinking fund payable on State debts while assistance for expenditure on roads has been provided from 1923–24. However, in recent years there has been a considerable expansion in this sort of assistance. Apart from assistance provided in respect of education, this increase has been mainly directed at assisting the States in the provision of facilities for the development and conservation of resources, particularly where this would assist in promoting exports.

The following sections outline the payments at present being made to the States for current and capital purposes. Appendix III outlines some of the history of assistance for roads and universities as well as assistance provided in respect of projects completed in recent years. Tables 44 and 45 following Appendix III classify specific purpose payments from 1955–56 according, respectively, to the nature of the payment and the type of State expenditure which the payment is intended to assist.

PAYMENTS UNDER THE FINANCIAL AGREEMENT

Contributions to Interest on State Debts

Under the Financial Agreement, which was entered into by the Commonwealth and the States in 1927, the Commonwealth makes payments to the States which are expressed as a contribution towards interest payable on State debts. They are therefore treated here as a specific purpose grant, although they have some of the characteristics of a grant for general purposes. In fact, the interest payments superseded the general revenue grants of \$2.50 per head of the population of each State made in the period 1910–11 to 1926–27, inclusive, under the *Surplus Revenue Act* of 1910. (See Appendix II.)

Each year the total contribution is \$15,170,000, the amount that was payable in 1926–27 under that Act. The contribution is apportioned between the States in

the same way as the 1926-27 *per capita* grant, and is to continue for fifty-eight years from 1 July 1927 (that is until 1985). It is distributed among the States as follows:

TABLE 4—PAYMENTS IN RESPECT OF INTEREST ON STATE DEBTS

						\$'000
New South Wales	..	..	..	..	..	5,834
Victoria	..	..	..	..	..	4,254
Queensland	..	..	..	..	..	2,192
South Australia	..	..	..	..	..	1,408
Western Australia	..	..	..	..	..	948
Tasmania	..	..	..	..	..	534
Total	..	..	..	..	..	15,170

Sinking Fund Contributions

The sinking fund contributions made by the Commonwealth under the Financial Agreement in respect of States' debts vary according to the date and nature of the borrowings. On States' debts existing at 30 June 1927 the Commonwealth is making sinking fund contributions at the rate of 0.125 per cent per annum for a period of fifty-eight years, and in respect of cash loans raised for the States since that date the Commonwealth makes sinking fund payments for fifty-three years at the rate of 0.25 per cent per annum. Each State is obliged to make sinking fund payments for corresponding periods at the rate of 0.25 per cent per annum of its debt, regardless of the date on which the debt was incurred. The main exception is in relation to debt incurred for the purpose of funding revenue deficits. In these instances, the Commonwealth makes no sinking fund contribution and the States are obliged to make contributions to the sinking fund of not less than 4 per cent per annum. However, in respect of Treasury Bills issued to cover State revenue deficits accruing between July 1927 and June 1935, which totalled \$86,036,000, special arrangements were made under which the Commonwealth contributes 0.25 per cent per annum until June 1983 on the amount outstanding.

The following table shows the Commonwealth's contribution to the sinking fund in respect of States' debts from 1959-60, including the estimated contribution in 1967-68. The interest and sinking fund payments made by the Commonwealth for the States under the Financial Agreement in each year from 1927-28 are shown in Table 46 following Appendix III.

TABLE 5—SINKING FUND PAYMENTS UNDER THE FINANCIAL AGREEMENT
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1959-60 ..	4,148	2,733	1,488	1,583	1,157	776	11,884
1960-61 ..	4,363	2,893	1,571	1,674	1,218	829	12,548
1961-62 ..	4,659	3,132	1,688	1,798	1,306	896	13,478
1962-63 ..	4,983	3,389	1,826	1,925	1,403	972	14,497
1963-64 ..	5,366	3,700	1,968	2,077	1,519	1,062	15,691
1964-65 ..	5,662	3,937	2,109	2,193	1,616	1,129	16,646
1965-66 ..	5,991	4,225	2,272	2,335	1,726	1,212	17,761
1966-67 ..	6,368	4,524	2,439	2,482	1,844	1,293	18,951
1967-68 (Estimate)	6,725	4,832	2,605	2,641	1,962	1,381	20,146

EDUCATION

Universities

Commonwealth assistance to the States in respect of the *recurrent* expenditures of universities dates from 1951-52; in 1957-58 assistance was first given in respect of *capital* expenditures of universities. An outline of assistance prior to 1964 is given in Appendix III.

The Commonwealth grants to the States for universities are subject to matching conditions. At present grants in respect of recurrent expenditures are made on the basis of \$1 Commonwealth for each \$1.85 State grant and university fees combined. Grants in respect of capital expenditures are provided on a \$1 for \$1 basis with grants made by the States for this purpose. In both cases an upper limit applies as regards the total amount of Commonwealth assistance to be made available during the course of a triennium.

1964-66 Triennium

For the three calendar years 1964-66 total Commonwealth grants (recurrent and capital) to the States for universities were based largely on the Second Report of the Australian Universities Commission presented in August 1963. In the main, the recommendations of the Commission were accepted and incorporated in the *Universities (Financial Assistance) Act 1963*, which provided for total grants of \$116,800,000 during the 1964-66 triennium; the recurrent component amounted to \$76,800,000 and the capital component to \$40,000,000. However, the acceptance of certain proposals in the reports of three other committees had the effect of increasing grants for that triennium to \$130,700,000 (the *Universities (Financial*

Assistance) Act 1965) and then to \$134,100,000 (the *Universities (Financial Assistance) Act (No. 2) 1965*). The three reports were:

- (a) Report recommending increased academic salaries presented in October 1964 by Mr Justice Eggleston;
- (b) Report of the Committee on the Future of Tertiary Education in Australia, certain of whose recommendations were accepted in early 1965;
- (c) Second Report of the Committee on Teaching Costs of Medical Hospitals, 1965, arising from which it was decided to pay, for the first time, grants in respect of certain recurrent expenditures of teaching hospitals. Following this Report additional grants were also made towards specified university projects of a capital nature in those hospitals in continuation of a policy adopted in the 1961-63 triennium.

The level of Commonwealth assistance was further increased by \$38,000 by enactment of the *Universities (Financial Assistance) Act (No. 2) 1966* which, inter alia, varied the recurrent grant for the Townsville University College in the last year of the triennium.

Overall, the effect of these various amendments was to increase recurrent grants to \$86,600,000 and capital grants to \$47,600,000, a total of \$134,200,000.

1967-69 Triennium

After consultation with State Governments, the Commonwealth indicated in September 1966 its willingness to support a total programme of assistance to State universities in the 1967-69 triennium amounting to \$446,000,000 of which the Commonwealth's share was approximately \$175,000,000. Although the total programme was approximately \$56,000,000 less than that recommended by the Australian Universities Commission in its Third Report, it represented \$106,000,000 more than the programme, as amended, for the 1964-66 triennium. The *Universities (Financial Assistance) Act 1966* therefore authorises grants of \$116,900,000 for recurrent expenditure and \$58,700,000 for capital expenditure, making total grants of \$175,600,000, as the Commonwealth share of the total programme for the triennium. Of that amount, \$2,900,000 relates to half the cost of a \$5,760,000 programme administered by the Australian Universities Commission for grants to universities for special research purposes associated with the training of post-graduate students in continuation of the provision made for this purpose in the 1964-66 triennium. The provision of this assistance in the 1967-69 triennium is, however, conditional upon the States continuing to bear half the cost of research projects in State universities recommended by the Australian Research Grants Committee. (See later section entitled *Research Grants*.)

An amount of \$65,852,000 has been included in the 1967-68 Budget estimates on account of grants to the States for universities, an increase of \$15,236,000 over grants paid in 1966-67. Grants for recurrent expenditures are estimated at

\$40,391,000 in 1967-68, which reflects the increased level of support authorised by the *Universities (Financial Assistance) Act* 1966 together with an allowance for the expected effect of the recent announcement by the Commonwealth of its willingness to support, and contribute to, higher academic salaries in universities from 1 July 1967. Grants for capital expenditure, after providing for a carry-forward of capital commitments from the 1964-66 triennium, are estimated to be \$25,461,000 in 1967-68.

The table below shows grants to the States in respect of both recurrent and capital expenditures of universities from 1959-60, including estimated grants for 1967-68. Annual figures of grants prior to 1959-60 are given in Table 47 following Appendix III.

TABLE 6—GRANTS FOR UNIVERSITIES

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1959-60 ..	3,871	2,044	1,280	1,287	829	417	9,728
1960-61 ..	5,620	2,907	1,678	1,617	1,034	498	13,354
1961-62 ..	7,216	3,308	2,019	1,955	1,194	544	16,236
1962-63 ..	7,990	4,104	2,359	2,133	1,377	583	18,546
1963-64 ..	8,941	4,916	2,621	2,367	1,595	641	21,081
1964-65 ..	11,663	7,098	3,512	3,266	2,060	930	28,529
1965-66 ..	13,075	8,071	3,863	3,420	2,152	970	31,551
1966-67 ..	13,773	9,211	4,276	3,668	2,306	1,028	34,262
1967-68 (Estimate)	16,076	11,091	5,187	4,146	2,688	1,203	40,391
CAPITAL							
1959-60 ..	2,595	800	452	500	433	747	5,527
1960-61 ..	2,661	3,138	1,396	564	772	569	9,100
1961-62 ..	5,068	4,101	599	837	794	687	12,086
1962-63 ..	4,341	5,207	960	1,006	923	435	12,872
1963-64 ..	3,759	5,009	1,151	1,284	1,161	415	12,779
1964-65 ..	4,507	3,288	1,784	1,814	940	412	12,745
1965-66 ..	5,267	4,425	1,836	2,597	901	201	15,227
1966-67 ..	6,502	5,250	1,641	1,407	1,160	394	16,354
1967-68 (Estimate)	10,320	9,002	2,791	2,070	495	783	25,461
TOTAL							
1959-60 ..	6,466	2,844	1,732	1,787	1,262	1,164	15,255
1960-61 ..	8,281	6,045	3,074	2,181	1,806	1,067	22,454
1961-62 ..	12,284	7,409	2,618	2,792	1,988	1,231	28,322
1962-63 ..	12,331	9,311	3,319	3,139	2,300	1,018	31,418
1963-64 ..	12,700	9,925	3,772	3,651	2,756	1,056	33,860
1964-65 ..	16,170	10,386	5,296	5,080	3,000	1,342	41,274
1965-66 ..	18,342	12,496	5,699	6,017	3,053	1,171	46,778
1966-67 ..	20,275	14,461	5,917	5,075	3,466	1,422	50,616
1967-68 (Estimate)	26,396	20,092	7,978	6,216	3,183	1,986	65,852

Colleges of Advanced Education

The Report of the Committee on the Future of Tertiary Education in Australia recommended the establishment of a new type of educational institution, to supplement universities and to be developed from, and around, the tertiary segments of existing technical colleges. The Report also recommended that funds for the *capital* and *recurrent* purposes of these colleges should be provided by Commonwealth and State Governments on the same matching basis as for universities.

In March 1965, the Commonwealth indicated its acceptance, in principle, of the Committee's approach and, as an interim measure, announced its willingness to pay capital grants totalling approximately \$5,000,000 in the remainder of the 1964-66 triennium, subject to matching by the States on a \$1 for \$1 basis.

Subsequently, the Commonwealth established the Commonwealth Advisory Committee on Advanced Education under the chairmanship of Dr I. W. Wark, C.M.G. In broad terms, the responsibilities of this Committee are to promote the balanced development of non-university tertiary institutions in Australia and to advise the Commonwealth Government on proposals emanating from the States.

The recommendations in the First Report (and Supplement) of the Commonwealth Advisory Committee on Advanced Education relating to the level of assistance to be provided to Colleges of Advanced Education in the three calendar years 1967-69 were accepted and incorporated in the *States Grants (Advanced Education) Act* 1966. This Act provided, *inter alia*, for grants by the Commonwealth, on the same matching basis as for universities, in respect of recurrent expenditures incurred by the States in excess of the level of such expenditures in the base year 1964-65.

Following discussions at the Premiers' Conference held in February 1967, the Commonwealth informed the States that it would waive the 'base year' requirement in determining the amount of recurrent grants. The *States Grants (Advanced Education) Act* 1967, which repealed the 1966 Act, gave effect to this decision and also increased the recurrent grants to be paid in respect of Tasmanian colleges. The 1967 Act provides for total grants of \$42,316,000 in the 1967-69 triennium, of which \$17,816,000 is for recurrent purposes and \$24,000,000 is for buildings and equipment to be matched on a \$1 for \$1 basis by the States. The balance of \$500,000 will be made available by the Commonwealth as an unmatched grant to build up library facilities in the colleges.

The following table shows grants to the States for both recurrent and capital expenditure from 1965-66, including estimated grants in 1967-68.

TABLE 7—GRANTS FOR COLLEGES OF ADVANCED EDUCATION
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1965-66 .. ..	..	..	..	..	..	..	..
1966-67	276	1,302	197	275	363	59	2,472
1967-68 (Estimated) ..	650	2,794	504	576	794	140	5,458
CAPITAL							
1965-66	750	..	..	..	232	..	982
1966-67	560	911	1,137	616	457	..	3,681
1967-68 (Estimate)(a) ..	2,660	2,943	1,050	880	1,327	460	9,320
TOTAL							
1965-66	750	..	..	..	232	..	982
1966-67	836	2,213	1,334	891	820	59	6,153
1967-68 (Estimate)(a) ..	3,310	5,737	1,554	1,456	2,121	600	14,778

(a) Including the balance of interim capital grants approved for 1964-66 triennium.

Science Laboratories and Equipment in Secondary Schools

Under the *States Grants (Science Laboratories and Technical Training) Act 1964* an amount of \$9,905,800 was made available to the States in 1964-65 for science laboratories and equipment in secondary schools for the purpose of improving science teaching in those schools. The *States Grants (Science Laboratories) Act 1965* provided for the payment to 30 June 1968 of a further \$29,717,400, of which not more than one-third was to be authorised for payment before 30 June 1966 and two thirds before 30 June 1967.

Both Acts provided that, of the basic grant of \$9,905,800 per annum, an amount of \$7,237,800 would be available for government schools and \$2,668,000 for non-government schools; the basis of this allocation was the number of secondary school pupils enrolled in each of these two types of schools at schools' censuses held in August 1963. The distribution of these two component amounts between the States was related to their populations. Details of this distribution of the basic annual amount are given in the following table:

TABLE 8—DISTRIBUTION OF BASIC ANNUAL GRANT FOR SCIENCE LABORATORIES
\$'000

	Government Schools	Non-Government Schools	Total
New South Wales	2,710.0	998.8	3,708.8
Victoria	2,045.2	754.0	2,799.2
Queensland	1,048.4	386.4	1,434.8
South Australia	675.4	249.0	924.4
Western Australia	517.0	190.6	707.6
Tasmania	241.8	89.2	331.0
Total	7,237.8	2,668.0	9,905.8

For the financial year 1967-68, the *States Grants (Science Laboratories) Act 1967* doubles the provision for non-government schools in each State as shown in Table 8.

The following table shows actual payments to the States for this purpose from 1964-65, including estimated payments for 1967-68:

TABLE 9—ACTUAL PAYMENTS FOR SCIENCE LABORATORIES
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1964-65 ..	3,709	2,799	1,435	924	707	331	9,905
1965-66 ..	3,709	2,799	1,435	859	502	331	9,635
1966-67 ..	3,709	2,799	1,435	990	899	331	10,163
1967-68 (Estimate)	4,708	3,553	1,821	1,173	912	420	12,587

Technical Training—Buildings and Equipment

The *States Grants (Science Laboratories and Technical Training) Act 1964* also introduced, in 1964-65, grants to the States of \$10,000,000 towards the building and equipment costs of technical schools or colleges. The *States Grants (Technical Training) Act 1965* provided for the payment to 30 June 1968 of a further \$30,000,000 of which not more than one-third was to be authorised for payment before 30 June 1966 and two-thirds before 30 June 1967.

Grants for buildings and equipment for use in technical training may be applied only to schools or colleges conducted by the States. The distribution (related to population) between the States of the basic annual level of assistance of \$10,000,000 being made available annually is:

TABLE 10—DISTRIBUTION OF BASIC ANNUAL GRANTS FOR
TECHNICAL TRAINING

						\$'000
New South Wales .. .. .	..	..	..	..	..	3,744.0
Victoria .. .. .	..	..	..	..	..	2,825.8
Queensland .. .. .	..	..	..	..	..	1,448.4
South Australia .. .. .	..	..	..	..	..	933.2
Western Australia .. .. .	..	..	..	..	..	714.4
Tasmania .. .. .	..	..	..	..	..	334.2
Total .. .. .	..	..	..	..	..	10,000.0

The following table shows actual payments to the States for this purpose from 1964-65, including estimated payments in 1967-68:

TABLE 11—ACTUAL PAYMENTS FOR TECHNICAL TRAINING
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1964-65 ..	3,744	2,826	1,449	933	714	334	10,000
1965-66 ..	3,492	336	1,449	350	269	334	6,230
1966-67 ..	3,760	3,050	1,449	750	551	334	9,894
1967-68 (Estimate)	3,980	5,091	1,449	1,700	1,323	334	13,877

Teachers Colleges

The *States Grants (Teachers Colleges) Act 1967* provides for the payment of unmatched grants to the States for the construction and equipping of colleges for the training of teachers. The Act authorises the payment to 30 June 1970 of grants totalling \$24,000,000 of which not more than \$8,000,000 can be authorised for payment before 30 June 1968 and \$16,000,000 before 30 June 1969. The provision of this assistance is subject to the understanding that the States do not reduce their own expenditure on teacher training and to the condition that at least 10 per cent of the number of places arising from the accommodation so provided—whether new or replacement or whether teaching or residential—are to be available for student teachers not bonded to State Education Departments.

The estimated amount payable to each State in 1967-68 is as follows:

TABLE 12—GRANTS FOR TEACHERS COLLEGES

							\$'000
New South Wales	..	..	..	..	..	..	2,500
Victoria	..	..	..	..	..	..	1,783
Queensland	..	..	..	..	..	..	1,250
South Australia	..	..	..	..	..	..	1,067
Western Australia	..	..	..	..	..	..	900
Tasmania	..	..	..	..	..	..	500
Total	..	..	..	..	..	..	8,000

Research Grants

When the Report of the Committee on the Future of Tertiary Education in Australia was presented to Parliament in March 1965, it was announced, *inter alia*, that the Commonwealth would make available \$2,000,000 in the remainder of the 1964-66 triennium in support of research projects, selected on the basis of relative merit, to be carried out in any academic field by individuals or research teams. Where a research project was to be carried out in a State university the provision of Commonwealth assistance was conditional on an equal matching grant to the university by the State Government concerned. These proposals were incorporated in the *States Grants (Research) Act 1965*.

Also, the Australian Research Grants Committee was established, under the chairmanship of Professor R. N. Robertson, F.R.S., to evaluate research projects and to make recommendations to the Government concerning the amount and disposition of grants in this field.

In September 1966 the Commonwealth indicated that it was prepared to support a research programme, the allocation of which was to be recommended by the Australian Research Grants Committee, to cost \$11,000,000 in the 1967-1969 triennium provided that the States continued to meet 50 per cent of the cost of projects within that programme undertaken in State universities. As some States had indicated they were no longer prepared to support the Australian Research Grants Committee programme after 31 December 1966 and as there was uncertainty concerning the position of other States, the Commonwealth further indicated that to the extent that any State did not provide its share of costs in relation to this programme, the Commonwealth would reduce, to that extent, its support for the general university research programme for the 1967-69 triennium as envisaged in the *Universities (Financial Assistance) Act 1966*. (See earlier section relating to *Universities*.)

The *States Grants (Research) Act 1966* made the necessary legislative changes to the 1965 Act to enable this procedure to be followed. Two States agreed to meet half the costs of both research programmes but the other States declined to contribute to the Australian Research Grants Committee programme. In the light of this the Commonwealth decided to meet the full cost of the Australian Research Grants Committee programme, on which a ceiling of \$9,000,000 has been set for the current triennium, and to leave to the States the responsibility for financing the

general university research programme. Four States have indicated their intention to finance in full the general university research programme and the remaining States are to meet half the cost of that programme.

Against this background it is estimated that grants to the States pursuant to recommendations of Australian Research Grants Committee will total \$3,017,000 in 1967-68; this compares with actual expenditure of \$2,038,000 in 1966-67. The following table shows the actual payments to the States for this purpose from 1965-66, including estimated payments in 1967-68:

TABLE 13—GRANTS FOR RESEARCH PROJECTS

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1965-66	500	331	105	223	142	77	1,378
1966-67	656	607	205	352	155	63	2,038
1967-68 (Estimate)(a) ..	971	803	315	564	230	134	3,017

(a) The State distribution is notional only; it has been arrived at by apportioning the total amount between States in the same ratio as the awards recommended by the Committee for 1967 for each State bore to the total.

PUBLIC HEALTH AND WELFARE AND PUBLIC SAFETY

Tuberculosis Hospitals

Under the *Tuberculosis Act* 1948 the Commonwealth reimburses the States for *maintenance* expenditures they incur in the diagnosis, treatment and control of tuberculosis, to the extent that expenditures by the States in any financial year exceed those for the year 1947-48. Under this Act the Commonwealth also reimburses the States for all *capital* expenditure, approved by the Commonwealth, on buildings, furnishings, equipment and plant for the diagnosis, treatment and control of tuberculosis.

Reimbursements have been made to the States for both maintenance and capital expenditures in each year from 1949-50. Up to 30 June 1967, reimbursements for maintenance expenditure totalled \$144,036,000 and for capital expenditure \$33,533,000. The table below shows Commonwealth grants for maintenance and capital expenditures from 1959-60, including estimated payments in 1967-68. Annual figures of payments in years prior to 1959-60 are given in Table 48 following Appendix III.

TABLE 14—GRANTS FOR TUBERCULOSIS HOSPITALS

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
MAINTENANCE							
1959-60 ..	2,750	2,193	1,091	1,247	1,023	294	8,598
1960-61 ..	2,556	2,148	1,484	804	997	324	8,314
1961-62 ..	2,990	2,221	1,565	691	793	368	8,628
1962-63 ..	3,492	2,542	1,789	752	800	363	9,738
1963-64 ..	3,750	2,772	2,118	710	751	363	10,463
1964-65 ..	3,650	2,700	2,036	638	742	361	10,129
1965-66 ..	6,585	3,019	2,068	662	697	338	13,370
1966-67 ..	3,956	3,293	2,189	652	547	337	10,974
1967-68 (Estimate)	3,800	3,314	2,194	675	785	350	11,118
CAPITAL							
1959-60 ..	432	52	744	214	78	43	1,562
1960-61 ..	252	96	351	61	43	18	821
1961-62 ..	95	116	401	92	24	46	773
1962-63 ..	140	110	630	27	67	10	984
1963-64 ..	153	50	283	30	44	39	598
1964-65 ..	135	308	223	13	11	6	696
1965-66 ..	390	169	110	14	2	12	696
1966-67 ..	356	110	28	5	..	..	499
1967-68 (Estimate)	350	128	80	43	20	11	632
TOTAL							
1959-60 ..	3,182	2,245	1,835	1,461	1,101	337	10,160
1960-61 ..	2,808	2,244	1,835	865	1,040	342	9,135
1961-62 ..	3,085	2,337	1,966	783	817	414	9,401
1962-63 ..	3,632	2,652	2,419	779	867	373	10,722
1963-64 ..	3,903	2,822	2,401	740	795	402	11,061
1964-65 ..	3,785	3,008	2,259	651	753	367	10,825
1965-66 ..	6,975	3,188	2,178	676	699	350	14,066
1966-67 ..	4,312	3,403	2,217	657	547	337	11,473
1967-68 (Estimate)	4,150	3,442	2,274	718	805	361	11,750

Mental Health Institutions

Under the *States Grants (Mental Institutions) Act 1955* the Commonwealth undertook to provide financial assistance up to \$20,000,000 towards capital expenditure on mental institutions incurred by the States where the project was approved by the Commonwealth. The Commonwealth assistance was on the basis of one-third of the total expenditures by the States with a specified limit for each State.

The *States Grants (Mental Health Institutions) Act 1964*, which repealed the 1955 legislation, authorised assistance to the States amounting to one-third of the total expenditure incurred by them on specific projects approved by the Commonwealth in building and equipping mental health institutions in the three year period ending on 30 June 1967. The 1964 Act preserved the States' right to receive at least the amount of their entitlements under the 1955 Act. All States except Queensland have now received assistance exceeding that specified in the 1955 Act. Provision of \$5,000,000 has been made in the Budget for 1967-68 for continued assistance on the basis that enabling legislation will be passed by the Parliament in 1967.

The following table shows payments to each State under the scheme since its inception in 1955-56, including estimated payments in 1967-68:

TABLE 15—GRANTS FOR CAPITAL EXPENDITURES ON MENTAL HEALTH INSTITUTIONS
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1955-56 ..	418	891	133	24	20	60	1,546
1956-57 ..	767	1,054	176	257	104	138	2,496
1957-58 ..	648	1,091	228	304	58	183	2,513
1958-59 ..	394	1,239	237	245	34	92	2,241
1959-60 ..	718	1,036	149	184	74	134	2,295
1960-61 ..	866	168	195	91	31	104	1,454
1961-62 ..	1,297	(a)	141	56	154	(a)	1,648
1962-63 ..	1,295	(a)	75	104	116	(a)	1,590
1963-64 ..	982	(a)	108	173	332	(a)	1,595
1964-65 ..	659	711	225	265	447	197	2,504
1965-66 ..	1,717	1,567	146	242	338	529	4,539
1966-67 ..	2,217	1,192	288	193	260	823	4,973
1967-68 (Estimate)	2,200	1,200	350	200	550	500	5,000
Total ..	14,179	10,150	2,253	2,338	2,516	2,759	34,394

(a) Assistance available under the *States Grants (Mental Institutions) Act 1955* exhausted.

Blood Transfusion Services

The Commonwealth commenced making grants to the States in 1953-54 for the purpose of assisting blood transfusion services conducted by the Australian Red Cross Society. The allocations as between the States in the first year were on a population basis, with a limit of \$100,000. In 1954-55 the basis of Commonwealth assistance was changed. Since then, the Commonwealth has reimbursed each State for one-third of the State's contribution towards the cost of the Society's blood transfusion services in the State, conditional on the State meeting in the first place 90 per cent. of those costs.

Expenditure from 1953-54, including estimated expenditure in 1967-68, is shown in the following table.

TABLE 16—GRANTS FOR BLOOD TRANSFUSION SERVICES
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1953-54 ..	39	27	14	..	7	..	88
1954-55 ..	51	35	33	..	19	..	138
1955-56 ..	53	44	34	18	23	..	172
1956-57 ..	62	63	39	21	22	8	214
1957-58 ..	69	75	44	26	26	10	251
1958-59 ..	71	82	50	27	24	10	263
1959-60 ..	73	87	49	32	30	10	282
1960-61 ..	84	100	56	35	29	11	315
1961-62 ..	95	105	67	38	32	12	349
1962-63 ..	96	112	74	42	35	11	369
1963-64 ..	101	121	82	44	37	11	396
1964-65 ..	110	129	90	47	42	11	428
1965-66 ..	117	144	103	61	44	13	482
1966-67 ..	231	276	215	123	92	24	961
1967-68 (Estimate)	155	174	143	83	62	15	632
Total ..	1,406	1,575	1,093	597	524	144	5,339

Housekeeper Services

In 1951 the Commonwealth offered financial assistance to the States, up to a limit of \$30,000 a year, to encourage the development of housekeeper services conducted by approved organisations to provide assistance to families in emergencies. The offer was made on the basis that the sum of \$30,000 would be distributed among the States in proportion to their populations and that the States would not reduce their own expenditures on, or subsidies for, these services.

The State of Queensland declined the Commonwealth's offer and the Commonwealth has made payments direct to emergency housekeeper services in Queensland. South Australia has not yet availed itself of the Commonwealth's offer. Total payments to the other States under this scheme amounted to \$387,000 up to 30 June 1967, of which \$201,000 was paid to New South Wales, \$139,000 to Victoria, \$31,000 to Western Australia and \$16,000 to Tasmania. Annual figures of payments to each State from 1955-56 may be obtained from the tables in Appendix IV.

Disposal of Overseas Ships' Garbage

The Commonwealth has offered financial assistance to the States for the provision of facilities for the adequate disposal of overseas ships' garbage with a view to improving existing measures against the entry of exotic diseases into Australia.

Under this offer, the Commonwealth will meet in full the capital cost of incinerators at selected ports, and the cost of ancillary structures and half the cost of access roads, excluding land costs. The cost of maintaining and operating the incinerators and transporting garbage will be a State responsibility. The offer does not apply to Western Australia where the method of disposing of garbage by dumping at sea is considered satisfactory. An amount of \$29,000 was paid to Tasmania under these arrangements in 1966-67. Estimated payments in 1967-68 are: South Australia \$23,000; Tasmania \$30,000.

Promotion of Road Safety Practices

From 1947-48 the Commonwealth each year has provided amounts specifically for public education programmes for the promotion of road safety practices. The initial annual provision of \$200,000 was increased to \$300,000 in 1955-56 and to \$350,000 in 1966-67. Of this amount, \$116,000 per annum is distributed among the States for assistance towards local programmes, and the balance of \$234,000 is used for programmes having general application on a national basis and for assistance towards local programmes in the mainland Territories.

Up to 30 June 1967 a total amount of \$2,584,000 had been paid to the States to assist in road safety programmes. The following table shows the amounts paid to each State from 1956-57, including estimated payments in 1967-68. Annual figures of payments in years prior to 1956-57 may be obtained from 'Commonwealth Payments to or for the States, 1965-66'.

TABLE 17—GRANTS FOR PROMOTION OF ROAD SAFETY PRACTICES
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1956-57 ..	45	36	33	22	30	14	180
1957-58 ..	45	36	33	23	30	13	180
1958-59 ..	45	36	33	22	30	14	180
1959-60 ..	45	36	33	23	30	13	180
1960-61 ..	35	28	26	17	23	11	140
1961-62 ..	25	20	18	13	16	8	100
1962-63 ..	25	20	19	12	17	7	100
1963-64 ..	25	20	18	13	16	8	100
1964-65 ..	25	20	19	12	17	7	100
1965-66 ..	25	20	18	13	16	8	100
1966-67 ..	29	23	21	15	19	9	116
1967-68 (Estimate)	29	23	21	15	19	9	116

NATURAL DISASTERS

When serious floods, cyclones or bushfires occur, the Commonwealth, upon request, normally joins with the State in which the disaster has taken place in financing schemes for the relief of personal hardship and distress.

From time to time, the Commonwealth also provides special financial assistance to the States where the measures required to restore damaged public assets or relieve other effects of a natural disaster would place an undue burden on the finances of the State concerned.

Total payments to the States in respect of natural disasters were \$21,092,000 in 1966-67 and it is estimated that \$17,000,000 will be paid in 1967-68. Figures of total payments in respect of natural disasters for the years from 1949-50 are given in Table 49 in Appendix III. The following sections give details of payments in recent years in respect of various types of natural disasters.

Drought

During 1965-66, the Commonwealth gave an undertaking to the States of New South Wales and Queensland to provide financial assistance to those States in respect of the cost of certain measures to relieve the effects of the drought. The *States Grants (Drought Assistance) Act* 1966 gave legislative effect to this undertaking.

The agreement to reimburse the States for expenditure on drought relief covered five main categories of relief measures, namely:

- (a) Loans for carry-on and re-stocking purposes where credit is not available through normal commercial channels;
- (b) Loans to enable sugar farmers to meet levies by sugar mills;
- (c) Rebates of rail freight in respect of the transport of fodder and water to drought-affected areas, the transport of starving stock out of drought areas, and the transport of stock to areas that have recovered from the drought;
- (d) Grants to local councils and other authorities to provide relief work for those affected by the drought and to maintain employment in rural areas;
- (e) A few minor miscellaneous items of expenditure in relation to the drought.

Except for (b), where the Commonwealth contribution was limited to \$1,750,000, the Commonwealth did not impose any limit on the amount of reimbursable expenditure by the State Governments concerned and it has been left to each of the two State Governments to administer the scheme in the light of the particular circumstances in its State.

The Commonwealth reimbursements to the States take the form of loans where the States themselves make loans. These loans, which are interest-free, are repayable in eight equal annual instalments commencing on 31 December 1968. Reimbursements in respect of other expenditure take the form of grants.

The table below shows Commonwealth reimbursements in respect of the main categories of relief expenditures by the States in 1965-66 and 1966-67, together with estimated reimbursements in 1967-68.

TABLE 18—PAYMENTS FOR DROUGHT ASSISTANCE

\$'000

	1965-66			1966-67			1967-68 (est.)		
	N.S.W.	Qld	Total	N.S.W.	Qld	Total	N.S.W.	Qld	Total
<i>Loans</i>	8,668	3,326	11,994	5,460	1,760	7,220	2,000	1,900	3,900
<i>Grants—</i>									
Freight Rebates	2,454	2,101	4,555	1,483	1,129	2,613	500	850	1,350
Employment	2,850	1,900	4,750	5,953	1,999	7,952	1,500	1,000	2,500
Other	228	173	401	134	..	134	..	..	..
Total Grants	5,532	4,174	9,706	7,571	3,128	10,699	2,000	1,850	3,850
Total	14,200	7,500	21,700	13,031	4,888	17,919	4,000	3,750	7,750

Bushfires

Following disastrous fires in southern Tasmania during February 1967, the Commonwealth agreed to provide special financial assistance to enable the State to undertake various relief and restoration measures. Subsequently, the *Tasmania Grant (Fire Relief) Act 1967* authorised Commonwealth financial assistance of up to \$14,500,000 for this purpose.

It was agreed between the Commonwealth and Tasmania that assistance would be provided in respect of the following main categories of expenditure by the State:

- (a) Emergency expenditure, including a grant by the Commonwealth of \$750,000 to the Government Relief Fund to match a grant of the same amount by the State;
- (b) Grants and loans for the re-building of houses;
- (c) Rehabilitation loans to private businesses and primary producers;
- (d) Expenditure on restoration of public assets.

The Commonwealth assistance to Tasmania takes the form of grants where the State itself makes grants and loans where the State makes loans. Loans by the Commonwealth, which are interest-free, are for a period of fifteen years, but repayments will not commence until the fourth year of the loan and will then be made in twelve equal annual instalments.

The table below shows Commonwealth reimbursements in respect of the main categories of expenditure by Tasmania in 1966-67, together with estimated payments in 1967-68.

TABLE 19—PAYMENTS FOR BUSHFIRE RELIEF
\$'000

	1966-67			1967-68 (est.)		
	Grants	Loans	Total	Grants	Loans	Total
Emergency Expenditure ..	1,350	..	1,350	200	..	200
Rehabilitation Loans—						
Primary Producers ..	..	150	150	..	2,500	2,500
Other .. .. .	..	150	150	..	800	800
	..	300	300	..	3,300	3,300
Rebuilding of Houses ..	400	200	600	2,800	1,200	4,000
Restoration of Public Assets..	250	..	250	1,000	..	1,000
Total	2,000	500	2,500	4,000	4,500	8,500

Floods

In 1966-67 the Commonwealth made grants on a \$1 for \$1 basis of \$625,000 to Queensland and \$50,000 to New South Wales to assist in relieving personal hardship and distress caused by floods in certain areas of those States. In addition, the Commonwealth agreed to share with Queensland, on a \$1 for \$1 basis, the cost of restoring State and local authority assets damaged by the floods in Northern Queensland and it is estimated that grants totalling about \$750,000 will be made to Queensland for this purpose in 1967-68.

DEVELOPMENT OF RURAL INDUSTRIES

Brigalow Lands Development Scheme

The *Brigalow Lands Agreement Act 1962-1967* authorised an Agreement with the State of Queensland for the provision of financial assistance by the Commonwealth for the development of 11,176,000 acres described as Areas 1, 2, and 3 in the Fitzroy River Basin. The principal purpose of the assistance is to increase the production of beef cattle and other primary products and the supply of beef for export.

The Act provides for Commonwealth financial assistance, subject to an overall limit of \$23,000,000, to finance expenditure by the State on specified works during the period of thirteen years ending 30 June 1975. The assistance is in the form of interest-bearing advances repayable over twenty years. Payments by the Commonwealth to 30 June 1967 amounted to \$8,000,000. Payments in 1966-67 were \$2,200,000 and it is estimated that \$2,650,000 will be provided in 1967-68. Annual payments prior to 1966-67 are shown in Table 60 in Appendix IV.

Softwood Forestry

The *Softwood Forestry Agreements Act* 1967 authorises the Commonwealth to provide financial assistance to all States during the period of five years ending on 30 June 1971 for a programme of increased planting of softwood forests. The overall amount of financial assistance for the five-year programme is expected to be in the vicinity of \$20 million. The assistance to each State will take the form of loans repayable over 25 years, with repayments and the payment of interest to commence ten years after the date of each advance.

Payments by the Commonwealth in 1966-67 amounted to \$291,000. It is estimated that \$3,926,000 will be provided in 1967-68. Figures for payments to each State are shown in Tables 28 and 29 in Appendix I.

Agricultural Extension Services

From 1948-49 the Commonwealth has each year made grants to the States to promote improved farm practices in the dairy industry, and from 1952-53 the Commonwealth has also made grants for the purpose of stimulating the expansion of agricultural advisory services in the States. The moneys appropriated for these purposes are, in the main, paid to State Departments of Agriculture, but some expenditure is incurred directly by the Commonwealth on projects common to a number of States.

Up to 30 June 1967, a total amount of \$17,276,000 had been made available to the States for these purposes. For the five year period 1966-67 to 1970-71, the Commonwealth has undertaken to make additional funds of up to \$4,000,000 per annum available for the States' agricultural extension services. Payments made to each State from 1956-57, and the estimated payments in 1967-68, are set out in the following table. Annual figures of payments in years prior to 1956-57 may be obtained from 'Commonwealth Payments to or for the States, 1965-66'.

TABLE 20—GRANTS FOR AGRICULTURAL EXTENSION SERVICES(a)

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1956-57 ..	260	242	250	90	106	66	1,014
1957-58 ..	260	258	256	76	84	34	968
1958-59 ..	282	280	238	74	70	50	994
1959-60 ..	274	220	224	102	64	46	930
1960-61 ..	280	264	244	88	80	58	1,014
1961-62 ..	278	250	248	90	88	56	1,010
1962-63 ..	282	250	244	90	94	54	1,014
1963-64 ..	328	298	294	104	104	70	1,198
1964-65 ..	328	310	294	104	102	74	1,212
1965-66 ..	328	298	294	104	104	74	1,202
1966-67 ..	535	508	545	217	213	158	2,176
1967-68 (Estimate)	730	720	650	300	300	200	2,900

(a) Excludes expenditure incurred directly by the Commonwealth on projects common to a number of States.

Minor Agricultural Research

Since 1960-61 the Commonwealth has made moneys available to finance special investigation and extension projects of a new, short-term nature on a \$1 for \$1 matching basis with the States and/or industry.

The payments to the States for this purpose were \$46,000 in 1963-64, \$34,000 in 1964-65, \$28,000 in 1965-66 and \$23,000 in 1966-67. The estimated payment in 1967-68 is \$29,000. The amounts paid to each State may be obtained from the tables in Appendix IV.

Cattle Tick Control and Research

Since the 1920's the Commonwealth has been contributing towards the cost of cattle tick control and research in New South Wales. From 1 July 1951 to 30 June 1967, an amount of \$10,265,000 has been made available for this purpose.

The payment for this purpose in 1966-67 was \$252,000 and the estimated payment in 1967-68 is \$288,000. Commonwealth contributions to New South Wales towards the cost of cattle tick measures from 1955-56 are shown in Table 56 in Appendix IV.

DEVELOPMENT AND CONTROL OF WATER RESOURCES

Apart from assistance which has been provided to Western Australia in respect of the Ord River Project (See Appendix III), the Commonwealth is providing financial assistance for a number of projects designed to develop or control water resources in the States.

Chowilla Reservoir

In 1963, the River Murray Agreement between the Commonwealth and the States of New South Wales, Victoria and South Australia was amended to provide for the construction of the Chowilla Reservoir on the River Murray in South Australia. The Commonwealth contribution was \$645,000 in 1966-67, and it is estimated that \$315,000 will be provided in 1967-68.

Under the *Chowilla Reservoir Agreement Act* 1963 the Commonwealth also agreed to provide assistance in the form of interest bearing advances to New South Wales to finance that State's share of the capital cost of the Chowilla Reservoir. Repayment of each advance will begin ten years from the date on which it is made and will spread over a further period of ten years. Payments by the Commonwealth to 30 June 1967 were \$1,256,000, including \$528,000 in 1966-67, and it is estimated that payments will amount to \$193,000 in 1967-68. Annual figures of payments and interest charges under the Agreement are given in Table 57 in Appendix IV.

Blowering Reservoir

The *Blowering Water Storage Works Agreement Act* 1963 gives effect to an arrangement with the State of New South Wales for the construction of the Blowering Reservoir on the Tumut River for the control and conservation of water released into that river as a result of the operation of the Snowy Mountains Scheme. Under the arrangement the bulk of the work involved is being undertaken by the Snowy Mountains Hydro-Electric Authority as the agent of, and at the expense of, the State of New South Wales and is expected to be completed in May 1968. The Commonwealth is financing half of the total cost incurred by the State, by means of interest-bearing loans. Repayment of each advance will begin ten years from the date on which it is made and will spread over a further period of ten years.

Payments by the Commonwealth to 30 June 1967 amounted to \$16,146,000, which included a payment of \$6,233,000 in 1966-67. It is estimated that \$4,000,000 will be provided in 1967-68. Annual figures of payments and debt charges, including estimates for 1967-68, are shown in Table 57 in Appendix IV.

Investigation of Water Resources

In 1964-65 the Commonwealth agreed to provide financial assistance to the States in order to accelerate their programmes of surface water measurement and investigation of underground water resources. The surface water programme is aimed at completing, within ten years, a basic network of stream gauges throughout Australia; the underground investigations involve a general speeding up of the work of locating and measuring underground water resources.

The *States Grants (Water Resources) Act* 1964 authorised payments to the States for the three years ending 30 June 1967. The payments took the form of grants and were used mainly for capital works, although in both the surface and underground programmes some current expenditure was involved. Total payments under the Act to 30 June 1967 amounted to \$2,519,000, which included an amount of \$971,000 in 1966-67.

The Commonwealth has agreed to extend the arrangements for another three years. The following table shows the total payments to each State for both surface and underground investigations from 1964-65, including estimated payments in 1967-68.

TABLE 21—GRANTS FOR INVESTIGATION OF WATER RESOURCES
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1964-65 ..	133	90	256	72	136	..	687
1965-66 ..	188	80	313	52	211	16	861
1966-67 ..	212	77	366	63	235	18	971
1967-68 (Estimate)	359	160	402	102	260	21	1,304

Western Australian Water Supply

Under the *Western Australia Grant (Water Supply) Act* 1948-1957 the Commonwealth assisted the State of Western Australia to finance the cost of construction of a comprehensive water supply scheme. The assistance partly financed the reticulation of water to townships and homesteads in a wheat belt area of about 4,000,000 acres inland from Perth, and to towns along the Great Southern Railway from Beverley to Katanning. It also helped to finance an increased supply of water to the Eastern Goldfields area of the State. Commonwealth contributions under the Act were limited to \$10,000,000. The final payment was made by the Commonwealth in 1961-62. Payments in each year from 1955-56 are shown in Table 64 in Appendix IV.

Under the *Western Australia (South-west Region Water Supplies) Agreement Act* 1965, the Commonwealth is to provide financial assistance of up to \$10,500,000 by way of repayable interest bearing advances to Western Australia for the purpose of accelerating works undertaken by the State to extend the comprehensive water supply scheme in the South-west portion of the State. The new areas to be served total approximately 4,000,000 acres, and the Commonwealth assistance will extend over eight years beginning in July 1965. The Commonwealth has

undertaken to provide financial assistance on a \$1 for \$1 basis, and repayments, spread over fifteen years, will commence ten years after each payment is made. An amount of \$1,250,000 was paid to the State in 1966-67 and it is estimated that \$1,500,000 will be provided in 1967-68. Annual figures of payments prior to 1966-67 and of interest charges are given in Table 65 in Appendix IV.

Flood Mitigation

The *New South Wales Grant (Flood Mitigation) Act 1964* provides for a grant of up to \$5,500,000 to the State of New South Wales to match the assistance the New South Wales Government gives to certain local authorities for approved flood mitigation works on the Macleay, Clarence, Richmond, Tweed, Shoalhaven and Hunter Rivers. The grant is payable over the period of six years which commenced in July 1963. The Commonwealth recently agreed to increase the limit on the assistance under the Act to meet cost increases which have occurred in the approved works programme.

Commonwealth payments amounted to \$4,210,000 to the end of 1966-67. Payments in 1966-67 were \$970,000 and it is estimated that \$1,500,000 will be paid to New South Wales in 1967-68. Annual payments prior to 1966-67 are given in Table 56 Appendix IV.

ROADS

The Commonwealth has given assistance to the States for expenditure on roads from 1923-24. The basis of the payments under various Aid Roads Acts in the period to 1963-64 is outlined in Appendix III.

Currently, Commonwealth assistance to the States for roads takes two main forms—general assistance under the Commonwealth Aid Roads Act and assistance for specific roads or specific road projects.

Commonwealth Aid Roads Act 1964

Under the terms of the *Commonwealth Aid Roads Act 1964*, the main features of which were agreed at a special Premiers' Conference held in March 1964, a total sum not exceeding \$750,000,000 is payable by the Commonwealth to the States for roads over the five-year period commencing on 1 July 1964. This represents an increase of 50 per cent on the amount of \$500,000,000 which was provided over the preceding five years under the *Commonwealth Aid Roads Act 1959* and, as was the case under that legislation, the annual grants are determined without reference to the amount of customs and excise duty collected on petrol.

The total of \$750,000,000 is made up of a basic grant of \$660,000,000 and an additional grant of \$90,000,000, which is payable, subject to certain annual limits, on the basis of \$1 for every \$1 spent on roads by the State Governments from

their own resources over and above certain 'base' amounts. These base amounts are the sums that were required to be allocated by the States for roads expenditure in order to qualify for their additional grants in 1963-64, the last year of operation of the previous legislation. The following table shows the basic and additional grants payable under the 1964 Act:—

TABLE 22—GRANTS PAYABLE UNDER COMMONWEALTH AID ROADS ACT 1964
\$'000

	Basic Grant	Additional Grant	Total
1964-65	124,000	6,000	130,000
1965-66	128,000	12,000	140,000
1966-67	132,000	18,000	150,000
1967-68	136,000	24,000	160,000
1968-69	140,000	30,000	170,000
Total	660,000	90,000	750,000

The maximum amount (i.e., the basic grant plus the additional grant) payable to the States in respect of each year is distributed on the same basis as that introduced in the 1959 Act, namely, in the proportions of 5 per cent of the total for Tasmania and the remainder shared between the other five States, one-third according to population at the last preceding census, one-third according to area and one-third according to vehicles registered at 31 December preceding the year concerned.

Several provisions contained in both the *Commonwealth Aid Roads Act 1954* and the *Commonwealth Aid Roads Act 1959* have been repeated in the current legislation. These include the requirement that not less than 40 per cent of the funds made available by the Commonwealth in each year be spent on roads in rural areas, other than highways, main roads or trunk roads. The States may also spend between them up to \$2,000,000 each year out of the road grants on works, other than the construction of roads, connected with transport by road or water. As under the previous legislation, the States are free to allocate to municipal or local authorities for roads purposes any part of the moneys received by them from the Commonwealth.

Following representations made at the March 1964 Premiers' Conference, the Commonwealth decided that the provision in the 1959 Act permitting the States to make payments for or in connection with research relating to the construction, maintenance or repair of roads should be extended to include research relating to the planning and design of roads.

The following table shows the amount paid to each State for roads under the Commonwealth Aid Roads Acts 1959 and 1964, including the estimated amount payable in 1967-68. Annual payments prior to 1959-60 are shown in Table 50 in Appendix III.

TABLE 23—GRANTS UNDER COMMONWEALTH AID ROADS ACTS

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1959-60(a) ..	24,345	17,319	16,042	9,846	15,927	4,368	87,847
1960-61 ..	25,741	18,367	16,855	10,256	16,181	4,600	92,000
1961-62 ..	27,622	20,159	18,187	11,505	17,527	5,000	100,000
1962-63 ..	29,880	21,754	19,591	12,400	18,975	5,400	108,000
1963-64 ..	32,443	22,824	21,070	13,337	20,526	5,800	116,000
1964-65 ..	36,345	25,576	23,669	14,903	23,007	6,500	130,000
1965-66 ..	39,191	27,508	25,538	16,024	24,739	7,000	140,000
1966-67 ..	41,744	29,443	27,415	17,222	26,676	7,500	150,000
1967-68 (Estimate)	44,496	31,311	29,272	18,320	28,601	8,000	160,000

(a) These figures include a special adjusting payment of \$508,000 to Western Australia under section 4 (3.) of the 1959 Act and a final adjusting payment of \$3,338,000, to complete commitments under the 1954 Act. This latter was distributed: New South Wales, \$916,000; Victoria, \$586,000; Queensland, \$642,000; South Australia, \$374,000; Western Australia, \$652,000; and Tasmania, \$168,000.

Beef Cattle Roads

The Commonwealth has in recent years made available specific grants and loans for the construction and improvement of certain roads used for the transport of beef cattle in Queensland and Western Australia. The construction of these roads is aimed particularly at increasing the turn-off of beef cattle for export.

(a) Queensland

The *Queensland Grant (Beef Cattle Roads) Act* 1961 provided for financial assistance to Queensland of \$10,000,000 during the five-year period from July 1961 for the construction of beef cattle roads. Under the *Queensland Beef Cattle Roads Agreement Act* 1962, which superseded the 1961 legislation, the amount of assistance was increased by \$6,600,000 to an amount not exceeding \$16,600,000 in order to include the cost of bitumen sealing the roads. The Agreement provides for the State to repay, over a period of fifteen years commencing in December 1967, one half of the amount provided by the Commonwealth in excess of \$3,400,000. Interest is payable on the outstanding portion of the loan calculated from the date of advance by the Commonwealth. The last payment to Queensland under this Agreement was made in 1966-67.

The *Queensland Beef Cattle Roads Agreement Act* 1966 provided further financial assistance during 1966-67 of \$3,900,000, one half to be treated as repayable with interest and the other half as a grant.

The Commonwealth has offered to contribute to a further beef roads programme in the State, and arrangements are presently being worked out with the State. Pending finalisation of the future arrangements an amount of \$4,500,000 has been provided for expenditure in 1967-68.

(b) Western Australia

Under the *Western Australia Grant (Beef Cattle Roads) Acts* 1961 and 1962, grants were made to Western Australia of \$1,000,000 in 1961-62, \$1,400,000 in 1962-63 and \$1,500,000 in each of the three succeeding years for certain beef cattle road works in the northern part of the State. The State was required to spend at least an equivalent amount in the aggregate from its own resources on roads generally in the north.

Under an amendment to the above-mentioned legislation, the Commonwealth provided a further grant of \$1,500,000 in 1966-67 on the same terms as applied in previous years. For 1967-68 an amount of \$1,500,000 has been provided in the Estimates pending finalisation of arrangements with the Western Australian Government for a further beef road programme in that State.

Payments by the Commonwealth to Queensland and Western Australia for beef roads from 1961-62, including estimated payments in 1967-68, are shown in the following table.

TABLE 24—PAYMENTS FOR BEEF CATTLE ROADS
(\$'000)

	Queensland			Western Australia	Total
	Grants	Loans(a)	Total Payments	Grants	
1961-62	1,300	..	1,300	1,000	2,300
1962-63	2,000	..	2,000	1,400	3,400
1963-64	2,097	1,997	4,094	1,500	5,594
1964-65	2,300	2,300	4,600	1,500	6,100
1965-66	2,000	2,000	4,000	1,500	5,500
1966-67	2,253	2,252	4,505	1,500	6,005
1967-68 (Estimate)	(b)	(b)	4,500	1,500	6,000
Total	(c)	(c)	24,999	9,900	34,899

(a) Details of debt charges on loans are given in Table 61 in Appendix IV.

(b) An amount of \$4,500,000 is to be provided for beef cattle roads; details are yet to be finalised.

(c) See footnote (b).

(c) South Australia

The Commonwealth has offered South Australia financial assistance towards the up-grading of the Birdsville Track. Pending finalisation of arrangements with the State, an amount of \$50,000 has been provided for expenditure in 1967-68.

Gordon River Road

The *Tasmania Grant (Gordon River Road) Act 1964-67* authorises payments up to \$5,000,000 to the State of Tasmania to assist the State in financing the construction of a road, approximately fifty miles in length, into the rugged Gordon River region of south-west Tasmania, primarily for the purpose of enabling detailed investigation and development of a further stage of the Tasmanian hydro-electric system. Payments will be made by way of reimbursement of expenditure by the State on construction of the road over the period of six years ending 30 June 1969. Payments by the Commonwealth to 30 June 1967 amounted to \$4,800,000. In 1966-67 an amount of \$1,596,000 was made available and it is estimated that \$200,000 will be provided by the Commonwealth in 1967-68. Annual figures of payments prior to 1966-67 are given in Table 66 in Appendix IV.

Maintenance of Eyre and Barkly Highways

Since 1947-48 the Commonwealth has provided financial assistance towards the cost of maintaining the Eyre Highway in South Australia and Western Australia and the Barkly Highway in Queensland. These payments were made from the Commonwealth Aid Roads Trust Account prior to 1959-60, and from annual appropriations since 1 July 1959. The payments are currently at the rate of \$25,000 per annum each to South Australia and Western Australia, and \$14,000 to Queensland. Between 1 July 1959 and 30 June 1967 an amount of \$615,000 was paid to the three States. Annual figures of payments to each of the three States from 1959-60 may be obtained from the tables in Appendix IV.

Promotion of Road Safety Practices

See section under "Public Health and Welfare and Public Safety".

RAILWAY PROJECTS

The Commonwealth has provided and is providing considerable financial assistance to the States for expenditure on various railway projects. Brief notes on the projects which have been completed, and details of Commonwealth assistance provided for them, are included in Appendix III. Commonwealth financial assistance is currently being made available for the following railway projects.

(a) South Australia

The *Railway Standardization (South Australia) Agreement Act 1949* provides for the carrying out of various rail gauge standardization works in South Australia, the Commonwealth being required to provide initially all the finance and the State to repay 30 per cent of this by instalments over a period of fifty years, plus interest on outstanding balances. Conversion of the 3 ft 6 in gauge lines of the South-eastern Division of the State (to 5 ft 3 in gauge pending conversion of the main

South Australian and Victorian systems to standard, 4 ft 8½ in, gauge) has been completed and work is currently proceeding on the conversion to standard gauge of the Port Pirie–Broken Hill railway. Payments by the Commonwealth for these purposes up to 30 June 1967 totalled \$30,960,000 and provision has been made for a further payment of \$9,000,000 in 1967–68.

(b) *Western Australia*

Under the *Railway Agreement (Western Australia) Act 1961* the Commonwealth is providing financial assistance to Western Australia for the construction of a standard gauge railway from Kwinana to Koolyanobbing, with an extension to Kalgoorlie, and for the purchase of rolling stock for the railway. While the project is associated with the development of an iron and steel industry at Kwinana using iron ore from Koolyanobbing, the extension of the railway eastward to Kalgoorlie will also provide a standard gauge link between Perth and the Trans-Australian Railway.

For financing purposes the cost of the project is divided equally into two parts, one of which is attributed to development and the other to the creation of a uniform gauge railway between Western Australia and the Eastern States. In respect of that part of the cost associated with railway standardization, the Commonwealth will provide initially all the finance and the State will repay 30 per cent by instalments over fifty years, plus interest on outstanding balances. In respect of that part of the cost attributed to development, the Commonwealth will provide initially 70 per cent of the finance and the State is to repay this in full over twenty years, plus interest on outstanding balances. Total payments by the Commonwealth to Western Australia to 30 June 1967 amounted to \$57,940,000 and provision has been made for a further payment of \$20,000,000 in 1967–68.

(c) *New South Wales*

In the Budget Speech for 1966–67, it was announced that the Commonwealth would provide a grant of \$10,000,000 to New South Wales towards the cost of upgrading the railway line between Parkes and Broken Hill, this being part of the work necessary to provide a uniform gauge railway across Australia. A provision of \$8,250,000 has been made for expenditure in 1967–68 on this work.

(d) *Queensland*

The Commonwealth has provided advances totalling \$34,533,000 to Queensland under the *Railway Agreement (Queensland) Act 1961* for the reconstruction of the Mount Isa–Townsville–Collinsville railway. The State is to repay these advances with interest over 20 years. Although this work was completed in 1965, provision has been made for a further advance to the State of \$600,000 in 1967–68 in respect of a residual claim against the project.

The table below shows payments by the Commonwealth to the States for railway projects from 1959-60, including estimated payments in 1967-68. Annual figures of payments prior to 1959-60 are given in Table 52 following Appendix III, which also includes a break-down of payments as between grants and loans; Table 53 in Appendix III shows debt charges in respect of loans for railway projects.

TABLE 25—PAYMENTS FOR RAILWAY PROJECTS

\$'000

	New South Wales	Victoria	Queensland (a)	South Australia	Western Australia	Total
1959-60 .. .. .	..	7,344	..	102	..	7,446
1960-61 .. .. .	..	9,432	..	..	..	9,432
1961-62 .. .. .	..	8,000	7,500	-36	..	15,464
1962-63	346	2,630	11,917	2,600	4,325	21,818
1963-64 .. .. .	..	..	12,100	2,975	7,526	22,601
1964-65 .. .. .	..	..	3,016	4,476	10,265	17,757
1965-66 .. .. .	..	..	..	6,431	17,828	24,258
1966-67 .. .. .	..	..	..	6,929	17,996	24,925
1967-68 (Estimate)	8,250	..	600	9,000	20,000	37,850

(a) Amounts provided from Loan Fund.

HARBOURS AND PORT FACILITIES

The Commonwealth has provided financial assistance to New South Wales and Queensland for the improvement of coal loading facilities in those States, to Western Australia for the improvement of port facilities at Derby, Broome and Wyndham and to Queensland for harbour works at Weipa. Details of this assistance are given in Appendix III.

POWER AND FUEL

Tasmanian Power Development

The Commonwealth has offered to provide Tasmania with financial assistance up to a maximum of \$47,000,000 to assist in financing a further stage of power development in that State.

Pending finalisation of arrangements with the State, provision has been made for expenditure of \$6,300,000 in 1967-68.

South Australian Natural Gas Pipeline

The Commonwealth has agreed to provide South Australia with financial assistance up to a maximum of \$15,000,000 to help finance the construction of a natural gas pipeline from Gidgealpa-Moomba to Adelaide. Under the Agreement between the Commonwealth and the State, the Commonwealth financial assistance will be by way of interest bearing loans which will be repayable half-yearly over a period

of eighth years, the first instalment falling due on 15 December 1972 and the last instalment on 15 June 1980. Legislation to ratify this Agreement has been introduced into Parliament but has not yet been passed.

It is estimated that the Commonwealth will be required to provide South Australia with \$5,000,000 in 1967-68.

OTHER ASSISTANCE

Coal Mining Industry Long Service Leave

In the States where coal-miners have been awarded long service leave by industrial tribunals, the State Governments have agreed to reimburse employers the costs they incur in granting this leave. The Commonwealth has, in turn, agreed to reimburse the States for the amounts paid and the administrative costs incurred by them in giving effect to those arrangements. The funds required for these purposes are obtained from an excise imposed on coal under the *Coal Excise Act* 1949-1961. The rate of excise was reduced from 6.66 cents (8d) to 4.166 cents (5d) a ton as from 1 September 1959. It was further reduced to 3.33 cents (4d) a ton as from 1 June 1961 when the excise was removed from coal produced for export.

Amounts equivalent to the proceeds of the excise have been appropriated each year from 1949-50 to a Trust Account under the *States Grants (Coal Mining Industry Long Service Leave) Act* 1949-1961 and, up to 30 June 1967, these appropriations totalled \$15,470,000. The appropriations in each year from 1956-57, including estimated payments in 1967-68, are shown in the following table. Annual figures of payments prior to 1956-57 are given in 'Commonwealth Payments to or for the States, 1965-66'.

TABLE 26—
APPROPRIATIONS FOR COAL MINING INDUSTRY LONG SERVICE LEAVE(a)
\$'000

	New South Wales	Victoria	Queensland	Western Australia	Tasmania	Total
1956-57	949	1	174	53	16	1,194
1957-58	943	1	160	57	18	1,179
1958-59	828	1	149	54	18	1,050
1959-60	769	1	132	50	16	968
1960-61	616	..	100	32	11	759
1961-62	456	..	85	30	8	579
1962-63	439	..	84	31	8	562
1963-64	459	..	93	30	5	589
1964-65	475	..	86	32	4	598
1965-66	483	..	98	34	4	619
1966-67	492	..	93	34	1	620
1967-68 (Estimate)	491	..	94	34	1	620

(a) No appropriations are made in respect of South Australia.

State Migrant Centres

From 1947-48 the Commonwealth has met half of the capital costs incurred by the States in providing transient accommodation for State-nominated and other assisted migrants on their arrival in Australia. Commonwealth payments for this purpose up to 30 June 1967 totalled \$461,000. It is estimated that \$750,000 will be made available in 1967-68. Annual figures of payments to each State from 1955-56, including estimated payments in 1967-68, may be obtained from the tables in Appendix IV. (Details of payments to each State before 1955-56 are not available and payments prior to 1955-56 are not reflected in the figures of payments to or for the States in this document.)

Exmouth Township

The Commonwealth has agreed to contribute, by way of a grant, towards the cost of development by the Government of Western Australia of a township at Exmouth to serve an integrated United States/Australian community associated with the United States Naval Communication Station at North West Cape. The grant is on the basis of meeting half the cost of certain facilities and two-thirds of others.

Payments by the Commonwealth to 30 June 1967 totalled \$3,082,000 and it is estimated that \$747,000 will be provided in 1967-68. Annual figures of payments prior to 1967-68 are given in Table 64 in Appendix IV.

CHAPTER IV—ADDITIONAL ASSISTANCE GRANTS

In addition to grants for general revenue purposes and payments for specific purposes (outlined in earlier Chapters) the Commonwealth has on occasion made available to the States non-repayable additional assistance grants. These grants have not been comparable with the general revenue grants in that they have not been made available to the States necessarily, or in some cases even chiefly, for general budgetary purposes; nor have they been determined, either as to total amount or as to their distribution among the States, on the basis of any particular formula. Rather, their size and allocation have been determined by the Commonwealth in the light of its own assessment of the particular circumstances of the time. Because of the broad scope of the purposes for which these grants have been made available, they can also be distinguished from the payments made by the Commonwealth to the States for specific purposes.

Table 33 in Appendix I shows the additional assistance grant paid to each State in 1957-58 and in the years 1961-62 to 1963-64, inclusive. For 1962-63 and 1963-64 the tables in Appendix IV (and also Table 32 in Appendix I) shows the amounts identified as having been allocated by the States, on the one hand, for general revenue purposes, and on the other hand, for expenditure on capital works. The following sections give details of the grants paid in each of the years concerned.

1957-58

In February 1958, following a Premiers' Conference and Loan Council meeting, the Commonwealth agreed to make available to the States in the remaining part of 1957-58 a grant of \$10,000,000 to assist the overall financial position of State Governments which had been adversely affected, in varying degrees, by drought and by economic conditions. In making its offer, the Commonwealth indicated that the grant was to be used to give most help in those areas which had been affected by adverse conditions and particularly to assist the States in stimulating home-building activity. The grant of \$10,000,000 was allocated by distributing \$8,000,000 according to the then tax reimbursement grants formula with the remaining \$2,000,000 divided equally between New South Wales and Queensland, these being the States most severely affected by the drought and in which unemployment had increased most.

1961-62

As one of the measures adopted by the Commonwealth in February 1962 to stimulate employment, an additional assistance grant of \$20,000,000 was made available to the States for expenditure on employment-giving activities, chiefly in

the works field, in the remainder of that financial year. This grant was allocated by first setting aside \$5,000,000 for Queensland and \$1,000,000 for Tasmania, the two States in which unemployment as a percentage of the work force was significantly above the national level, and then allocating the remaining \$14,000,000 among all States on the same basis as the State works and housing programmes for 1961-62 as determined by the Loan Council.

1962-63

At the Loan Council meeting and Premiers' Conference in June 1962 the Commonwealth offered to make available to the States in 1962-63 a further grant of \$25,000,000 to be expended by the States at their discretion on employment-giving activities. As some of the Premiers indicated at the Conference that their budgetary problems were likely to be more difficult in 1962-63 than in the previous year, the Commonwealth made it clear that, while the overall purpose of the grant was to stimulate employment, in pursuing that general objective each State was free to utilise any part of its share of the grant to assist its budget. This grant was allocated on the same basis as the \$20,000,000 grant made available in 1961-62 with the extra \$5,000,000 distributed in proportion to the States' works and housing programmes for 1962-63.

A further amount of \$10,000,000 for expenditure on employment-giving activities in 1962-63 was offered to the States at the Loan Council meeting and Premiers' Conference in February 1963, thus bringing the total additional assistance grant for that financial year to \$35,000,000. As this amount of \$10,000,000 was allocated among the States in proportion to their 1962-63 borrowing programmes, \$29,000,000 of the total additional assistance grant paid in 1962-63 was allocated in proportion to the States' works and housing programmes. Of the additional \$6,000,000, Queensland received \$5,000,000 and Tasmania \$1,000,000.

In offering this extra \$10,000,000 to the States, it was stipulated that the money should be expended on employment-giving activities and that this expenditure should be over and above that made under the States' works and housing programmes.

1963-64

At the Loan Council meeting and Premiers' Conference held in June 1963, the Commonwealth agreed to provide an additional assistance grant of \$40,000,000 for employment-giving expenditure by the States in 1963-64. This grant was allocated among the States in proportion to their 1962-63 borrowing programmes for works and housing. As was the case with the grant made available in June 1962, each State was free to use any part of its share to assist its budget if it so desired.

CHAPTER V.—LOAN COUNCIL BORROWING PROGRAMMES

The Australian Loan Council is constituted under the 1927 Financial Agreement between the Commonwealth and the States. It is composed of representatives of the Commonwealth and each State Government and co-ordinates the public borrowings of the Commonwealth and the States. The Prime Minister or his nominee is the representative of the Commonwealth and Chairman of the Council, and the six Premiers or their nominees represent the States. The Loan Council determines the annual borrowing programmes of the Commonwealth and the States, together with the terms and conditions on which loans to finance these programmes are to be raised.

Subject to the decisions of the Loan Council, the Commonwealth arranges for all borrowings for or on behalf of the Commonwealth and the States and for all conversions, renewals, redemptions and consolidations of the public debts of the Commonwealth and of the States. Borrowings by the Commonwealth for defence purposes are not subject to the approval of the Loan Council or to the other provisions of the Financial Agreement.

Under a 'Gentlemen's Agreement', originally entered into by the members of the Loan Council in 1936, the Loan Council approves an aggregate yearly borrowing programme for semi-government and local authorities proposing to raise more than \$300,000 in a year. This amount was raised from \$200,000 at the June 1967 meeting of the Loan Council. Individual borrowings by each of these authorities are also subject to Loan Council approval.

From 1962-63 the Loan Council has placed no overall limit on the programmes of authorities for which State Governments approve individual borrowing programmes of \$200,000 or less although, in earlier years, specific overall programmes had also been approved for these smaller authorities. However, in accordance with the decision noted above, for 1967-68 there will be no overall limit with respect to authorities with borrowing programmes of \$300,000 or less. The terms and conditions on which the Loan Council from time to time approves loan raisings are the same for both the larger and the smaller authorities.

Borrowings approved by the Loan Council for semi-government and local authorities in each year from 1947-48 are shown in Table 36 in Appendix I. These figures are shown on a per capita basis in Table 37 in Appendix I.

Since World War II the loan requirements of Australian public authorities have progressively increased, although the Commonwealth has financed its own capital expenditures mainly from revenue. In the early post-war years there was little difficulty in raising the sums sought. However, from 1951-52, except in 1962-63 and 1963-64, public borrowings have fallen short of the full amount of the approved Loan Council programmes. This shortfall on borrowings for State works and housing has been met mainly through special loans taken up by the Commonwealth at the end of each financial year on terms and conditions similar to those offered in the Commonwealth public loans raised in Australia during that year. The major part of the funds subscribed to these special loans has been derived from general revenue sources.

On the understanding that the States would agree to certain conditions designed to promote governmental loan raisings, the Commonwealth has offered at the beginning of the financial year to support the Loan Council borrowing programme to the extent that borrowings on the market are inadequate to complete the programme, and to make monthly advances to the States at an annual rate based on that programme, subject to review later in the financial year. Thus, for the current financial year, the Commonwealth indicated at the June 1967 meeting of the Loan Council that it would be prepared to assist the 1967-68 borrowing programme in the following ways:—

- (i) to leave to the States, to the extent necessary to complete the borrowing programmes for State works and housing purposes, the whole of the proceeds derived from public loan raisings in Australia (other than the proceeds of borrowings for temporary purposes) after deducting amounts required to meet encashments of Special Bonds and redemptions which cannot be financed out of the National Debt Sinking Fund.
- (ii) to arrange, to the maximum possible extent, for the refinancing of maturing loans that may not be fully converted;
- (iii) to make monthly advances to the States for the first eight months of the financial year at an annual rate not exceeding \$677,000,000, the position then to be reviewed and a tentative determination made, not later than February 1968, of the amount of special loan assistance the Commonwealth may provide from its own resources.

The assistance provided by the Commonwealth for works and housing purposes in each year from 1951-52 is shown in the following table.

TABLE 27—COMMONWEALTH ASSISTANCE IN FINANCING STATE WORKS AND HOUSING PROGRAMMES

				Commonwealth Assistance	Works and Housing Programmes	Commonwealth Assistance as per cent. of Programme
				\$'000	\$'000	Per cent.
1951-52	..	..	..	305,730	454,120	67
1952-53	..	..	..	263,060	380,364	69
1953-54	..	..	..	148,706	400,000	37
1954-55	..	..	..	98,946	360,000	27
1955-56	..	..	..	176,490	380,000	46
1956-57	..	..	..	183,771	384,000	48
1957-58	..	..	..	166,242	400,000	42
1958-59	..	..	..	6,906	420,000	2
1959-60	..	..	..	60,955	440,000	14
1960-61	..	..	..	176,729	460,000	38
1961-62	..	..	..	13,985	495,000	3
1962-63	..	..	..	..	510,000	..
1963-64	..	..	..	..	544,000	..
1964-65	..	..	..	133,800	580,000	23
1965-66	..	..	..	168,760	605,000	28
1966-67	..	..	..	89,922	645,000	14
Total	..	..	..	1,994,002	7,457,484	27

Details of the manner in which the States' works and housing programmes have been financed from 1957-58 are given in Table 40 in Appendix I. (Details of financing for the period 1951-52 to 1956-57 are given in 'Commonwealth Payments to or for the States, 1964-65'.)

The Commonwealth has, from 1945-46, made advances to the States for War Service Land Settlement. Borrowings to finance these advances are made under the defence powers of the Commonwealth, and are therefore not included in Loan Council programmes approved under the Financial Agreement.

Legislation passed in 1966 extends for a further five years from 1 July, 1966 the operation of the Commonwealth and State Housing Agreement. Under successive Agreements the Commonwealth has, since 1945, provided repayable advances for housing purposes at concessional rates of interest to States participating in the Agreements. The amounts advanced by the Commonwealth to the States each year have usually been as nominated by the States from within their allocations of the approved borrowing programme and, in aggregate, have become the Commonwealth's share of the borrowing programme for works and housing for that year. The advances for housing are repayable in full by the States over a period of 53 years.

The amounts advanced under the Agreements in each year from 1945-46, together with the States' works programmes in those years, are shown in Table 35 in Appendix I. The total programmes during the period from 1947-48 are shown on a per capita basis in Table 39 in Appendix I.

APPENDIX I—SUMMARY TABLES

TABLE NO.	SUBJECT
28.	Total Commonwealth Payments to or for the States, 1966–67.
29.	Total Commonwealth Payments to or for the States, Estimates 1967–68.
30.	Total Commonwealth Payments to or for the States per Head of Population, 1966–67.
31.	Total Commonwealth Payments to or for the States per Head of Population, Estimates 1967–68.
32.	Summary of Commonwealth Payments to or for the States and Loan Council Borrowing Programmes, 1951–52 to 1967–68.
33.	Summary of Commonwealth Payments to or for the States, by States, 1953–54 to 1967–68.
34.	Summary of Commonwealth Payments to or for the States, by States, per Head of Population, 1953–54 to 1967–68.
35.	Borrowing Programmes for State Works and Housing, 1945–46 to 1967–68.
36.	Borrowings Approved by Loan Council for Semi-Government and Local Authorities, 1947–48 to 1967–68.
37.	Borrowings Approved by Loan Council for Semi-Government and Local Authorities, per Head of Population, 1947–48 to 1967–68.
38.	Borrowing Programmes for State Works and Housing and for State Semi-Government and Local Authorities, 1947–48 to 1967–68.
39.	Borrowing Programmes for State Works and Housing and for State Semi-Government and Local Authorities, per Head of Population, 1947–48 to 1967–68.
40.	The Financing of State Works and Housing Programmes, 1957–58 to 1967–68.

TABLE 28.—TOTAL COMMONWEALTH PAYMENTS TO OR FOR THE STATES, 1966-67
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
GENERAL REVENUE GRANTS							
Financial Assistance Grants	276,794	208,790	125,514	94,346	86,396	34,773	(a)826,613
Special Grants .. .. .	..	..	..	..	19,406	20,666	40,072
Other General Revenue(b)	8,000	..	2,750	..	..	..	10,750
Total General Revenue Grants	284,794	208,790	128,264	94,346	105,802	55,439	877,435
SPECIFIC PURPOSE PAYMENTS							
<i>Payments of a Revenue Nature</i>							
Payments under Financial Agreement—							
Interest on State Debts	5,834	4,254	2,192	1,408	948	534	15,170
Sinking Fund on State Debts	6,368	4,524	2,439	2,482	1,844	1,293	18,951
Universities	13,773	9,211	4,276	3,668	2,306	1,028	34,262
Colleges of Advanced Education	276	1,302	197	275	363	59	2,472
Research Grants	656	607	205	352	155	63	2,038
Tuberculosis Hospitals	3,956	3,293	2,189	652	547	337	10,974
Blood Transfusion Services	231	276	215	123	92	24	961
Housekeeper Services	12	8	..	..	2	1	23
Road Safety Practices	29	23	21	15	19	9	116
Natural Disaster Payments	7,621	..	3,753	..	..	1,350	12,724
Agricultural Extension Services	535	508	545	217	213	158	2,176
Minor Agricultural Research	6	..	15	3	..	..	23
Cattle Tick Control	252	..	..	..	..	..	252
Coal Mining—Long Service Leave	492	..	93	..	34	1	620
Total Specific Purpose Revenue	40,041	24,006	16,140	9,195	6,523	4,857	100,761
<i>Payments of a Capital Nature—Grants</i>							
Universities	6,502	5,250	1,641	1,407	1,160	394	16,354
Colleges of Advanced Education	560	911	1,137	616	457	..	3,681
Science Laboratories	3,709	2,799	1,435	990	899	331	10,163
Technical Training	3,760	3,050	1,449	750	551	334	9,894
Mental Health Institutions	2,217	1,192	288	193	260	823	4,973
Tuberculosis Hospitals	356	110	28	5	..	..	499
Disposal of Ships' Garbage .. .. .	..	..	..	..	..	29	29
Encouragement of Meat Production .. .. .	..	..	..	..	8	..	8
Natural Disaster Payments .. .. .	..	..	..	..	..	650	650
Water Resources Investigations	212	77	366	63	235	18	971
Flood Mitigation	970	..	..	..	..	..	970
Commonwealth Aid Roads	41,744	29,443	27,415	17,222	26,676	7,500	150,000
Beef Cattle Roads .. .. .	..	..	2,253	..	1,500	..	3,753
Gordon River Road .. .. .	..	..	..	..	..	1,596	1,596
Eyre and Barkly Highways .. .. .	..	..	14	25	25	..	64
Railway Projects .. .. .	..	..	..	4,868	7,410	..	12,278
Exmouth Township .. .. .	..	..	..	..	1,952	..	1,952
Migrant Centres .. .. .	..	..	..	2	..	..	2
Total Specific Purpose Capital Grants	60,030	42,832	36,026	26,141	41,133	11,675	217,837
<i>Payments of a Capital Nature—Loans</i>							
Natural Disaster Payments	5,460	..	1,760	..	..	500	7,720
Softwood Forestry .. .. .	..	..	201	90	..	..	291
Brigalow Lands Development .. .. .	..	..	2,200	..	..	..	2,200
Comprehensive Water Supply .. .. .	..	..	..	..	1,250	..	1,250
Blowering Reservoir	6,233	..	..	..	..	..	6,233
Chowilla Reservoir	528	..	..	..	..	..	528
Beef Cattle Roads .. .. .	..	..	2,252	..	..	..	2,252
Railway Projects .. .. .	..	..	..	2,061	10,586	..	12,647
Weipa Development .. .. .	..	..	553	..	..	..	553
Total Specific Purpose Loans	12,221	..	6,966	2,151	11,836	500	33,674
Total Specific Purpose Capital Payments	72,251	42,832	42,992	28,292	52,969	12,175	251,511
Total Specific Purpose Payments	112,292	66,838	59,132	37,487	59,492	17,032	352,273
TOTAL PAYMENTS	397,086	275,628	187,396	131,833	165,294	72,471	1,229,708

(a) Including special assistance of \$5,000,000.

(b) Special revenue assistance to New South Wales and Queensland.

TABLE 29.—TOTAL COMMONWEALTH PAYMENTS TO OR FOR THE STATES,
ESTIMATES 1967-68
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
GENERAL REVENUE GRANTS							
Financial Assistance Grants	299,800	226,600	138,500	102,700	94,900	37,600	900,100
Special Grants .. .. .	..	..	..	..	15,518	19,889	35,407
Total General Revenue Grants	299,800	226,600	138,500	102,700	110,418	57,489	935,507
SPECIFIC PURPOSE PAYMENTS							
<i>Payments of a Revenue Nature</i>							
Payments under Financial Agreement—							
Interest on State Debts	5,834	4,254	2,192	1,408	948	534	15,170
Sinking Fund on State Debts	6,725	4,832	2,605	2,641	1,962	1,381	20,146
Universities	16,076	11,091	5,187	4,146	2,688	1,203	40,391
Colleges of Advanced Education	650	2,794	504	576	794	140	5,458
Research Grants	971	803	315	564	230	134	3,017
Tuberculosis Hospitals	3,800	3,314	2,194	675	785	350	11,118
Blood Transfusion Services	155	174	143	83	62	15	632
Housekeeper Services	12	8	..	..	2	1	23
Road Safety Practices	29	23	21	15	19	9	116
Natural Disaster Payments	2,000	..	1,850	..	..	200	4,050
Agricultural Extension Services	730	720	650	300	300	200	2,900
Minor Agricultural Research	9	..	19	..	..	..	29
Cattle Tick Control	288	..	..	..	..	..	288
Coal Mining—Long Service Leave	491	..	94	..	34	1	620
Total Specific Purpose Revenue	37,770	28,013	15,774	10,408	7,824	4,168	103,958
<i>Payments of a Capital Nature—Grants</i>							
Universities	10,320	9,002	2,791	2,070	495	783	25,461
Teachers' Colleges	2,500	1,783	1,250	1,067	900	500	8,000
Colleges of Advanced Education	2,660	2,943	1,050	880	1,327	460	9,320
Science Laboratories	4,708	3,553	1,821	1,173	912	420	12,587
Technical Training	3,980	5,091	1,449	1,700	1,323	334	13,877
Mental Health Institutions	2,200	1,200	350	200	550	500	5,000
Tuberculosis Hospitals	350	128	80	43	20	11	632
Disposal of Ships' Garbage .. .. .	..	..	..	23	..	30	53
Natural Disaster Payments .. .. .	..	..	750	..	..	3,800	4,550
Water Resources Investigations	359	160	402	102	260	21	1,304
Flood Mitigation	1,500	..	..	..	..	..	1,500
Commonwealth Aid Roads	44,496	31,311	29,272	18,320	28,601	8,000	160,000
Beef Cattle Roads .. .. .	..	..	(a)	50	1,500	..	(a)1,550
Gordon River Road .. .. .	..	..	..	..	..	200	200
Eyre and Barkly Highways .. .. .	..	..	14	25	25	..	64
Railway Projects	8,250	..	..	6,323	8,235	..	22,808
Exmouth Township .. .. .	..	..	..	..	747	..	747
Migrant Centres	117	..	..	..	633	..	750
Total Specific Purpose Capital Grants	81,440	55,171	(b)39,229	31,976	45,528	15,059	(b)268,403
<i>Payments of a Capital Nature—Loans</i>							
Natural Disaster Payments	2,000	..	1,900	..	..	4,500	8,400
Brigalow Lands Development .. .. .	..	..	2,650	..	..	..	2,650
Softwood Forestry	1,500	479	496	210	736	505	3,926
Comprehensive Water Supply .. .. .	..	..	..	..	1,500	..	1,500
Blowering Reservoir	4,000	..	..	..	..	..	4,000
Chowilla Reservoir	193	..	..	..	..	..	193
Beef Cattle Roads .. .. .	..	..	(a)	..	..	..	(a)
Railway Projects .. .. .	..	..	600	2,677	11,765	..	15,042
Hydro-electricity (Tasmania) .. .. .	..	..	..	..	..	6,300	6,300
Natural Gas (S.A.) .. .. .	..	..	..	5,000	..	..	5,000
Total Specific Purpose Loans	7,693	479	(b) 5,646	7,887	14,001	11,305	(b) 47,011
Total Specific Purpose Capital Payments	89,133	55,650	(a) 49,375	39,863	59,529	26,364	(a)319,914
Total Specific Purpose Payments	126,903	83,663	65,149	50,271	67,353	30,532	423,872
TOTAL PAYMENTS	426,703	310,263	203,649	152,971	177,771	88,021	1,359,379

(a) A total amount of \$4,500,000 is estimated to be payable to Queensland in respect of beef roads in 1967-68. Since no dissection as between payments in the form of grants and loans is available for this item it has been included only under total specific purpose capital payments.

(b) Total of capital payments for which a dissection as between grants and loans is available: See footnote (a).

TABLE 30.—TOTAL COMMONWEALTH PAYMENTS TO OR FOR THE STATES
PER HEAD OF POPULATION,* 1966-67

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
	\$	\$	\$	\$	\$	\$	\$
GENERAL REVENUE GRANTS							
Financial Assistance Grants	64.89	64.29	74.94	85.79	101.71	93.05	(a)71.81
Special Grants .. .. .	..	..	..	..	22.85	55.30	3.48
Other General Revenue(b)	1.88	..	1.64	..	..	..	0.93
Total General Revenue Grants	66.77	64.29	76.58	85.79	124.56	148.35	76.23
SPECIFIC PURPOSE PAYMENTS							
<i>Payments of a Revenue Nature</i>							
Payments under Financial Agreement—							
Interest on State Debts	1.37	1.31	1.31	1.28	1.12	1.43	1.32
Sinking Fund on State Debts	1.49	1.39	1.46	2.26	2.17	3.46	1.65
Universities	3.23	2.84	2.55	3.34	2.71	2.75	2.98
Colleges of Advanced Education	0.06	0.40	0.12	0.25	0.43	0.16	0.21
Research Grants	0.15	0.19	0.12	0.32	0.18	0.17	0.21
Tuberculosis Hospitals	0.93	1.01	1.31	0.59	0.64	0.90	0.95
Blood Transfusion Services	0.05	0.08	0.13	0.11	0.11	0.06	0.08
Housekeeper Services .. .. .	..	..	..	..	..	..	..
Road Safety Practices	0.01	0.01	0.01	0.01	0.02	0.02	0.01
Natural Disaster Payments	1.79	..	2.24	..	..	3.61	1.11
Agricultural Extension Services	0.13	0.16	0.33	0.20	0.25	0.42	0.19
Minor Agricultural Research .. .. .	..	..	0.01	..	..	..	..
Cattle Tick Control	0.06	..	..	..	..	..	0.02
Coal Mining—Long Service Leave	0.12	..	0.06	..	0.04	..	0.05
Total Specific Purpose Revenue	9.39	7.39	9.63	8.36	7.68	13.00	8.75
<i>Payments of a Capital Nature—Grants</i>							
Universities	1.52	1.62	0.98	1.28	1.37	1.05	1.42
Colleges of Advanced Education	0.13	0.28	0.68	0.56	0.54	..	0.32
Science Laboratories	0.87	0.86	0.86	0.90	1.06	0.89	0.88
Technical Training	0.88	0.94	0.87	0.68	0.65	0.89	0.86
Mental Health Institutions	0.52	0.37	0.17	0.18	0.31	2.20	0.43
Tuberculosis Hospitals	0.08	0.03	0.02	..	..	..	0.04
Disposal of Ships' Garbage .. .. .	..	..	..	..	..	0.08	..
Encouragement of Meat Production .. .. .	..	..	..	..	0.01	..	..
Natural Disaster Payments .. .. .	..	..	..	..	..	1.74	0.06
Water Resources Investigations	0.05	0.02	0.22	0.06	0.28	0.05	0.08
Flood Mitigation	0.23	..	..	..	..	..	0.08
Commonwealth Aid Roads	9.79	9.07	16.37	15.66	31.41	20.07	13.03
Beef Cattle Roads .. .. .	..	..	1.35	..	1.77	..	0.33
Gordon River Road .. .. .	..	..	..	..	..	4.27	0.14
Eyre and Barkly Highways .. .. .	..	..	0.01	0.02	0.03	..	0.01
Railway Projects .. .. .	..	..	..	4.43	8.72	..	1.07
Exmouth Township .. .. .	..	..	..	..	2.30	..	0.17
Migrant Centres .. .. .	..	..	..	..	..	..	..
Total Specific Purpose Capital Grants	14.07	13.19	21.51	23.77	48.43	31.24	18.92
<i>Payments of a Capital Nature—Loans</i>							
Natural Disaster Payments	1.28	..	1.05	..	..	1.34	0.67
Softwood Forestry .. .. .	..	..	0.12	0.08	..	..	0.03
Brigalow Lands Development .. .. .	..	..	1.31	..	..	..	0.19
Comprehensive Water Supply .. .. .	..	..	..	..	1.47	..	0.11
Blowering Reservoir	1.46	..	..	..	..	..	0.54
Chowilla Reservoir	0.12	..	..	..	..	..	0.05
Beef Cattle Roads .. .. .	..	..	1.34	..	..	..	0.20
Railway Projects .. .. .	..	..	..	1.87	12.46	..	1.10
Weipa Development .. .. .	..	..	0.33	..	..	..	0.05
Total Specific Purpose Loans	2.87	..	4.16	1.96	13.93	1.34	2.93
Total Specific Purpose Capital Payments	16.94	13.19	25.67	25.73	62.36	32.58	21.85
Total Specific Purpose Payments	26.33	20.58	35.30	34.09	70.04	45.58	30.60
TOTAL PAYMENTS	93.09	84.86	111.89	119.88	194.60	193.93	106.83

* Population figures are derived from Commonwealth Finance, 1966-67, Bulletin No. 5.

(a) Including special assistance of \$0.43 per head.

(b) Special revenue assistance to New South Wales and Queensland.

TABLE 31.—TOTAL COMMONWEALTH PAYMENTS TO OR FOR THE STATES
PER HEAD OF POPULATION,* ESTIMATES 1967-68

	New South Wales	Victoria	Queens- land	South Australia	Western Australia	Tasmania	Total
	\$	\$	\$	\$	\$	\$	\$
GENERAL REVENUE GRANTS							
Financial Assistance Grants	69.11	68.58	81.30	91.85	109.83	98.82	76.88
Special Grants .. .. .	..	..	..	..	17.96	52.27	3.02
Total General Revenue Grants	69.11	68.58	81.30	91.85	127.78	151.09	79.90
SPECIFIC PURPOSE PAYMENTS							
<i>Payments of a Revenue Nature</i>							
Payments under Financial Agreement—							
Interest on State Debts	1.34	1.29	1.29	1.26	1.10	1.40	1.30
Sinking Fund on State Debts	1.55	1.46	1.53	2.36	2.27	3.63	1.72
Universities	3.71	3.36	3.04	3.71	3.11	3.16	3.45
Colleges of Advanced Education	0.15	0.85	0.30	0.52	0.92	0.37	0.47
Research Grants	0.22	0.24	0.18	0.50	0.27	0.35	0.26
Tuberculosis Hospitals	0.88	1.00	1.29	0.60	0.91	0.92	0.95
Blood Transfusion Services	0.04	0.05	0.08	0.07	0.07	0.04	0.05
Housekeeper Services	0.01	0.01	0.01	0.01	0.02	0.02	0.01
Road Safety Practices	0.46	..	1.09	..	..	0.53	0.35
Natural Disaster Payments	0.17	0.22	0.38	0.27	0.35	0.53	0.25
Agricultural Extension Services .. .. .	..	..	0.01	..	..	..	..
Minor Agricultural Research	0.07	..	..	..	..	..	0.02
Cattle Tick Control	0.11	..	0.06	..	0.04	..	0.05
Coal Mining—Long Service Leave .. .. .	..	..	..	..	..	..	..
Total Specific Purpose Revenue	8.71	8.48	9.26	9.31	9.05	10.95	8.88
<i>Payments of a Capital Nature—Grants</i>							
Universities	2.38	2.72	1.64	1.85	0.57	2.06	2.17
Teachers' Colleges	0.58	0.54	0.73	0.95	1.04	1.31	0.68
Colleges of Advanced Education	0.61	0.89	0.62	0.79	1.54	1.21	0.80
Science Laboratories	1.09	1.08	1.07	1.05	1.06	1.10	1.08
Technical Training	0.92	1.54	0.85	1.52	1.53	0.88	1.19
Mental Health Institutions	0.51	0.36	0.21	0.18	0.64	1.31	0.43
Tuberculosis Hospitals	0.08	0.04	0.05	0.04	0.02	0.03	0.05
Disposal of Ships' Garbage .. .. .	..	..	..	0.02	..	0.08	..
Natural Disaster Payments .. .. .	..	..	0.44	..	..	9.99	0.39
Water Resources Investigations	0.08	0.05	0.24	0.09	0.30	0.06	0.11
Flood Mitigation	0.35	..	..	..	..	..	0.13
Commonwealth Aid Roads	10.26	9.48	17.18	16.38	33.10	21.02	13.67
Beef Cattle Roads .. .. .	..	..	(a)	0.04	1.74	..	(a) 0.13
Gordon River Road .. .. .	..	..	..	..	..	0.53	0.01
Eyre and Barkly Highways .. .. .	..	..	0.01	0.02	0.03	..	0.01
Railway Projects	1.90	..	..	5.66	9.53	..	1.95
Exmouth Township .. .. .	..	..	..	..	0.86	..	0.06
Migrant Centres	0.03	..	..	..	0.73	..	0.06
Total Specific Purpose Capital Grants	18.77	16.70	(b) 23.03	28.50	52.69	39.58	(b) 22.92
<i>Payments of a Capital Nature—Loans</i>							
Natural Disaster Payments	0.46	..	1.12	..	..	11.83	0.72
Brigalow Lands Development .. .. .	..	..	1.56	..	..	..	0.23
Softwood Forestry	0.35	0.14	0.29	0.19	0.85	1.33	0.34
Comprehensive Water Supply .. .. .	..	..	..	..	1.74	..	0.13
Blowering Reservoir	0.92	..	..	..	..	..	0.34
Chowilla Reservoir	0.04	..	..	..	..	..	0.02
Beef Cattle Roads .. .. .	..	..	(a)	0.35	2.39	13.62	(a) 1.28
Railway Projects .. .. .	..	..	..	..	..	16.56	0.54
Hydro-electricity (Tasmania) .. .. .	..	..	..	4.47	..	..	0.43
Natural Gas (S.A.) .. .. .	..	..	..	..	..	..	..
Total Specific Purpose Loans	1.77	0.14	(b) 3.31	7.05	16.20	29.71	(b) 4.02
Total Specific Purpose Capital Payments	20.55	16.84	(a) 28.98	35.65	68.89	69.29	(a) 27.32
Total Specific Purpose Payments	29.25	25.32	38.24	44.96	77.95	80.22	36.20
TOTAL PAYMENTS	98.36	93.90	119.54	136.81	205.73	231.33	116.10

* Population figures are derived from Commonwealth Finance, 1966-67, Bulletin No. 5.

(a) See footnote (a) to Table 29.

(b) Total of capital payments for which a dissection as between grants and loans is available. See footnote (a).

TABLE 32.—SUMMARY OF COMMONWEALTH PAYMENTS TO OR FOR THE STATES AND LOAN COUNCIL BORROWING PROGRAMMES, 1954-55 TO 1967-68
\$'000

	1954-55	1955-56	1956-57	1957-58	1958-59	1959-60	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68 (Estimate)
PAYMENTS TO OR FOR THE STATES														
REVENUE—														
Financial Assistance Grants(a)	300,000	314,000	348,100	380,000	410,000	489,000	539,989	584,280	608,640	635,967	681,349	757,351	^b 826,613	900,100
Special Grants	24,600	37,000	37,000	39,000	41,500	16,652	17,236	22,462	22,502	22,900	31,720	41,770	40,072	35,407
Other General Revenue .. .. .	..	..	..	..	..	..	..	..	(c) 11,346	(c) 17,650	..	..	10,750	..
General Revenue Grants	324,600	351,000	385,100	419,000	451,500	505,652	557,225	606,742	642,488	676,517	713,069	799,121	877,435	935,507
Specific Purpose	37,288	38,886	42,677	44,008	47,616	48,832	52,783	56,501	60,736	65,445	73,378	91,777	100,761	103,958
Total Revenue	361,888	389,886	427,777	463,008	499,116	554,484	610,008	663,243	703,224	714,962	786,447	890,898	978,196	1,039,465
CAPITAL—														
Additional Assistance Grants(e)	..	..	..	(d) 10,000	..	..	..	20,000	23,654	22,350	..	..	..	..
Specific Purpose	51,484	60,535	71,930	81,511	94,260	107,124	116,935	136,848	154,581	165,631	202,197	238,816	251,510	319,914
Total Capital	51,484	60,535	71,930	91,511	94,260	107,124	116,935	156,848	178,235	187,981	202,197	238,816	251,510	319,914
TOTAL PAYMENTS	413,372	450,421	499,707	554,519	593,376	661,608	726,943	820,091	881,459	929,943	988,644	1,129,715	1,229,708	1,359,379
LOAN COUNCIL BORROWING PROGRAMMES														
STATE WORKS AND HOUSING PROGRAMMES—														
Works	301,700	(f) 313,600	319,700	333,680	348,380	367,840	385,600	394,200	412,778	443,700	477,300	488,000	525,000	554,160
Housing	58,300	66,400	64,300	66,320	71,620	72,160	74,400	100,800	97,222	100,300	102,700	117,000	120,000	122,840
TOTAL	360,000	(f) 380,000	384,000	400,000	420,000	440,000	460,000	495,000	510,000	544,000	580,000	605,000	645,000	677,000
STATE AUTHORITIES PROGRAMMES—														
Larger Authorities(g)	138,251	117,508	133,427	151,088	158,764	173,417	175,024	207,417	222,728	242,341	250,240	246,658	268,294	311,000
Smaller Authorities(h)	29,294	25,502	32,232	33,196	36,889	33,904	36,588	55,660	52,909	54,587	54,775	65,786	72,460	n.a.
TOTAL	167,546	143,010	166,659	184,284	195,653	207,321	211,612	263,077	275,638	296,928	305,015	312,444	340,754	n.a.
ALL PROGRAMMES	527,546	(f) 523,010	550,659	584,284	615,653	647,321	671,612	758,077	785,638	840,928	885,015	917,444	985,754	n.a.

(a) Comprising tax reimbursement and supplementary grants prior to 1959-60.

(b) Includes special assistance of \$5,000,000.

(c) Additional assistance grant identified in State accounts and budget documents as being used for revenue purposes.

(d) No dissection is available of the use of this grant; not all of the grant was used for capital purposes.

(e) Amounts identified in State accounts and budget documents as being used for capital purposes.

(f) Excludes \$6,362,000 allocated to the Commonwealth for emergency wheat storage.

(g) Up to 1961-62 larger authorities were those borrowing \$200,000 or more in a financial year; from 1962-63 to 1966-67 authorities borrowing more than \$200,000 in a financial year; for 1967-68 authorities borrowing more than \$300,000 in the financial year.

(h) Up to 1961-62 smaller authorities were those for which State Governments approved programmes less than \$200,000 in a financial year; from 1962-63 to 1966-67 authorities with programmes of \$200,000 or less in a financial year; in 1967-68 authorities with programmes of \$300,000 or less. From 1962-63 no overall limit was set by the Loan Council on borrowing by these smaller authorities.

TABLE 33.—SUMMARY OF COMMONWEALTH PAYMENTS TO OR FOR THE STATES, 1953-54 TO 1967-68

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
GENERAL REVENUE GRANTS							
1953-54	112,571	70,000	45,434	36,681	38,295	12,664	315,644
1954-55	116,948	74,757	48,209	30,821	38 512	15,353	324,600
1955-56	122,672	78,934	49,309	38,553	42,427	19,105	351,000
1956-57	130,558	92,126	54,524	43,033	45,811	19,048	385,100
1957-58(a)	141,471	100,811	59,389	46,362	50,231	20,736	419,000
1958-59	152,188	109,165	63,789	48,469	54,549	23,340	451,500
1959-60	166,900	121,250	72,750	58,202	57,924	28,626	505,652
1960-61	183,977	134,743	79,901	61,454	64,572	32,578	557,225
1961-62	198,498	146,029	87,460	66,451	72,483	35,821	606,742
1962-63(a)	206,642	152,267	91,083	69,552	74,900	36,698	631,142
1963-64(a)	215,712	159,482	94,821	72,729	77,741	38,382	658,867
1964-65	230,537	171,750	101,111	78,155	87,618	43,897	713,069
1965-66	255,001	191,922	113,356	86,467	102,512	49,863	799,121
1966-67(b)	284,794	208,790	128,264	94,346	105,802	55,439	877,435
1967-68 (Estimate)	299,800	226,600	138,500	102,700	110,418	57,489	935,507
SPECIFIC PURPOSE PAYMENTS—REVENUE							
1953-54	13,348	9,018	4,585	3,317	3,008	1,590	34,866
1954-55	15,098	9,190	4,961	3,565	2,936	1,538	37,288
1955-56	15,671	9,569	5,252	3,760	3,068	1,566	38,886
1956-57	16,802	10,020	6,620	4,076	3,398	1,761	42,677
1957-58	17,669	10,326	6,241	4,360	3,537	1,875	44,008
1958-59	18,858	10,963	6,969	4,834	3,991	2,001	47,616
1959-60	18,730	11,576	6,533	5,752	4,133	2,108	48,832
1960-61	20,483	12,602	7,351	5,643	4,428	2,276	52,783
1961-62	22,325	13,398	7,882	5,993	4,476	2,427	56,501
1962-63	23,825	14,695	8,613	6,362	4,707	2,534	60,736
1963-64	25,469	16,119	9,437	6,723	5,002	2,695	65,445
1964-65	28,242	18,487	10,350	7,689	5,864	3,231	71,777
1965-66	38,839	20,410	15,206	8,226	5,864	3,231	91,777
1966-67	40,041	24,006	16,140	9,195	6,523	4,857	100,761
1967-68 (Estimate)	37,770	28,013	15,774	10,408	7,824	4,168	103,958
SPECIFIC PURPOSE PAYMENTS—CAPITAL							
1953-54	10,461	6,539	8,148	5,636	7,625	1,805	40,214
1954-55	14,459	7,998	10,013	6,407	10,320	2,287	51,484
1955-56	17,030	10,201	11,314	6,930	12,374	2,686	60,535
1956-57	19,615	12,593	13,490	8,853	14,156	3,223	71,930
1957-58	20,964	15,220	15,151	10,290	16,202	3,684	81,511
1958-59	25,036	19,603	17,128	10,169	17,465	4,859	94,260
1959-60	28,090	26,551	17,613	10,873	18,705	5,292	107,124
1960-61	29,520	31,201	18,940	10,999	20,533	5,742	116,935
1961-62	34,650	32,376	28,218	12,479	23,382	5,743	136,848
1962-63	37,094	29,767	36,418	16,162	29,295	5,845	154,581
1963-64	38,793	27,897	40,580	17,823	34,014	6,524	165,631
1964-65	54,987	35,600	38,310	23,425	41,001	8,874	202,197
1965-66	71,778	36,884	42,484	26,594	50,813	10,263	238,816
1966-67	72,251	42,832	42,992	28,292	52,969	12,175	251,511
1967-68 (Estimate)	89,133	55,650	49,375	39,863	59,529	26,364	319,914
TOTAL SPECIFIC PURPOSE PAYMENTS							
1953-54	23,809	15,557	12,733	8,953	10,633	3,395	75,080
1954-55	29,557	17,188	14,974	9,972	13,256	3,825	88,772
1955-56	32,701	19,770	16,566	10,690	15,442	4,252	99,421
1956-57	36,417	22,613	20,110	12,929	17,554	4,984	114,607
1957-58	38,633	25,346	21,392	14,650	19,739	5,559	125,519
1958-59	43,894	30,566	24,097	15,003	21,456	6,860	141,876
1959-60	46,820	38,127	24,146	16,625	22,838	7,400	155,956
1960-61	50,003	43,803	26,291	16,642	24,961	8,018	169,718
1961-62	56,975	45,774	36,100	18,472	27,858	8,170	193,349
1962-63	60,919	44,462	45,031	22,524	34,002	8,379	215,317
1963-64	64,262	44,016	50,017	24,546	39,016	9,219	231,076
1964-65	83,229	54,087	48,660	31,114	46,561	11,924	275,575
1965-66	110,617	57,294	57,690	34,820	56,677	13,494	330,593
1966-67	112,292	66,838	59,132	37,487	59,492	17,032	352,273
1967-68 (Estimate)	126,903	83,663	65,149	50,271	67,353	30,532	423,872
ADDITIONAL ASSISTANCE GRANTS							
1957-58	3,978	2,122	2,250	736	630	283	10,000
1961-62	4,480	3,600	6,680	1,400	1,320	1,980	20,000
1962-63	9,292	7,454	8,480	4,006	2,728	3,040	35,000
1963-64	12,816	10,280	4,800	5,524	3,764	2,816	40,000
TOTAL PAYMENTS							
1953-54	136,380	85,557	58,167	45,634	48,928	16,059	390,724
1954-55	146,505	91,945	63,183	40,793	51,768	19,178	413,372
1955-56	155,373	98,704	65,875	49,243	57,869	23,357	450,421
1956-57	166,975	114,739	74,634	55,962	63,365	24,032	499,707
1957-58	184,082	128,479	83,031	61,748	70,600	26,578	554,519
1958-59	196,082	139,731	87,886	63,472	76,005	30,200	593,376
1959-60	213,720	159,377	96,896	74,827	80,762	36,026	661,608
1960-61	233,980	178,546	106,192	78,096	89,533	40,596	726,943
1961-62	259,953	195,403	130,240	86,863	101,661	45,971	820,991
1962-63	276,853	204,183	144,594	96,082	111,630	48,117	881,459
1963-64	292,790	213,778	149,638	102,799	120,521	50,417	929,943
1964-65	313,766	225,837	149,771	109,269	134,179	55,821	988,644
1965-66	365,618	249,216	171,046	121,287	159,189	63,357	1,129,715
1966-67	397,086	275,628	187,396	131,833	165,294	72,471	1,229,708
1967-68 (Estimate)	426,703	310,263	203,649	152,971	177,771	88,021	1,359,379

(a) Excluding additional assistance grants used for general revenue purposes. See Tables 32 and 56 to 66.

(b) Includes special assistance of \$5,000,000 in addition to special revenue assistance of \$8,000,000 to New South Wales and \$2,750,000 to Queensland.

TABLE 34.—SUMMARY OF COMMONWEALTH PAYMENTS TO OR FOR THE STATES PER HEAD OF POPULATION*, 1953-54 TO 1967-68

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
	\$	\$	\$	\$	\$	\$	\$
GENERAL REVENUE GRANTS							
1953-54	33.06	28.89	34.94	46.67	60.72	40.93	35.65
1954-55	33.80	30.08	36.30	38.17	59.41	49.10	35.90
1955-56	34.80	30.88	36.24	46.20	63.62	60.02	37.90
1956-57	36.38	35.09	39.11	49.96	67.28	58.67	40.64
1957-58(a)	38.65	37.52	41.75	52.33	72.42	62.45	43.28
1958-59	40.81	39.70	43.98	53.36	77.28	68.93	45.69
1959-60	43.96	43.00	49.22	62.34	80.75	83.19	50.12
1960-61	47.47	46.57	53.14	64.21	88.48	93.06	54.05
1961-62	50.25	49.40	57.14	68.02	97.24	101.43	57.72
1962-63(a)	51.43	50.57	58.64	69.85	97.71	102.48	58.97
1963-64(a)	52.94	51.91	59.86	71.28	98.72	105.84	60.44
1964-65	55.72	54.79	62.60	74.54	108.79	119.87	64.20
1965-66	60.66	60.13	68.81	80.22	124.26	134.98	70.62
1966-67(b)	66.77	64.29	76.58	85.79	124.56	148.35	76.23
1967-68 (Estimate)	69.11	68.58	81.30	91.85	127.78	151.09	79.90
SPECIFIC PURPOSE PAYMENTS—REVENUE							
1953-54	3.92	3.72	3.53	4.22	4.77	5.15	3.94
1954-55	4.36	3.70	3.73	4.41	4.53	4.92	4.12
1955-56	4.45	3.74	3.86	4.51	4.60	4.92	4.20
1956-57	4.68	3.82	4.75	4.73	4.99	5.42	4.50
1957-58	4.83	3.84	4.39	4.92	5.10	5.65	4.55
1958-59	5.06	4.00	4.80	5.32	5.65	5.91	4.82
1959-60	4.93	4.11	4.42	6.16	5.76	6.13	4.84
1960-61	5.28	4.36	4.89	5.90	6.07	6.50	5.12
1961-62	5.65	4.53	5.15	6.13	6.00	6.87	5.37
1962-63	5.93	4.88	5.54	6.39	6.14	7.08	5.67
1963-64	6.25	5.25	5.96	6.59	6.35	7.43	6.00
1964-65	6.83	5.90	6.41	7.33	6.91	8.33	6.61
1965-66	9.24	6.39	9.23	7.63	7.11	8.75	8.11
1966-67(b)	9.39	7.39	9.63	8.36	7.68	13.00	8.75
1967-68 (Estimate)	8.71	8.48	9.26	9.31	9.05	10.95	8.88
SPECIFIC PURPOSE PAYMENTS—CAPITAL							
1953-54	3.07	2.70	6.27	7.17	12.09	5.83	4.54
1954-55	4.18	3.22	7.54	7.93	15.92	7.31	5.69
1955-56	4.83	3.99	8.31	8.30	18.55	8.44	6.54
1956-57	5.47	4.80	9.68	10.28	20.79	9.93	7.59
1957-58	5.73	5.66	10.65	11.61	23.36	11.09	8.42
1958-59	6.71	7.13	11.81	11.19	24.74	14.35	9.54
1959-60	7.40	9.42	11.92	11.65	26.08	15.38	10.62
1960-61	7.62	10.78	12.60	11.49	28.14	16.40	11.34
1961-62	8.77	10.95	18.44	12.90	31.37	16.26	13.02
1962-63	9.23	9.89	23.44	16.23	38.22	16.32	14.44
1963-64	9.52	9.08	25.62	17.47	43.20	17.99	15.19
1964-65	13.29	11.36	23.71	22.34	50.91	24.23	18.20
1965-66	17.07	11.56	25.79	24.67	61.59	27.78	21.11
1966-67(b)	16.94	13.19	25.67	25.73	62.36	32.58	21.85
1967-68 (Estimate)	20.55	16.84	28.98	35.65	68.89	69.29	27.33
TOTAL SPECIFIC PURPOSE PAYMENTS							
1953-54	6.99	6.42	9.79	11.39	16.86	10.98	8.48
1954-55	8.54	6.92	11.27	12.35	20.45	12.23	9.82
1955-56	9.28	7.73	12.17	12.81	23.15	13.36	10.73
1956-57	10.15	8.61	14.43	15.01	25.78	15.35	12.09
1957-58	10.55	9.51	15.04	16.53	28.46	16.74	12.96
1958-59	11.77	11.11	16.61	16.52	30.40	20.26	14.36
1959-60	12.33	13.52	16.34	17.81	31.84	21.50	15.46
1960-61	12.90	15.14	17.48	17.39	34.21	22.90	16.46
1961-62	14.44	15.48	23.59	18.91	37.38	23.13	18.39
1962-63	15.16	14.77	28.99	22.62	44.36	23.40	20.12
1963-64	15.77	14.33	31.57	24.06	49.55	25.42	21.20
1964-65	20.11	17.26	30.13	29.67	57.82	32.56	24.81
1965-66	26.31	17.95	35.02	32.31	68.70	36.53	29.22
1966-67(b)	26.33	20.58	35.30	34.09	70.04	45.58	30.60
1967-68 (Estimate)	29.25	25.32	38.24	44.96	77.95	80.22	36.20
ADDITIONAL ASSISTANCE GRANTS							
1957-58	1.09	0.79	1.58	0.83	0.91	0.86	1.03
1961-62	1.13	1.22	4.36	1.99	1.77	5.61	1.90
1962-63	2.31	2.48	5.46	4.02	3.56	8.49	3.27
1963-64	3.15	3.35	3.03	5.41	4.78	7.77	3.67
TOTAL PAYMENTS							
1953-54	40.05	35.31	44.73	58.06	77.58	51.91	44.13
1954-55	42.35	37.00	47.57	50.52	79.86	61.33	45.72
1955-56	44.08	38.61	48.41	59.01	86.77	73.38	48.63
1956-57	46.52	43.70	53.54	64.97	93.05	74.02	52.73
1957-58	50.29	47.81	55.38	69.69	101.79	80.04	57.27
1958-59	52.58	50.81	60.59	69.88	107.68	89.18	60.04
1959-60	56.29	56.52	65.55	89.15	112.59	104.69	65.58
1960-61	60.37	61.71	70.62	89.59	122.69	115.96	70.51
1961-62	65.81	66.10	85.00	81.92	136.38	130.17	78.01
1962-63	68.91	67.81	93.08	96.49	145.63	139.62	82.36
1963-64	71.85	69.59	94.45	100.76	153.05	152.43	89.01
1964-65	75.83	72.05	92.72	104.21	166.61	171.51	99.84
1965-66	86.97	78.08	103.82	112.53	192.96	193.93	106.83
1966-67(b)	93.09	84.86	111.89	119.88	194.60	231.33	116.10
1967-68 (Estimate)	98.36	93.90	119.54	135.81	205.73	231.33	116.10

* Population figures are derived from Commonwealth Finance, 1966-67, Bulletin No. 5.
(a) Excluding additional assistance grants used for general revenue purposes. See Tables 32 and 56 to 66.
(b) See footnotes (a) and (b) to Table 30.

TABLE 35.—BORROWING PROGRAMMES FOR STATE WORKS AND HOUSING PURPOSES, 1945-46 TO 1967-68
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total	
STATE WORKS PROGRAMMES								
1945-46	..	764	1,700	2,500	846	2,322	8,132	
1946-47	..	24,132	9,604	6,512	9,114	6,004	3,200	58,566
1947-48	..	50,980	16,648	9,374	12,092	5,292	3,200	97,586
1948-49	..	32,566	30,326	13,120	13,040	7,576	7,794	104,422
1949-50	..	58,934	30,262	15,722	19,616	14,436	10,718	149,688
1950-51	..	81,488	72,178	34,052	33,048	28,618	29,382	278,766
1951-52	..	128,000	112,000	45,000	52,826	33,000	30,200	401,026
1952-53	..	102,356	79,942	37,062	43,650	31,230	26,124	320,364
1953-54	..	106,500	81,300	36,900	44,000	28,000	28,900	325,600
1954-55	..	95,040	75,870	35,954	41,716	27,200	25,920	301,700
1955-56	..	99,900	78,000	38,000	45,100	25,800	26,800	(a) 313,600
1956-57	..	99,900	79,600	38,500	45,100	(b) 33,800	22,800	319,700
1957-58	..	105,900	84,840	40,000	47,060	31,680	24,200	333,680
1958-59	..	110,180	88,400	42,500	48,600	33,520	25,180	348,380
1959-60	..	116,280	92,810	45,500	50,770	35,400	27,080	367,840
1960-61	..	121,388	97,610	49,000	51,934	37,280	28,388	385,600
1961-62	..	124,596	100,150	51,000	50,296	39,162	28,996	394,200
1962-63	..	130,808	105,360	53,400	51,458	41,044	30,708	412,778
1963-64	..	140,020	112,270	60,200	55,184	44,006	32,020	443,700
1964-65	..	149,470	120,954	66,752	59,020	46,968	34,136	477,300
1965-66	..	152,150	123,206	68,016	61,892	47,902	34,834	488,000
1966-67	..	163,640	132,520	72,510	67,680	51,070	37,580	525,000
1967-68(c)	..	172,240	139,700	76,560	71,820	53,230	40,610	554,160
ALLOCATIONS UNDER COMMONWEALTH AND STATE HOUSING AGREEMENTS								
1945-46	..	5,050	6,200	850	..	920	570	13,590
1946-47	..	11,060	8,000	1,500	..	1,470	..	22,030
1947-48	..	10,690	10,000	1,600	..	2,520	1,800	26,610
1948-49	..	12,590	10,400	1,800	..	3,294	900	28,984
1949-50	..	13,200	12,600	2,500	..	3,930	2,200	34,430
1950-51	..	15,780	17,200	5,400	..	4,700	200	(d) 43,280
1951-52	..	17,028	20,122	8,978	..	6,966	(e)	(f) 53,094
1952-53	..	24,200	22,540	7,460	..	5,800	(e)	60,000
1953-54	..	24,900	24,000	9,000	9,000	7,500	(e)	74,400
1954-55	..	21,600	18,900	3,600	7,200	7,000	(e)	58,300
1955-56	..	21,600	(g) 21,600	6,000	7,200	10,000	(e)	66,400
1956-57	..	21,600	20,000	5,500	7,200	6,000	4,000	64,300
1957-58	..	22,000	20,000	6,320	8,000	6,000	4,000	66,320
1958-59	..	24,000	20,600	6,620	10,000	6,000	4,400	71,620
1959-60	..	24,700	20,600	6,960	10,000	6,000	3,900	72,160
1960-61	..	26,000	20,600	6,200	11,600	6,000	4,000	74,400
1961-62	..	34,006	27,054	8,400	18,072	7,412	5,856	100,800
1962-63	..	32,600	25,700	7,800	18,982	6,940	5,200	97,222
1963-64	..	33,000	26,500	8,600	19,400	6,800	6,000	100,300
1964-65	..	35,000	27,000	6,600	20,500	7,200	6,400	102,700
1965-66	..	40,271	31,126	8,497	21,057	8,601	7,448	117,000
1966-67	..	41,500	32,020	9,060	20,750	9,170	7,500	120,000
1967-68(c)	..	43,080	33,000	9,060	21,000	10,000	6,700	122,840
TOTAL WORKS AND HOUSING PROGRAMMES								
1945-46	..	5,050	6,964	2,550	2,500	1,766	2,892	21,722
1946-47	..	35,192	17,604	8,012	9,114	7,474	3,200	80,596
1947-48	..	61,670	26,648	10,974	12,092	7,812	5,000	124,196
1948-49	..	45,156	40,726	14,920	13,040	10,870	8,694	133,406
1949-50	..	72,134	42,862	18,222	19,616	18,366	12,918	184,118
1950-51	..	97,268	89,378	39,452	33,048	33,318	29,582	(d) 322,046
1951-52	..	145,028	132,122	53,978	52,826	39,966	30,200	(f) 454,120
1952-53	..	126,556	102,482	44,522	43,650	37,030	26,124	380,364
1953-54	..	131,400	105,300	45,900	53,000	35,500	28,900	400,000
1954-55	..	116,640	94,770	39,554	48,916	34,200	25,920	360,000
1955-56	..	121,500	(g) 99,600	44,000	52,300	35,800	26,800	(a) 380,000
1956-57	..	121,500	99,600	44,000	52,300	(b) 39,800	26,800	384,000
1957-58	..	127,900	104,840	46,320	55,060	37,680	28,200	400,000
1958-59	..	134,180	109,000	49,120	58,600	39,520	29,580	420,000
1959-60	..	140,980	113,410	52,460	60,770	41,400	30,980	440,000
1960-61	..	147,388	118,210	55,200	63,534	43,280	32,388	460,000
1961-62	..	158,602	127,204	59,400	68,368	46,574	34,852	495,000
1962-63	..	163,408	131,060	61,200	70,440	47,984	35,908	510,000
1963-64	..	173,020	138,770	68,800	74,584	50,806	38,020	544,000
1964-65	..	184,470	147,954	73,352	79,520	54,168	40,536	580,000
1965-66	..	192,421	158,332	76,513	82,949	56,303	47,282	605,000
1966-67	..	205,140	168,540	81,570	88,430	60,240	47,080	645,000
1967-68(c)	..	215,320	172,700	85,620	92,820	63,230	47,310	677,000

(a) Excludes \$6,362,000 allocated to the Commonwealth for emergency wheat storage.

(b) Includes special allocation of \$4,000,000.

(c) Programmes approved at the June 1967 meeting of the Loan Council as adjusted in July 1967 by a transfer as between works and housing allocations with respect to Tasmania.

(d) Excludes \$6,720,000 which was not used for advances to the States for housing until 1954-55.

(e) Tasmania withdrew from the Commonwealth and State Housing Agreement in 1950-51 and repaid all principal owing out of loan money allocated by the Loan Council to the State in that year. Tasmania's housing requirements in the period shown were included in the State Government's loan programmes. Tasmania has been a party to the Commonwealth and State Housing Agreements from 1956-57.

(f) Includes carry-over payment from 1950-51 of \$6,720,000.

(g) Includes \$4,000,000 in respect of finance for the Olympic Village.

TABLE 36.—BORROWINGS APPROVED BY THE LOAN COUNCIL FOR SEMI-GOVERNMENT AND LOCAL AUTHORITIES, 1947-48 TO 1967-68

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total States	Commonwealth	Total
BORROWINGS BY THE LARGER AUTHORITIES(a)									
1947-48	10,224	9,800	5,890	..	..	603	26,516	..	26,516
1948-49	17,783	17,300	8,684	..	..	1,072	44,839	..	44,839
1949-50	23,525	42,933	13,076	..	..	1,347	80,882	..	80,882
1950-51	31,154	71,160	14,193	..	..	1,492	117,999	..	117,999
1951-52	30,115	61,576	20,205	3,175	..	2,620	117,691	..	117,691
1952-53	44,880	76,396	25,021	10,307	7,238	10,720	174,562	..	174,562
1953-54	33,322	54,783	30,838	4,990	4,000	4,365	132,298	212	132,510
1954-55	36,232	62,373	26,421	3,050	5,920	4,257	138,251	400	138,651
1955-56	32,653	51,867	21,518	3,860	4,700	2,910	117,508	320	117,828
1956-57	32,568	61,820	25,018	6,023	5,000	2,998	133,427	410	133,837
1957-58	42,020	62,036	29,946	6,699	5,900	4,488	151,088	540	151,628
1958-59	45,443	63,196	33,191	7,720	4,817	4,396	158,764	755	159,519
1959-60	52,977	64,774	34,755	9,154	5,899	5,857	173,417	1,000	174,417
1960-61	52,300	66,889	35,325	9,712	5,158	5,640	175,024	510	175,534
1961-62	60,730	78,927	42,148	11,476	7,038	7,098	207,417	1,171	208,588
1962-63	64,948	83,377	47,028	12,193	7,680	7,503	222,728	1,264	223,992
1963-64	74,395	87,151	51,976	12,946	8,028	7,844	242,341	4,828	247,169
1964-65	78,906	89,678	49,956	13,342	10,274	8,084	250,240	4,115	254,355
1965-66	79,156	87,755	48,046	13,343	10,274	8,084	246,658	621	247,279
1966-67	86,690	94,984	52,800	14,410	10,860	8,550	268,294	780	269,074
1967-68(b)	95,970	107,940	60,000	23,030	12,340	11,720	311,000	3,060	314,060
BORROWINGS BY THE SMALLER AUTHORITIES(c)									
1947-48	7,946	1,912	2,390	178	870	..	13,296	..	13,296
1948-49	7,561	2,694	2,684	240	1,091	357	14,626	..	14,626
1949-50	9,930	2,960	3,508	166	1,238	514	18,316	..	18,316
1950-51	10,435	4,540	3,479	308	1,216	786	20,674	..	20,674
1951-52	11,035	4,342	3,059	412	1,490	999	21,337	..	21,337
1952-53	8,920	6,008	4,273	196	1,564	976	21,938	150	22,088
1953-54	10,507	5,040	5,382	446	2,420	1,656	25,451	..	25,451
1954-55	12,323	5,476	5,814	656	2,988	2,037	29,294	..	29,294
1955-56	11,530	5,245	4,760	406	2,359	1,202	25,502	..	25,502
1956-57	12,772	8,190	6,420	1,042	3,223	1,485	32,232	..	32,232
1957-58	11,826	8,986	7,260	690	2,683	1,750	33,196	..	33,196
1958-59	11,826	10,114	7,549	1,458	2,554	1,518	36,889	..	36,889
1959-60	10,263	10,212	8,505	758	2,983	1,183	33,904	..	33,904
1960-61	11,466	10,580	8,369	810	4,079	1,284	36,588	..	36,588
1961-62(d)	24,930	11,186	11,673	1,878	4,401	1,592	55,660	..	55,660
1962-63(e)	20,010	11,240	13,140	2,075	4,902	1,543	52,909	..	52,909
1963-64	19,878	10,976	12,333	2,439	7,123	1,838	54,587	..	54,587
1964-65	20,152	9,332	13,260	2,794	7,468	1,769	54,775	..	54,775
1965-66	23,438	10,472	17,975	3,675	8,569	1,657	65,786	..	65,786
1966-67	24,920	12,911	17,809	4,341	9,168	3,311	72,460	..	72,460
1967-68	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	..	n.a.
BORROWINGS BY ALL SEMI-GOVERNMENT AND LOCAL AUTHORITIES									
1947-48	18,170	11,712	8,280	178	870	603	39,812	..	39,812
1948-49	25,344	19,994	11,368	240	1,091	1,429	59,466	..	59,466
1949-50	33,455	45,893	16,584	166	1,238	1,861	99,198	..	99,198
1950-51	41,589	75,700	17,672	308	1,216	2,278	138,763	..	138,763
1951-52	41,150	65,919	23,264	3,587	1,490	3,619	139,029	..	139,029
1952-53	53,801	82,405	29,293	10,503	8,802	11,696	196,501	150	196,651
1953-54	43,830	59,822	36,220	5,436	6,420	6,020	157,749	212	157,961
1954-55	48,554	67,849	32,235	3,706	8,908	6,293	167,546	400	167,946
1955-56	44,183	57,112	26,277	4,266	7,059	4,112	143,010	320	143,330
1956-57	45,340	70,010	31,438	7,065	7,323	4,483	165,659	410	166,069
1957-58	53,846	71,022	37,206	7,389	8,583	6,238	184,284	540	184,824
1958-59	59,140	73,311	40,740	9,178	7,371	5,914	195,653	754	196,408
1959-60	63,240	74,986	43,260	9,912	8,882	7,040	207,321	1,000	208,322
1960-61	63,766	77,469	43,694	10,522	9,238	6,924	211,612	510	212,122
1961-62	85,660	90,113	53,821	13,355	11,439	8,690	263,077	1,171	264,248
1962-63	84,958	94,617	60,168	14,268	12,582	9,046	275,638	1,264	276,902
1963-64	94,274	98,127	64,309	15,385	15,151	9,682	296,228	4,828	301,756
1964-65	99,058	99,010	63,216	16,137	17,742	9,853	305,015	4,115	309,130
1965-66	102,594	98,227	66,021	17,018	18,843	9,741	312,444	621	313,065
1966-67	111,610	107,895	70,609	18,751	20,028	11,861	340,754	780	341,534
1967-68	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

(a) Up to 1961-62 larger authorities were those borrowing \$200,000 or more in a financial year; from 1962-63 to 1966-67 authorities borrowing more than \$200,000 in a financial year; for 1967-68 authorities borrowing more than \$300,000 in the year.

(b) Borrowing programmes approved by the Loan Council in June 1967.

(c) Up to 1961-62 smaller authorities were those for which State Governments approved programmes of less than \$200,000 in a financial year; from 1962-63 to 1966-67 authorities with programmes of \$200,000 or less in a financial year; for 1967-68 authorities with programmes of \$300,000 or less in the year. From 1962-63 no overall limit has been set by the Loan Council on borrowings by these smaller authorities.

(d) Includes borrowings totalling \$16,744,000 which were made following the decision of the Loan Council at its February 1962 meeting to permit the smaller authorities to borrow an additional \$200,000 during the remainder of the financial year, subject to State Government approval.

(e) Following a decision of the Loan Council in February 1963, these bodies were permitted to borrow in excess of \$300,000 during 1962-63, provided the excess was included in borrowings against the programme for the larger authorities. The excess is in the figures for these authorities.

TABLE 37.—BORROWINGS APPROVED BY THE LOAN COUNCIL FOR SEMI-GOVERNMENT AND LOCAL AUTHORITIES, 1947-48 TO 1967-68

Per Head of population*

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total States
	\$	\$	\$	\$	\$	\$	\$
BORROWINGS BY THE LARGER AUTHORITIES(a)							
1947-48	3.41	4.73	5.28	..	..	2.31	3.48
1948-49	5.83	8.18	7.61	..	..	4.02	5.78
1949-50	7.48	19.74	11.15	..	..	4.91	10.10
1950-51	9.62	31.73	11.76	..	..	5.26	14.28
1951-52	9.09	26.66	16.30	..	..	8.93	13.87
1952-53	13.33	32.20	19.67	13.45	11.84	35.43	20.08
1953-54	9.79	25.10	23.71	6.35	6.34	14.11	14.94
1954-55	10.49	22.60	19.89	3.78	9.13	13.61	15.29
1955-56	9.26	20.29	15.81	4.63	7.05	9.14	12.69
1956-57	9.07	23.54	17.95	6.99	7.34	9.23	14.08
1957-58	11.48	23.09	21.05	7.56	8.51	13.52	15.61
1958-59	12.19	22.98	22.88	7.50	6.82	12.98	16.07
1959-60	13.95	22.97	23.51	9.80	8.22	17.02	17.19
1960-61	13.49	23.12	23.49	10.15	7.08	16.11	16.98
1961-62	15.37	26.70	27.54	11.75	9.44	20.10	19.73
1962-63	16.17	27.69	30.27	12.24	10.02	20.95	20.81
1963-64	18.26	28.37	32.81	12.69	10.19	21.63	22.23
1964-65	19.07	28.61	30.93	12.72	12.76	22.07	22.53
1965-66	18.83	27.49	29.16	12.38	12.45	21.88	21.80
1966-67	20.32	29.25	31.53	13.10	12.79	22.88	23.38
1967-68(b)	22.12	32.67	35.22	20.60	14.28	30.80	26.56
BORROWINGS BY THE SMALLER AUTHORITIES(c)							
1947-48	2.65	0.92	2.14	0.27	1.71	..	1.75
1948-49	2.48	1.27	2.35	0.36	2.09	1.34	1.88
1949-50	3.16	1.36	2.99	0.24	2.27	1.87	2.29
1950-51	3.22	2.02	2.88	0.43	2.13	2.77	2.51
1951-52	3.33	1.88	2.47	0.55	2.53	3.41	2.46
1952-53	2.65	2.53	3.36	0.26	2.56	3.23	2.52
1953-54	3.09	2.08	4.14	0.57	3.84	5.37	2.87
1954-55	3.56	2.20	4.38	0.81	4.61	6.51	3.24
1955-56	3.27	2.05	3.50	0.49	3.54	3.78	2.75
1956-57	3.56	3.12	4.61	1.21	3.41	4.57	3.40
1957-58	3.23	3.34	5.10	0.78	3.87	5.27	3.43
1958-59	3.67	3.68	5.20	1.61	3.62	4.48	3.73
1959-60	2.70	3.62	5.75	0.81	4.16	3.44	3.36
1960-61	2.96	3.66	5.57	0.85	5.59	3.67	3.55
1961-62(d)	6.31	3.78	7.63	1.92	5.90	4.51	5.29
1962-63(e)	4.98	3.73	8.46	2.08	6.39	4.31	4.94
1963-64	4.88	3.57	7.79	2.39	9.05	5.07	5.01
1964-65	4.87	2.98	8.21	2.66	9.27	4.83	4.93
1965-66	5.58	3.28	10.91	3.41	10.39	4.49	5.81
1966-67	5.84	3.98	10.63	3.95	10.79	8.86	6.29
1967-68	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
BORROWINGS BY ALL SEMI-GOVERNMENT AND LOCAL AUTHORITIES							
1947-48	6.05	5.66	7.43	0.27	1.71	2.31	5.23
1948-49	8.31	9.45	9.96	0.36	2.09	5.36	7.66
1949-50	10.64	21.10	14.14	0.24	2.27	6.78	12.39
1950-51	12.84	33.75	14.64	0.43	2.13	8.03	16.79
1951-52	12.43	28.54	18.76	4.83	2.53	12.34	16.38
1952-53	15.98	34.74	23.02	13.70	14.40	38.66	22.61
1953-54	12.87	24.69	27.85	6.92	10.18	19.46	17.82
1954-55	14.03	27.30	24.27	4.59	13.74	20.13	18.53
1955-56	12.53	22.34	19.31	5.11	10.58	12.92	15.44
1956-57	12.63	26.66	22.55	8.20	10.75	13.81	17.48
1957-58	14.71	26.43	26.16	8.34	12.38	18.79	19.03
1958-59	15.86	26.66	28.09	10.10	10.44	17.46	19.80
1959-60	16.66	26.59	29.27	10.62	12.38	20.46	20.55
1960-61	16.45	26.77	29.06	10.99	12.66	19.78	20.52
1961-62	21.68	30.48	35.17	13.67	15.35	24.61	25.03
1962-63	21.15	31.42	38.73	14.33	16.41	25.26	25.75
1963-64	23.13	31.94	40.60	15.08	19.24	26.70	27.24
1964-65	23.94	31.59	39.14	15.39	22.03	26.91	27.46
1965-66	24.40	30.77	40.07	15.79	22.84	26.37	27.61
1966-67	24.17	33.22	42.16	17.05	23.58	31.74	29.67
1967-68	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

* Population figures are derived from Commonwealth Finance, 1966-67, Bulletin No. 5.

- (a) Up to 1961-62 larger authorities were those borrowing \$200,000 or more in a financial year; from 1962-63 to 1966-67 authorities borrowing more than \$200,000 in a financial year; for 1967-68 authorities borrowing more than \$300,000 in the year.
- (b) Borrowing programmes approved by the Loan Council in June 1967.
- (c) Up to 1961-62 smaller authorities were those for which State Governments approved programmes of less than \$200,000 in a financial year; from 1962-63 to 1966-67 authorities with programmes of \$200,000 or less in a financial year; for 1967-68 authorities with programmes of \$300,000 or less in the year. From 1962-63 no overall limit has been set by the Loan Council on borrowings by these smaller authorities.
- (d) Includes borrowings totalling \$1.59 per head which were made following the decision of the Loan Council at its February 1962 meeting to permit the smaller authorities to borrow an additional \$200,000 during the remainder of the financial year, subject to State Government approval.
- (e) Following a decision of the Loan Council in February 1963, these bodies were permitted to borrow in excess of \$200,000 during 1962-63, provided the excess was included in borrowings against the programmes for the larger authorities. The excess is in the figures for these authorities.

TABLE 38.—BORROWING PROGRAMMES FOR STATE WORKS AND HOUSING,
AND FOR STATE SEMI-GOVERNMENT AND LOCAL AUTHORITIES,
1947-48 TO 1967-68

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total States
STATE WORKS AND HOUSING							
1947-48	61,670	26,648	10,974	12,092	7,812	5,000	124,196
1948-49	45,156	40,726	14,920	13,040	10,870	8,694	133,406
1949-50	72,134	42,862	18,222	19,616	18,366	12,918	184,118
1950-51	97,268	89,378	39,452	33,048	33,318	29,582	322,046
1951-52	145,028	132,122	53,978	52,826	39,966	30,200	(a) 454,120
1952-53	126,556	102,482	44,522	43,650	37,030	26,124	(b) 380,364
1953-54	131,400	105,300	45,900	53,000	35,500	28,900	400,000
1954-55	116,640	94,770	39,554	48,916	34,200	25,920	360,000
1955-56	121,500	(c) 99,600	44,000	52,300	35,800	26,800	(d) 380,000
1956-57	121,500	99,600	44,000	52,300	(e) 39,800	26,800	384,000
1957-58	127,900	104,840	46,320	55,060	37,680	28,200	400,000
1958-59	134,180	109,000	49,120	58,600	39,520	29,580	420,000
1959-60	140,980	113,410	52,460	60,770	41,400	30,980	440,000
1960-61	147,388	118,210	55,200	63,534	43,280	32,388	460,000
1961-62	158,602	127,204	59,400	68,368	46,574	34,852	495,000
1962-63	163,408	131,060	61,200	70,440	47,984	35,908	510,000
1963-64	173,020	138,770	68,800	74,584	50,806	38,020	544,000
1964-65	184,470	147,954	73,352	79,520	54,168	40,536	580,000
1965-66	192,421	154,332	76,513	82,949	56,503	42,282	605,000
1966-67	205,140	164,540	81,570	88,430	60,240	45,080	645,000
1967-68(f)	215,320	172,700	85,620	92,820	63,230	47,310	677,000
STATE SEMI-GOVERNMENT AND LOCAL AUTHORITIES							
1947-48	18,170	11,712	8,280	178	870	603	39,812
1948-49	25,344	19,994	11,368	240	1,091	1,429	59,466
1949-50	33,455	45,893	16,584	166	1,238	1,861	99,198
1950-51	41,589	75,700	17,672	308	1,216	2,278	138,763
1951-52	41,150	65,919	23,264	3,587	1,490	3,619	139,029
1952-53	53,801	82,405	29,293	10,503	8,802	11,696	196,501
1953-54	43,830	59,822	36,220	5,436	6,420	6,020	157,749
1954-55	48,554	67,849	32,235	3,706	8,908	6,293	167,546
1955-56	44,183	57,112	26,277	4,266	7,059	4,112	143,010
1956-57	45,340	70,010	31,438	7,065	7,323	4,483	165,659
1957-58	53,846	71,022	37,206	7,389	8,583	6,238	184,284
1958-59	59,140	73,311	40,740	9,178	7,371	5,914	195,653
1959-60	63,240	74,986	43,260	9,912	8,882	7,040	207,321
1960-61	63,766	77,469	43,694	10,522	9,238	6,924	211,612
1961-62	85,660	90,117	53,821	13,355	11,439	8,960	263,077
1962-63	84,958	94,617	60,168	14,268	12,582	9,046	275,638
1963-64	94,274	98,127	64,309	15,385	15,151	9,682	296,928
1964-65	99,058	99,010	63,216	16,137	17,742	9,853	305,015
1965-66	102,594	98,227	66,021	17,018	18,843	9,741	312,444
1966-67	111,610	107,895	70,609	18,751	20,028	11,861	340,754
1967-68(g)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
TOTAL STATE WORKS AND HOUSING, SEMI-GOVERNMENT AND LOCAL AUTHORITIES							
1947-48	79,840	38,360	19,254	12,270	8,682	5,603	164,008
1948-49	70,500	60,720	26,288	13,280	11,961	10,123	192,872
1949-50	105,589	88,755	34,806	19,782	19,604	14,779	283,316
1950-51	138,857	165,078	57,124	33,356	34,534	31,860	460,809
1951-52	186,178	198,041	77,242	56,413	41,456	33,819	593,149
1952-53	180,357	184,887	73,815	54,153	45,832	37,820	576,865
1953-54	175,230	165,122	82,120	58,436	41,920	34,920	557,749
1954-55	165,194	162,619	71,789	52,622	43,108	32,213	527,546
1955-56	165,683	156,712	70,277	56,566	42,859	30,912	523,010
1956-57	166,840	169,610	75,438	59,365	47,123	31,283	549,659
1957-58	181,746	175,862	83,526	62,449	46,263	34,438	584,284
1958-59	193,320	182,311	89,860	67,778	46,891	35,494	615,653
1959-60	204,220	188,396	95,720	70,682	50,282	38,020	647,321
1960-61	211,154	195,679	98,894	74,056	52,518	39,312	671,612
1961-62	244,262	217,317	113,221	81,723	58,013	43,542	758,077
1962-63	248,366	225,677	121,368	84,708	60,566	44,954	785,638
1963-64	267,294	236,897	133,109	95,969	65,957	47,702	840,928
1964-65	283,528	246,964	136,568	95,657	71,910	50,389	885,015
1965-66	295,015	252,559	142,534	99,967	75,346	52,023	917,444
1966-67	316,750	272,435	152,179	107,181	80,268	56,941	985,754
1967-68(g)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

(a) Excludes \$6,720,000 which was not used for advances to the States for housing until 1951-52.

(b) Includes carry-over payment from 1950-51 of \$6,720,000.

(c) Includes \$4,000,000 in respect of finance for the Olympic Village.

(d) Excludes \$6,362,000 allocated to the Commonwealth for emergency wheat storage.

(e) Includes special allocation of \$4,000,000.

(f) Programmes approved at the June 1967 meeting of the Loan Council.

(g) At its June 1967 meeting the Loan Council set no overall limit on borrowings by authorities for which State Governments approve programmes of \$300,000 or less.

TABLE 39.—BORROWING PROGRAMMES FOR STATE WORKS AND HOUSING, AND FOR STATE SEMI-GOVERNMENT AND LOCAL AUTHORITIES, PER HEAD OF POPULATION,* 1947-48 TO 1967-68

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total States
	\$	\$	\$	\$	\$	\$	\$
STATE WORKS AND HOUSING							
1947-48	20.55	12.87	9.85	18.49	15.36	19.14	16.32
1948-49	14.81	19.25	13.08	19.47	20.83	32.62	17.18
1949-50	22.93	19.71	15.53	28.24	33.69	47.06	22.99
1950-51	30.04	39.85	32.68	45.78	58.42	104.34	(a) 38.97
1951-52	43.79	57.20	43.54	71.07	67.75	102.95	(b) 53.50
1952-53	37.59	43.20	34.99	56.94	60.59	86.35	43.76
1953-54	38.59	43.46	35.30	67.43	56.29	93.40	45.17
1954-55	33.71	38.13	29.78	60.58	52.76	82.89	39.82
1955-56	34.47	(c) 38.96	32.33	62.67	(e) 53.68	84.19	(d) 41.03
1956-57	33.85	37.93	31.56	60.71	58.45	82.55	40.52
1957-58	34.94	39.02	32.57	62.14	54.33	84.93	41.31
1958-59	35.98	39.64	33.86	64.51	55.99	87.35	42.50
1959-60	37.13	40.22	35.49	65.09	57.72	90.03	43.61
1960-61	38.03	40.85	36.71	66.38	59.31	92.52	44.62
1961-62	40.15	43.03	38.81	69.98	62.48	98.69	47.09
1962-63	40.67	43.53	39.40	70.60	62.60	100.27	47.65
1963-64	42.46	45.17	43.43	73.10	64.52	104.84	49.90
1964-65	44.58	47.20	45.41	75.84	67.26	110.69	52.21
1965-66	45.77	48.35	46.44	76.96	68.49	114.46	53.47
1966-67	48.09	50.66	48.70	80.41	70.92	120.63	56.03
1967-68(f)	49.64	52.27	50.26	83.02	73.17	124.34	57.82
STATE SEMI-GOVERNMENT AND LOCAL AUTHORITIES							
1947-48	6.05	5.66	7.43	0.27	1.71	2.31	5.23
1948-49	8.31	9.45	9.96	0.36	2.09	5.36	7.66
1949-50	10.64	21.10	14.14	0.24	2.27	6.78	12.39
1950-51	12.84	33.75	14.64	0.43	2.13	8.03	16.79
1951-52	12.43	28.54	18.76	4.83	2.53	12.34	16.38
1952-53	15.98	34.74	23.02	13.70	14.40	38.66	22.61
1953-54	12.87	24.69	27.85	6.92	10.18	19.46	17.82
1954-55	14.03	27.30	24.27	4.59	13.74	20.13	18.53
1955-56	12.53	22.34	19.31	5.11	10.58	12.92	15.44
1956-57	12.63	26.66	22.55	8.20	10.75	13.81	17.48
1957-58	14.71	26.43	26.16	8.34	12.38	18.79	19.03
1958-59	15.86	26.66	28.09	10.10	10.44	17.46	19.80
1959-60	16.66	26.59	29.27	10.62	12.38	20.46	20.55
1960-61	16.45	26.77	29.06	10.99	12.66	19.78	20.52
1961-62	21.68	30.48	35.17	13.67	15.35	24.61	25.02
1962-63	21.15	31.42	38.73	14.33	16.41	24.26	25.75
1963-64	23.13	31.94	40.60	15.08	19.24	26.70	27.24
1964-65	23.94	31.59	39.14	15.59	22.03	26.91	27.46
1965-66	24.40	30.77	40.07	15.79	22.84	26.37	27.61
1966-67	26.17	33.22	42.16	17.05	23.58	31.74	29.60
1967-68(g)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
TOTAL STATE WORKS AND HOUSING, SEMI-GOVERNMENT AND LOCAL AUTHORITIES							
1947-48	25.60	18.53	17.27	18.77	17.07	21.45	21.55
1948-49	23.12	28.70	23.04	19.83	22.92	37.98	24.84
1949-50	33.57	40.81	29.67	28.48	35.96	53.84	35.38
1950-51	42.88	73.60	47.32	46.21	60.55	112.37	55.76
1951-52	56.22	85.74	62.30	75.89	70.28	115.29	69.88
1952-53	53.58	77.93	58.02	70.65	74.99	125.01	66.37
1953-54	51.46	68.15	63.15	74.35	66.47	112.86	62.99
1954-55	47.74	65.43	54.06	65.17	66.50	103.02	58.35
1955-56	47.00	61.31	51.64	67.79	64.27	97.11	56.47
1956-57	46.48	64.60	54.11	68.92	69.20	96.35	58.01
1957-58	49.65	65.45	58.72	70.48	66.70	103.71	60.35
1958-59	51.84	66.30	61.95	74.62	66.43	104.82	62.30
1959-60	53.79	66.82	64.76	75.71	70.10	110.49	64.16
1960-61	54.48	67.63	65.77	77.37	71.97	112.30	65.14
1961-62	61.83	73.51	73.98	83.66	77.83	123.30	72.11
1962-63	61.82	74.95	78.13	85.07	79.01	125.53	73.41
1963-64	65.59	77.11	84.03	88.18	83.76	131.54	77.14
1964-65	68.52	78.79	84.55	91.23	89.29	137.60	79.68
1965-66	70.18	79.13	86.52	92.75	91.33	140.83	81.08
1966-67	74.26	83.88	90.86	97.47	94.50	152.37	85.64
1967-68(g)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

* Population figures are derived from Commonwealth Finance 1966-67, Bulletin No. 5.

(a) Excludes \$0.79 per head which was not used for advances to the States for housing until 1951-52.

(b) Includes carry-over payment from 1950-51 of \$0.79 per head.

(c) Includes \$1.57 per head in respect of finance for the Olympic Village.

(d) Excludes \$0.69 per head allocated to the Commonwealth for emergency wheat storage.

(e) Includes special allocation of \$5.88 per head.

(f) Programmes approved at June 1967 Loan Council meeting.

(g) At its June 1967 meeting the Loan Council set no overall limit on borrowings by authorities for which State Governments approve programmes of \$300,000 or less.

TABLE 40.—THE FINANCING OF STATE WORKS AND HOUSING PROGRAMMES, 1957–58 TO 1966–67
\$'000

	1957–58	1958–59	1959–60	1960–61	1961–62	1962–63	1963–64	1964–65	1965–66	1966–67
COMMONWEALTH ASSISTANCE TO PROGRAMMES										
Commonwealth Subscriptions to Special Loans—										
Counterpart Funds of Overseas Loans	18,984	20,000	109,790	179,338	13,985	..	..	133,800	168,760	89,922
Other	163,778	..	..	..	..	..	..	..	..	..
	182,762	20,000	109,790	179,338	13,985	..	..	133,800	168,760	89,922
Less Amounts used by Commonwealth (chiefly for War Service Land Settlement)	-16,522	-13,094	(a) -48,838	-2,610	..	..	..	..	..	..
COMMONWEALTH ASSISTANCE	166,240	6,906	60,952	176,728	13,985	..	..	133,800	168,760	89,922
LOAN RAISINGS APPLIED TO PROGRAMMES										
Public Loans raised in Australia—										
Cash Loans	205,599	294,352	240,481	213,932	404,859	413,243	508,108	413,519	463,803	553,382
Special Bonds .. .. .	..	54,279	52,355	38,195	54,725	78,164	(b) 101,560	87,466	80,426	84,252
State Domestic Raisings	6,181	5,891	10,135	8,720	5,759	11,764	20,032	20,644	5,930	19,658
Overseas Loans applied direct to Programmes	21,980	58,572	85,320	52,012	31,635	103,707	49,400	22,108	22,369	53,945
Total Loan Raisings	233,760	413,094	388,291	312,859	496,978	606,878	679,100	543,737	572,528	711,237
Less—										
Amounts used for Redemptions .. .. .	..	..	-6,430	-25,156	-15,194	(c) -79,698	-57,370	-88,711	-131,219	-149,498
Amounts used by Commonwealth (chiefly for Defence purposes including War Service Land Settlement) .. .. .	..	..	-2,813	-4,431	-769	(d) -17,180	-77,730	-8,826	-5,069	-6,661
LOAN RAISINGS APPLIED TO PROGRAMMES	233,760	413,094	379,048	283,272	481,015	510,000	544,000	446,200	436,240	555,078
TOTAL PROGRAMMES										
TOTAL PROGRAMMES	400,000	420,000	440,000	460,000	495,000	510,000	544,000	580,000	605,000	645,000

(a) Includes \$40,000,000 to finance advances which the Commonwealth agreed to make to Queensland to assist in the rehabilitation of the Mount Isa—Townsville—Collinsville railway.
 (b) Includes \$10,000,000 set aside in 1962–63 to finance advances to the States for housing in 1963–64. See (d).
 (c) Of this amount, \$86,000 was set aside to meet the cost of redemptions of overdue securities which matured in February 1963.
 (d) Includes \$10,000,000 set aside from Special Bond raisings to finance advances to the States for housing in 1963–64. See (b).

APPENDIX II—PART 1—HISTORY OF GENERAL REVENUE ASSISTANCE

INTRODUCTION

Under Section 87 of the Constitution the Commonwealth was required to pay to the States three-quarters of customs and excise revenue collected during the first ten years after the establishment of the Commonwealth 'and thereafter until the Parliament otherwise provides'. In addition, Sections 89, 93 and 94 of the Constitution provided that, for a certain period, and thereafter until Parliament otherwise provided, all surplus revenue not required by the Commonwealth was to be paid to the States.

Payments to the States of surplus revenue of the Commonwealth ceased in 1907-08 when the Commonwealth commenced to pay such surplus revenue into a trust account as a reserve for old age and invalid pensioners. However, payment of three-quarters of customs and excise revenue under Section 87 continued until 1909-10 and were then replaced by per capita payments under the *Surplus Revenue Act* 1910. The Act provided for the payment of \$2.50 (25s.) per head of its population to each State. Payments were made to the States on this basis in each year from 1910-11 to 1926-27 inclusive. In addition, 'special grants' were paid to Western Australia from 1910-11 and to Tasmania from 1912-13.

Under the 1927 Financial Agreement between the Commonwealth and the States it was provided that the Commonwealth would pay to the States for fifty-eight years from 1927-28 an annual amount of \$15,170,000 as a contribution towards interest on State debts. These interest payments replaced the per capita grants and they were (and are) distributed between the States in the same proportions as the 1926-27 per capita grant. The Financial Agreement also provided for Commonwealth contributions towards sinking fund payments in respect of the States' debts existing at 30 June 1927 and those incurred after that date.

In 1929-30 payments of special grants to South Australia were commenced. From 1934-35 onwards these special grants to South Australia, Western Australia and Tasmania were paid on the recommendations of the Commonwealth Grants Commission which was established in 1933.

THE SECOND WORLD WAR

At the outbreak of the second world war, the financial resources available to the States were, for the most part, sufficient to enable them to meet their own expenditures principally from funds which they themselves were responsible for raising. Commonwealth payments to them, though they had increased over the years, were still relatively small and confined to a fairly narrow field, e.g., tiding the States over difficult periods, assisting the financially weaker States, or providing funds for purposes in which the Commonwealth had a common interest with the States.

The second world war radically changed this situation. To finance its greatly increased war-time expenditure, it was necessary for the Commonwealth to maximise its revenue from all sources. The incidence of State income taxes, which were then levied concurrently with Commonwealth income tax, differed widely between States and, as the Commonwealth is constitutionally forbidden from discriminating between States in the imposition of taxes, its rates were in practice limited by the scope available for additional tax in the State with the highest rate of tax at each income level. This, of course, meant that in other States there were large untapped sources of income tax revenue.

This problem was the subject of discussion between the Commonwealth and State Governments on a number of occasions during the early war years, but no mutually acceptable solution was reached.

THE COMMITTEE ON UNIFORM TAXATION

On 23 February 1942 the Commonwealth Treasurer appointed a Committee to consider the questions of the Commonwealth becoming the sole income taxing authority for the duration of the war and of payments, by way of grants, to the States for their retirement from the income tax field.

The Committee presented its report on 28 March 1942 and recommended that for the duration of the war and one year afterwards the Commonwealth should be the sole authority to impose taxes on income. It suggested that a scheme of uniform taxation should operate from 1 July 1942 and that the States should be compensated on retiring from the field of income tax.

THE INTRODUCTION OF UNIFORM TAXATION

In May 1942 legislation was introduced in the Commonwealth Parliament to implement, with minor amendments, the recommendations of this Committee. Under this legislation, a uniform income tax scheme came into operation on 1 July 1942.

In the same year the validity of the Commonwealth uniform tax legislation was challenged in the High Court by four of the State Governments. The challenge was unsuccessful, the High Court finding that the Commonwealth could enforce priority in the collection of its income tax and could make grants to the States under Section 96 of the Constitution on the condition that they vacated the field of income taxation.

Under this war-time uniform income tax scheme, therefore, the Commonwealth was the sole income taxing authority for the period of the war and one year thereafter. By way of compensation, the States were paid tax reimbursement grants (provided they did not impose taxes on income) based upon their average collections from taxes on income in the years 1939-40 and 1940-41.

Later in 1942 the Commonwealth, in agreement with the States concerned, established a uniform entertainments tax on a similar basis and provided for annual reimbursement grants, based on collections in 1941-42, to be paid to the five States which had previously levied entertainments tax.

TAX REIMBURSEMENT GRANTS—WAR-TIME BASIS

The tax reimbursement grants (less any arrears of income tax collected by or on behalf of the States) paid to the States in the period 1942-43 to 1945-46, inclusive, amounted to \$68,510,000, of which \$66,978,000 was by way of income tax reimbursement grants and \$1,532,000 by way of entertainments tax reimbursement grants. The amounts payable to each State in each year are shown in Table 42 following this Appendix.

Under the war-time legislation any State could apply for additional financial assistance if the income tax reimbursement grant appeared to be insufficient to meet that State's revenue requirements in any year. On the recommendation of the Commonwealth Grants Commission, the additional financial assistance given by the Commonwealth under this provision was \$1,106,000 in respect of 1945-46 and \$4,266,000 in respect of 1946-47. The amounts paid to the States concerned are shown in Table 42 following this Appendix.

THE CONTINUATION OF UNIFORM TAXATION AFTER THE WAR

At a Premiers' Conference in January 1946 the States were informed that the Commonwealth Government proposed to continue uniform income tax indefinitely. The Conference decided that the total tax reimbursement grants in both 1946-47 and 1947-48 should be \$80,000,000, and that the grants in subsequent years should be determined by means of a formula under which this base amount would be increased in accordance with variations in population and half of the percentage increase in average wages per person employed for Australia as a whole. The grants continued to be conditional upon the States refraining from levying income tax, but the condition requiring the States to refrain from imposing entertainments tax was discontinued. These provisions were incorporated in the *States Grants (Tax Reimbursement) Act 1946*.

Following further discussions with the States during the next two years, the total grant for 1947-48 was increased to \$90,000,000 and the formula embodied in the 1946 Act was amended. Beginning in 1948-49, the aggregate grant payable to the States in each year under the Act, as amended, was determined by varying the sum of \$90,000,000 in accordance with a formula which took account of—

- (a) variations in the total population of the six States since 1 July 1947; and
- (b) the full percentage increase in the level of average wages per person employed in Australia as a whole over the level of 1945-46.

The *States Grants (Tax Reimbursement) Act 1946* included a schedule determining the distribution of the aggregate grants in 1946-47 and 1947-48. It further provided that in each of the financial years, 1948-49 to 1956-57, inclusive, a percentage of the grant was to be distributed in accordance with this schedule and the remainder was to be distributed in proportion to the populations of the States adjusted for density and for numbers of children between 5 and 15 years of age. The percentage to be divided according to the schedule was 90 per cent in 1948-49, 80 per cent in 1949-50 and so on down to 10 per cent in 1956-57 and nothing in 1957-58. Thus, in 1957-58 and 1958-59 the whole of the tax reimbursement grants was distributed in proportion to the States' adjusted populations so that the distribution of the grants between States was no longer determined, directly or indirectly, by reference to the amounts of income tax collected by each State.

Although no change was made in the tax reimbursement formula after 1948-49, the Commonwealth made ad hoc grants to supplement the amount yielded by the formula in each subsequent year of its operation. These supplementary grants, which in some years took account of special circumstances, were distributed in some years in proportions which differed from those of the formula grants. The total amount of the tax reimbursement formula grants and supplementary grants paid to the States in 1946-47 was \$84,266,000. Between that year and 1958-59 the amounts made available by way of these grants increased year by year so that the total amount paid in 1958-59 was \$410,000,000. Details of the amounts paid each year are shown in Table 42 following this Appendix.

FURTHER DISCUSSIONS ON UNIFORM TAXATION

The question of resumption of State income tax was further discussed at the Premiers' Conferences of September 1950 and August 1951. In October 1952 Victoria took out a writ in the High Court challenging the validity of the uniform tax legislation. However, this challenge was not pursued.

In July 1952 the Commonwealth informed the States that it was willing to discuss with them the possibility of resumption of State income tax. A report subsequently prepared by Commonwealth and State Treasury officers on the technical problems involved was presented to a Premiers' Conference held in February 1953. At that Conference Commonwealth and State Treasury officers were asked to prepare a further report as a basis for discussions on the extent to which the Commonwealth might vacate the income tax field. This report was received at a Premiers' Conference held in August 1953, together with a report on the special problems facing Queensland in the event of the return of taxing powers. No agreement could be arrived at between the Commonwealth and the States on the extent to which the income tax field should be vacated by the Commonwealth.

FURTHER LEGAL CHALLENGE TO UNIFORM TAXATION

In December 1955 the Victorian Government took out a new writ in the High Court challenging the validity of the uniform tax legislation. In particular, Victoria disputed—

- (a) the power of the Commonwealth to make tax reimbursement grants conditional upon the States not levying income tax; and
- (b) the Commonwealth's power to provide an absolute priority for payment of Commonwealth income tax over income taxes levied by the States.

In November 1956 the New South Wales Government intervened to support Victoria's challenge. In August 1957 the High Court ruled—

- (a) unanimously, that the condition attaching to the tax reimbursement grants that the States should not levy income tax, was valid; and
- (b) by a majority of four to three, that section 221 (1.) (a) of the *Income Tax and Social Services Contribution Assessment Act 1936-1956*, which prohibited a taxpayer paying State income tax until Commonwealth income tax was paid, was invalid.

THE MARCH 1959 PREMIERS' CONFERENCE

At a special Premiers' Conference held in March 1959 all of the main aspects of Commonwealth-State financial relations were considered. In particular, extensive discussions took place on the question of the resumption of income tax by the States, but there were considerable differences of opinion on the complex issues involved and no acceptable solutions emerged.

The Conference then turned its attention to the question of revising the tax reimbursement arrangements, and it was suggested that the Commonwealth might closely examine the whole system of revenue grants to the States with a view to submitting precise proposals at the normal meeting of the Premiers in June 1959.

THE JUNE 1959 PREMIERS' CONFERENCE

The Commonwealth proposals submitted at the Premiers' Conference in June 1959 were for a new system of financial assistance grants to the States to replace the existing tax reimbursement arrangements.

The proposals were devised in the light of generally expressed dissatisfaction with the methods of determination and distribution of the tax reimbursement grants, and in the knowledge that two non-claimant States had applied for special grants subject to the recommendation of the Commonwealth Grants Commission. In particular, it was considered desirable—

- (a) to amalgamate within some new revenue grant arrangements the large grants which were then being paid to supplement the tax reimbursement formula grants, and to devise a more liberal formula which would avoid the necessity for supplementary grants;
- (b) to reduce to two the number of States which would in future continue regularly to apply for special grants recommended by the Commonwealth Grants Commission, and to reduce the dependence of these States on special grants to more marginal proportions; and
- (c) to arrive at a more generally acceptable basis of distribution as between the States of Commonwealth general revenue grants.

With these ends in view, the Commonwealth proposed that financial assistance grants amounting to \$485,000,000 should be paid to the States in 1959–60. This compared with the sum of \$451,500,000 paid to the States in 1958–59 by way of tax reimbursement, supplementary and special grants.

It was proposed that the shares of New South Wales, Victoria, Queensland, and South Australia in the sum of \$485,000,000 be determined by rounding up to the nearest whole number the percentage shares of those four States in the sum of \$451,500,000 paid in 1958–59, which comprised tax reimbursement, supplementary and special grants. As regards Western Australia and Tasmania, the effect of these proposed changes in the distribution would be to give them a slightly smaller share of the new financial assistance grants than their share of tax reimbursement and supplementary grants. However, as it was proposed that these two States would still have regular access to the Commonwealth Grants Commission, their shares of total general revenue grants (i.e. financial assistance grants and special grants) would continue to be determined, in effect, by the size of the special grants recommended by the Commission.

The Commonwealth further proposed that, in the years following 1959–60, the financial assistance grants payable to each State should be determined under a formula by which the grant paid to that State in the previous year would be varied in accordance with annual movements in the State's own population and annual increases in the level of average wages for Australia as a whole. In addition, to assist the States to improve the standard and range of services provided by them, it was proposed to introduce a 'betterment factor' equal to 10 per cent of the increase for the year in average wages; thus an increase of 4 per cent in average wages would be raised to 4.4 per cent.

In outlining these proposals the Commonwealth made it clear at the outset that it considered that the system of special grants, made upon the recommendation of the Commonwealth Grants Commission, should be continued. At the same time, the Commonwealth expressed the view that the machinery which had been developed over the years by the Commonwealth Grants Commission would become unworkable if it were to be asked to consider applications for special grants from as many as five States. Applications for special grants had recently been submitted to the Commonwealth by Queensland and Victoria.

The Commonwealth suggested that, so far as future arrangements for special grants were concerned, the States might be regarded as falling into three categories. At one extreme were the two wealthier States of New South Wales and Victoria, which should not participate in any arrangements for special grants, and at the other extreme were Western Australia and Tasmania, which for the time being might be regarded as having a continuing need for special grants. In an intermediate category were the States of South Australia, which had been a claimant State up to that time, and Queensland. The Commonwealth considered that, while these two States ought not to be denied the right of access to the Commonwealth Grants Commission, the main revenue grants to them should be increased sufficiently to enable them, unless exceptional circumstances arose, to avoid applying for special grants.

This approach was accepted by the States and, in agreeing to the new revenue grant arrangements, the Premiers of Queensland and South Australia each gave an undertaking that his State would not exercise the right of applying for special grants in future unless special or unexpected circumstances endangered its budgetary position relative to that of other States.

It was also made clear by the Commonwealth that its proposals were based on the assumptions that the States and their authorities would continue to meet Commonwealth pay-roll tax and that the distribution of taxing powers between the Commonwealth and the States would remain unchanged. If any changes in Commonwealth-State relations having a major effect on the finances of the States were to occur during the currency of the new revenue grant arrangements, they would be subject to review.

Following representations by New South Wales, the Commonwealth agreed to add \$2,000,000 to that State's share of the proposed grants for 1959–60, mainly because the rounding of percentage shares had produced a decline in its share of the proposed grants *vis-a-vis* Victoria. South Australia was also given an extra \$2,000,000; it had argued that it could expect to receive about that amount in respect of 1958–59 by way of final adjustment to the advance payment of its special grant for that year. In the result, the distribution of general revenue grants between the four non-claimant States in 1959–60 was only slightly changed from the distribution in 1958–59; the distribution as between New South Wales, Victoria and Queensland largely reflected the distribution of adjusted populations between those States; as South Australia's grant for 1959–60 was in effect determined on the basis of the total of its special grant and tax reimbursement grant for 1958–59, it received a share larger than its share of either adjusted or unadjusted population of the four non-claimant States.

After allowing for the additions of \$2,000,000 to the proposed grants to New South Wales and South Australia, the total grant proposed for 1959–60 became \$489,000,000. With these adjustments to the grants for New South Wales and South Australia the proposals were unanimously accepted by the Premiers and were embodied in the *States Grants Act 1959*, which was passed by the Commonwealth Parliament in November of that year.

THE STATES GRANTS ACT 1962

In 1961–62, in addition to the amounts determined under the *States Grants Act 1959*, further amounts were paid to Victoria, Western Australia and Tasmania under the *States Grants Act 1962*.

This action was taken because the census held in June 1961 revealed that the populations of those three States as at 1 July 1960 had been over-estimated. Since the terms of the 1959 Act required the 1961 census results to be compared with unrevised estimates of population as at 1 July 1960 for the purpose of calculating the increase in population of each State during 1960–61, the resulting estimates of population increases for these States were lower than the actual increases. As these three States had framed their budgets on the basis of preliminary estimates made prior to the census results, the Commonwealth agreed to pay them grants equal to those preliminary estimates, revised to take account of the finally determined increase in average wages for Australia as a whole. As a result, an additional amount of \$2,048,000 was paid to Victoria, \$678,000 to Western Australia and \$194,000 to Tasmania.

The *States Grants Act 1962* also authorised, for the purpose of calculating Victoria's grant in 1962–63 and subsequent years, the adoption of a new 'base amount' for 1961–62. This new base amount of \$145,460,000 represented the grant which would have been received in 1961–62 by Victoria had the financial assistance grants for that State been calculated, in each year since 1959–60, in accordance with estimates of the population of that State revised in the light of the 1961 census.

PROPOSAL FOR A 'MARGINAL' STATE INCOME TAX

In September 1964 the Victorian Government announced its intention of introducing a 'marginal' income tax to be payable by individuals living in Victoria to operate as from the beginning of 1965–66 and requested the Commonwealth Government to collect the tax on its behalf. The Commonwealth refused to accede to the Victorian request, pointing out that an arrangement involving the abandonment or modification of uniform taxation could only be contemplated if it was supported by all States, contained adequate safeguards for the interests of taxpayers and provided a sound basis for future financial relationships between the Commonwealth and each of the States. The Victorian Government then indicated that it did not propose to set up the machinery for assessment and collection of its own income tax. Although Victoria again raised the question at the Premiers' Conference held in June 1965, none of the other States supported the idea of a 'marginal' State income tax.

APPENDIX II—PART II—TABLES OF GENERAL REVENUE GRANTS

TABLE NO.	SUBJECT
41.	Total General Revenue Grants, 1942-43 to 1967-68.
42.	Tax Reimbursements Grants—Formula and Supplementary Grants, 1942-43 to 1958-59.
43.	Special Grants, 1910-11 to 1967-68.

TABLE 41.—TOTAL GENERAL REVENUE GRANTS, 1942-43 TO 1967-68

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
TAX REIMBURSEMENT GRANTS(a)							
1942-43	30,952	13,594	11,642	4,868	5,240	1,830	68,126
1943-44	31,034	13,780	11,642	4,916	5,288	1,850	68,510
1944-45	31,034	13,780	11,642	4,916	5,288	1,850	68,510
1945-46	31,034	13,780	11,642	6,022	5,288	1,850	69,616
1946-47	32,954	17,720	13,202	9,118	8,594	2,678	84,266
1947-48	37,074	19,934	14,852	7,780	7,614	2,746	90,000
1948-49	44,044	24,196	17,664	9,260	8,990	3,334	107,488
1949-50	57,502	32,268	23,080	12,114	11,666	4,444	141,074
1950-51	73,632	44,496	28,558	14,538	14,354	5,218	180,796
1951-52	95,800	59,000	38,000	20,400	18,800	8,000	240,000
1952-53	107,973	66,433	43,423	23,194	21,709	9,069	271,801
1953-54	112,571	70,000	45,434	24,481	22,695	9,664	284,844
1954-55	116,948	74,757	48,209	26,321	23,612	10,153	300,000
1955-56	122,672	78,934	49,309	27,753	24,627	10,705	314,000
1956-57	130,558	92,126	54,524	31,433	27,411	12,048	348,100
1957-58(b)	141,471	100,811	59,389	34,962	29,931	13,436	380,000
1958-59	152,188	109,165	63,789	37,969	32,349	14,540	410,000
FINANCIAL ASSISTANCE GRANTS							
1959-60	166,900	121,250	72,750	55,350	50,924	21,826	489,000
1960-61	183,977	134,743	79,901	61,454	55,954	23,960	539,989
1961-62(c)	198,498	146,029	87,460	66,451	60,171	25,671	584,280
1962-63(b)	206,642	152,267	91,083	69,552	62,480	26,616	608,640
1963-64(b)	215,712	159,482	94,821	72,729	65,597	27,626	635,967
1964-65	230,537	171,750	101,111	78,155	70,498	29,297	681,349
1965-66	255,001	191,922	113,356	86,467	78,474	32,131	757,351
1966-67	276,794	208,790	125,514	94,346	86,396	34,773	826,613
1967-68 (Estimate)	299,800	226,600	138,500	102,700	94,900	37,600	900,100
SPECIAL GRANTS(e)							
1942-43	..	..	..	1,600	1,600	1,150	4,350
1943-44	..	..	..	1,800	1,700	1,440	4,940
1944-45	..	..	..	2,400	1,808	1,484	5,692
1945-46	..	..	..	2,800	1,900	1,292	5,992
1946-47	..	..	..	4,000	3,746	1,750	9,496
1947-48	..	..	..	4,636	5,954	1,494	12,084
1948-49	..	..	..	5,700	7,200	2,000	14,900
1949-50	..	..	..	8,348	11,236	2,524	22,108
1950-51	..	..	..	10,664	11,678	2,008	24,350
1951-52	..	..	..	9,116	10,176	1,752	21,044
1952-53	..	..	..	12,686	16,082	3,100	31,868
1953-54	..	..	..	12,200	15,600	3,000	30,800
1954-55	..	..	..	4,500	14,900	5,200	24,600
1955-56	..	..	..	10,800	17,800	8,400	37,000
1956-57	..	..	..	11,600	18,400	7,000	37,000
1957-58	..	..	..	11,400	20,300	7,300	39,000
1958-59	..	..	..	10,500	22,200	8,800	41,500
1959-60	..	..	..	2,852	7,000	6,800	16,652
1960-61	..	..	..	..	8,618	8,618	17,236
1961-62	..	..	..	..	12,312	10,150	22,462
1962-63	..	..	..	..	12,420	10,082	22,502
1963-64	..	..	..	..	12,144	10,756	22,900
1964-65	..	..	..	..	17,120	14,600	31,720
1965-66	..	..	..	..	24,038	17,732	41,770
1966-67	..	..	..	..	19,406	20,666	40,072
1967-68 (Recommended)	..	..	..	..	15,518	19,889	35,407
TOTAL GENERAL REVENUE GRANTS(e)							
1942-43	30,952	13,594	11,642	6,468	6,840	2,980	72,476
1943-44	31,034	13,780	11,642	6,716	6,988	3,290	73,450
1944-45	31,034	13,780	11,642	7,316	7,096	3,334	74,202
1945-46	31,034	13,780	11,642	8,822	7,188	3,142	75,608
1946-47	32,954	17,720	13,202	13,118	12,340	4,428	93,762
1947-48	37,074	19,934	14,852	12,416	13,568	4,240	102,084
1948-49	44,044	24,196	17,664	14,960	16,190	5,334	122,388
1949-50	57,502	32,268	23,080	20,462	22,902	6,968	163,182
1950-51	73,632	44,496	28,558	25,202	26,032	7,226	205,146
1951-52	95,800	59,000	38,000	29,516	28,976	9,752	261,044
1952-53	107,973	66,433	43,423	35,880	37,791	12,169	303,669
1953-54	112,571	70,000	45,434	36,681	38,295	12,664	315,644
1954-55	116,948	74,757	48,209	30,821	38,512	15,353	324,600
1955-56	122,672	78,934	49,309	38,553	42,427	19,105	351,000
1956-57	130,558	92,126	54,524	43,033	45,811	19,048	385,100
1957-58(b)	141,471	100,811	59,389	46,362	50,231	20,736	419,000
1958-59	152,188	109,165	63,789	48,469	54,549	23,340	451,500
1959-60	166,900	121,250	72,750	58,202	57,924	28,626	505,652
1960-61	183,977	134,743	79,901	61,454	64,572	32,578	557,225
1961-62(c)	198,498	146,029	87,460	66,451	72,483	35,821	606,742
1962-63(b)	206,642	152,267	91,083	69,552	74,900	36,698	631,142
1963-64(b)	215,712	159,482	94,821	72,729	77,741	38,382	658,867
1964-65	230,537	171,750	101,111	78,155	87,618	43,897	713,069
1965-66	255,001	191,922	113,356	86,467	102,512	49,863	799,121
1966-67(f)	284,794	208,790	128,264	94,346	105,802	55,439	877,435
1967-68 (Estimate)	299,800	226,600	138,500	102,700	110,418	57,489	935,507

(a) In the years 1942-43 to 1945-56 the amounts include entertainments tax reimbursement grants. In 1945-46, 1946-47, 1949-50 and each subsequent year the amounts include supplementary grants where these were paid. See Table 42.

(b) Excluding additional assistance grants used for revenue purposes. See Chapter IV and Tables 32 and 56 to 66.

(c) Includes additional amounts of \$2,048,000 for Victoria, \$678,000 for Western Australia and \$194,000 for Tasmania paid under the States Grants Act 1962. See Appendix II.

(d) Includes special assistance of \$5,000,000.

(e) See Footnote (a) to Table 43.

(f) Includes special revenue assistance of \$8,000,000 to New South Wales and \$2,750,000 to Queensland.

TABLE 42.—TAX REIMBURSEMENT GRANTS, 1942-43 TO 1958-59

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
FORMULA GRANTS							
1942-43(a)	30,952	13,594	11,642	4,868	5,240	1,830	68,126
1943-44(a)	31,034	13,780	11,642	4,916	5,288	1,850	68,510
1944-45(a)	31,034	13,780	11,642	4,916	5,288	1,850	68,510
1945-46(a)	31,034	13,780	11,642	4,916	5,288	1,850	68,510
1946-47*	32,954	17,720	13,202	6,916	6,768	2,440	80,000
1947-48*	37,074	19,934	14,852	7,780	7,614	2,746	90,000
1948-49*	44,044	24,196	17,664	9,260	8,990	3,334	107,488
1949-50	50,980	28,608	20,462	10,740	10,344	3,940	125,074
1950-51	57,078	32,676	22,930	12,080	11,534	4,498	140,796
1951-52	69,653	40,753	27,989	14,819	14,020	5,612	172,846
1952-53	86,982	52,170	34,981	18,685	17,489	7,203	217,510
1953-54	95,533	58,756	38,557	20,776	19,260	8,133	241,014
1954-55	101,431	64,838	41,813	22,829	20,479	8,806	260,196
1955-56	108,453	72,137	45,063	25,363	22,506	9,783	283,305
1956-57	116,706	80,474	48,739	28,098	24,503	10,770	309,290
1957-58	123,493	88,000	51,842	30,519	26,127	11,728	331,709
1958-59	129,592	92,957	54,318	32,332	27,546	12,381	349,126
SUPPLEMENTARY GRANTS							
1945-46(b)	..	..	..	1,106	..	..	1,106
1946-47(b)	..	..	..	2,202	1,826	238	4,266
1947-48	..	..	..	..	..	..	..
1948-49	..	..	..	..	..	..	..
1949-50	6,522	3,660	2,618	1,374	1,322	504	16,000
1950-51	16,554	11,820	5,628	2,458	2,820	720	40,000
1951-52	26,147	18,247	10,011	5,581	4,780	2,388	67,154
1952-53	20,991	14,263	8,442	4,509	4,220	1,866	54,291
1953-54	17,038	11,244	6,877	3,705	3,435	1,531	43,830
1954-55	15,517	9,919	6,396	3,492	3,133	1,347	39,804
1955-56	14,219	6,797	4,246	2,390	2,121	922	30,695
1956-57	13,852	11,652	5,785	3,335	2,908	1,278	38,810
1957-58(c)	17,978	12,811	7,547	4,443	3,804	1,708	48,291
1958-59	22,596	16,208	9,471	5,637	4,803	2,159	60,874
TOTAL TAX REIMBURSEMENT GRANTS							
1942-43(a)	30,952	13,594	11,642	4,868	5,240	1,830	68,126
1943-44(a)	31,034	13,780	11,642	4,916	5,288	1,850	68,510
1944-45(a)	31,034	13,780	11,642	4,916	5,288	1,850	68,510
1945-46(a)	31,034	13,780	11,642	4,916	5,288	1,850	68,510
1946-47	32,954	17,720	13,202	9,118	8,594	2,678	84,266
1947-48	37,074	19,934	14,852	7,780	7,614	2,746	90,000
1948-49	44,044	24,196	17,664	9,260	8,990	3,334	107,488
1949-50	57,502	32,268	23,080	12,114	11,666	4,444	141,074
1950-51	73,632	44,496	28,558	14,538	14,354	5,218	180,796
1951-52	95,800	59,000	38,000	20,400	18,800	8,000	240,000
1952-53	107,973	66,433	43,423	23,194	21,709	9,069	271,801
1953-54	112,571	70,000	45,434	24,481	22,695	9,664	284,844
1954-55	116,948	74,757	48,209	26,321	23,612	10,153	300,000
1955-56	122,672	78,934	49,309	27,753	24,627	10,705	314,000
1956-57	130,558	92,126	54,524	31,433	27,411	12,048	348,100
1957-58(c)	141,471	100,811	59,389	34,962	29,931	13,436	380,000
1958-59	152,188	109,165	63,789	37,969	32,349	14,540	410,000

* Formula altered in these years.

(a) Includes annual amounts of entertainments tax reimbursement grants as follows:

	Income Tax Reimbursement	Entertainments Tax Reimbursement	Total Tax Reimbursement
	\$'000	\$'000	\$'000
New South Wales	30,712	322	31,034
Victoria	13,034	746	13,780
Queensland	11,642	..	11,642
South Australia	4,722	194	4,916
Western Australia	5,092	196	5,288
Tasmania	1,776	74	1,850
Total	66,978	1,532†	68,510†

† Because the legislation came into operation on 1 October 1942, the total amount paid as entertainments tax reimbursement in 1942-43 was in fact \$384,000 less than the amount shown here. The total tax reimbursement grant for 1942-43 was, therefore, \$68,126,000.

(b) Paid on recommendation of the Commonwealth Grants Commission.

(c) The Commonwealth also provided for the States in this year an additional assistance grant to meet special circumstances. See Chapter IV.

TABLE 43.—SPECIAL GRANTS PAID BY THE COMMONWEALTH TO STATES
1910-11 TO 1967-68

\$'000

	South Australia	Western Australia	Tasmania	Total
SPECIAL GRANTS PAID PRIOR TO ESTABLISHMENT OF COMMONWEALTH GRANTS COMMISSION				
1910-11 .. .. .	..	500	..	500
1911-12 .. .. .	..	480	..	480
1912-13 .. .. .	..	460	190	650
1913-14 .. .. .	..	440	180	620
1914-15 .. .. .	..	420	180	600
1915-16 .. .. .	..	400	180	580
1916-17 .. .. .	..	380	180	560
1917-18 .. .. .	..	360	180	540
1918-19 .. .. .	..	340	180	520
1919-20 .. .. .	..	320	180	500
1920-21 .. .. .	..	300	180	480
1921-22 .. .. .	..	280	170	450
1922-23 .. .. .	..	260	170	430
1923-24 .. .. .	..	240	170	410
1924-25 .. .. .	..	220	292	512
1925-26 .. .. .	..	900	136	1,036
1926-27 .. .. .	..	600	756	1,356
1927-28 .. .. .	..	600	756	1,356
1928-29 .. .. .	..	600	440	1,040
1929-30	720	600	500	1,820
1930-31	2,340	600	500	3,440
1931-21	2,000	600	500	3,100
1932-33	2,000	1,000	660	3,660
1933-34	2,300	1,200	760	4,260
TOTAL	9,360	12,100	7,440	28,900
SPECIAL GRANTS PAID ON RECOMMENDATION OF COMMONWEALTH GRANTS COMMISSION(a)				
1934-35	2,800	1,200	800	4,800
1935-36	3,000	1,600	900	5,500
1936-37	2,660	1,000	1,200	4,860
1937-38	2,400	1,150	1,150	4,700
1938-39	2,080	1,140	820	4,040
1939-40	1,990	1,190	860	4,040
1940-41	2,000	1,300	800	4,100
1941-42	2,300	1,260	1,040	4,600
1942-43	1,600	1,600	1,150	4,350
1943-44	1,800	1,700	1,440	4,940
1944-45	2,400	1,808	1,484	5,692
1945-46	2,800	1,900	1,292	5,992
1946-47	4,000	3,746	1,750	9,496
1947-48	4,636	5,954	1,494	12,084
1948-49	5,700	7,200	2,000	14,900
1949-50	8,348	11,236	2,524	22,108
1950-51	10,664	11,678	2,008	24,350
1951-52	9,116	10,176	1,752	21,044
1952-53	12,686	16,082	3,100	31,868
1953-54	12,200	15,600	3,000	30,800
1954-55	4,500	14,900	5,200	24,600
1955-56	10,800	17,800	8,400	37,000
1956-57	11,600	18,400	7,000	37,000
1957-58	11,400	20,300	7,300	39,000
1958-59	10,500	22,200	8,800	41,500
1959-60	(b) 2,852	7,000	6,800	16,652
1960-61 .. .. .	..	8,618	8,618	17,236
1961-62 .. .. .	..	12,312	10,150	22,462
1962-63 .. .. .	..	12,420	10,082	22,502
1963-64 .. .. .	..	12,144	10,756	22,900
1964-65 .. .. .	..	17,120	14,600	31,720
1965-66 .. .. .	..	24,038	17,732	41,770
1966-67 .. .. .	..	19,406	20,666	40,072
1967-68 (Recommended) .. .. .	..	15,318	19,889	35,207
TOTAL	146,832	320,696	186,557	654,085

(a) From 1949-50 special grants have been paid in two parts. One part represents the advance payment for the current financial year; the other represents the adjustment to the advance payment made two years earlier and is now known as the completion payment. The figures shown here are the amounts actually paid each year. Figures of final special grants paid in respect of each year from 1950-60 are given in Chapter II.

(b) Adjustments to special grants for 1957-58 and 1958-59. The amounts were \$798,000 and \$2,054,000, respectively.

APPENDIX III—PART I—HISTORY OF SPECIFIC PURPOSE PAYMENTS

Chapter III outlines the payments currently being made to the States for specific purposes of a revenue and a capital nature. Tables 44 and 45 following this Appendix show specific purpose payments according, respectively, to the nature of the payment and the type of State expenditure which it is intended to assist. Table 44 also includes details of debt charges paid by the States in respect of loans for specific purposes from 1951–52 to 1967–68 (estimated). The sections which follow outline in more detail the history of some of the specific purpose payments, including payments for projects which have been completed in recent years.

EDUCATION—UNIVERSITIES

Commonwealth assistance to the States for universities was first introduced in 1951–52. Details of payments in the period 1951–52 to 1962–63 are given below. The basis of payments made since 1964 is outlined in Chapter III.

Under the States Grants (Universities) Acts of 1951, 1953, 1955, 1956 and 1957 the Commonwealth provided financial assistance to the States for the running expenses of universities, on condition that the level of university income from State grants and fees reached, and was maintained at, certain basic levels. Additional Commonwealth assistance up to certain fixed amounts was also payable to the States on the basis of \$1 for each \$3 of State grants and fees in excess of these basic levels. Under the *States Grants (Universities) Act 1957* an amount of \$4,600,000 was made available on this basis in each of the years 1957 and 1958.

Following an inquiry in 1957 by the Committee on Australian Universities under the chairmanship of Sir Keith Murray, C.M.G., Commonwealth assistance to the States for universities was considerably expanded. The *States Grants (Universities) Act 1958*, which incorporated the main recommendations of the Committee, came into force on 1 January 1958 and authorized payments to the States for universities up to \$42,800,000 over the three calendar years 1958 to 1960. Apart from increased contributions towards the running expenses of universities, the new basis of assistance included emergency grants. In addition, provision was made, for the first time, for grants for capital works and equipment. Under the *States Grants (Universities) Act 1960* Commonwealth assistance for the 1958–1960 triennium was increased to \$43,900,000.

An Australian Universities Commission was established by the *Australian Universities Commission Act 1959* to inquire into and make recommendations on the subject of Commonwealth financial assistance to the States for universities.

The main financial recommendations in the Commission's first report, which was presented in October, 1960, were incorporated in the *States Grants (Universities) Act 1960*. This Act carried on the principles of grants for capital works and equipment introduced in the 1958 legislation and it authorized total payments by the Commonwealth of \$84,600,000 for the three calendar years 1961 to 1963. Subsequent amendments to that Act in 1962, 1963 and 1964 increased the maximum Commonwealth assistance to \$89,940,000. The 1962 amendment, which followed the presentation of the report by the Committee on Teaching Costs of Medical Hospitals, introduced the principle of capital assistance by the Commonwealth to the States for university projects in teaching hospitals.

Table 47 following this Appendix shows annual payments to the States for universities from 1951–52.

DEVELOPMENT OF RURAL INDUSTRIES

Encouragement of Meat Production

For the purpose of stimulating pastoral development in accordance with Australia's commitments under the Fifteen Year Meat Agreement with the United Kingdom, the Commonwealth agreed in 1949 to provide financial assistance for new and improved facilities for the movement of cattle in the Channel country of Queensland and in the area serving the meatworks at Wyndham, Western Australia.

The Governments of Queensland and Western Australia were responsible for construction work within their respective States, and the Commonwealth undertook to provide them with grants amounting to \$4,332,000. This undertaking was written into the *States Grants (Encouragement of Meat Production) Act 1949–1954*.

Payments made by the Commonwealth under the scheme have amounted to \$4,331,000. Annual figures of the payments to each State from 1955–56 are given in the tables in Appendix IV.

Recharging of Cattle Dips

In 1962–63 special payments of \$96,000 to New South Wales and \$10,000 to Queensland were made by the Commonwealth towards the costs of changing the chemicals in cattle dips.

Tobacco Industry Extension Services

In each of the years 1962–63 and 1963–64 the Commonwealth made a grant of \$48,000 to the tobacco-growing States for additional extension services for tobacco growers. The distribution of this amount in each year was \$6,000 to New South Wales, \$16,000 to Victoria and \$26,000 to Queensland.

DEVELOPMENT AND CONTROL OF WATER RESOURCES

Western Australia (Northern Development)

Under the *Western Australia Grant (Northern Development) Act 1958–1959*, grants totalling \$10,000,000 were made available for development of the northern part of the State. The bulk of this assistance (\$8,034,000) was spent on the Ord River Diversion Dam and Main Irrigation Channel (Stage 1). The remainder was spent on harbour works (*See below under 'Harbours and Port Facilities'*). Annual figures of grants under this Act in respect of the Ord project are shown under the heading 'Northern Development—Water' in Table 64 in Appendix IV.

Under the *Western Australia (Northern Development) Agreement Act 1963* an amount of \$7,000,000 was made available to Western Australia primarily for the construction of a new deep-water jetty at Broome and for the construction of irrigation works within the first stage of the Ord Irrigation Project. Grants of \$4,046,000 have been provided for the Ord Project, the final payment of \$1,112,000 being made in 1965–66. (*See below under 'Harbours and Port Facilities'* for details of assistance for the Broome Jetty.) Annual figures of grants paid under this Act in respect of the Ord Project are shown under the heading of 'Northern Development—Water' in Table 64 in Appendix IV.

ROADS—COMMONWEALTH AID FOR ROADS

Payments have been made by the Commonwealth to the States for expenditure on roads since 1923–24. Details of payments between 1923–24 and 1963–64 are given below. Payments since 1963–64 are dealt with in Chapter III.

The *Main Roads Development Act 1923* provided for payment to the States of a single lump sum of \$1,000,000, subject to a \$1 for \$1 contribution by the States themselves. The basis of distribution of the total sum amongst the States, although not explicitly stated as such, was the 'two-fifths area, three-fifths population' formula which subsequently applied until 1959–60. Subsequent amendments to the Act increased the sum payable, first by \$1,000,000 in 1924 and then by a further \$1,500,000 in 1925.

Under the *Federal Aid Roads Act 1926* annual allocations of \$4,000,000 were provided and were distributed amongst the States on the explicitly stated 'two-fifths area, three-fifths population' formula. Among other changes, the Act reduced the matching contribution required of the States to \$1.50 for each \$2 provided by the Commonwealth.

The *Federal Aid Roads Act 1931* amended the Act of 1926 by repealing the requirement for matching State contributions. Also, instead of the previous provision of a fixed annual amount, the allocations for roads were explicitly associated with the yield from 'petrol tax', being determined on the basis of 2.083 cents (2½d.) and 1.25 cents (1¼d.) per gallon of petrol cleared for Customs duty and Excise duty purposes, respectively.

The *Federal Aid Roads and Works Act 1937*, while maintaining the previous rates of allocations to the States for road works, allocated the equivalent of an additional 0.416 cents (½d.) per gallon of petrol subject to either Customs or Excise duty to be used by the States either on road works or on 'other works connected with transport'. Of this additional allocation, the States could be required to use up to one-twelfth on roads adjoining or approaching Commonwealth properties.

The *Commonwealth Aid Roads and Works Act 1947* provided for allocations of 2.5 cents (3d.) and 1.666 cents (2d.) per gallon of petrol subject to Customs duty and Excise duty, respectively. Of the proceeds of these allocations, the States could spend up to one-sixth on 'other works connected with transport'. In addition, the Act provided a sum of \$2,000,000 per annum to be spent on 'rural' roads. (By subsequent amendments to the Act in 1948 and 1949, this sum was raised to \$4,000,000 and then to \$6,000,000.) An amount of \$1,000,000 per annum was also provided for Commonwealth expenditure on 'strategic' roads and roads of access to Commonwealth properties. A further \$200,000 per annum was provided for the promotion of road safety measures.

The amounts per gallon of dutiable petrol allocated for roads were increased under the *Commonwealth Aid Roads Act 1950* to 5 cents (6d.) and 2.91 cents (3½d.) respectively. The amount of \$1,200,000 for expenditure by the Commonwealth on strategic roads and road safety, which had previously been provided separately by the Commonwealth, was now provided from the amounts allocated on the basis of petrol clearances. In addition, the former lump sum provision for expenditure by the States on 'rural' roads was replaced by a new provision requiring at least 35 per cent of the total amount allocated to be spent on such roads.

In the *Commonwealth Aid Roads Act 1954* the amounts allocated for roads in respect of petrol subject to duty, whether Customs or Excise, were raised to the uniform rate of 5.83 cents (7d.) per gallon. They were subsequently increased to 6.666 cents (8d.) per gallon in March 1956. The minimum proportion to be spent on 'rural' roads was increased from 35 per cent to 40 per cent, and the total amount which could be spent on 'other works connected with transport by road or water' was reduced to a flat sum of \$2,000,000 per annum. From the total allocation, \$1,800,000 per annum was reserved to the Commonwealth. This was raised to \$1,900,000 in 1955.

In association with the imposition of a tax of 10 cents (1s.) per gallon on automotive diesel fuel consumed in road-using vehicles, the Commonwealth agreed to provide special assistance for roads of \$6,000,000 in each of the years 1957-58 and 1958-59. The Commonwealth retained \$100,000 for Commonwealth road purposes and the balance of this special assistance was distributed between the States on an arbitrary basis.

Following a special conference on roads convened by the Commonwealth in February 1959, proposals for a new scheme of Commonwealth aid for roads were placed before State Premiers in March of that year. These proposals were later enacted in the *Commonwealth Aid Roads Act 1959*, which operated for five years commencing 1 July 1959. Under that Act the Commonwealth made payments totalling \$500,000,000 to the States for roads, or almost \$200,000,000 more than was provided during the five years of the previous legislation. This amount comprised basic grants totalling \$440,000,000 and additional grants totalling \$60,000,000 which were made available to the States, subject to certain annual limits, on the basis of \$1 for each \$1 allocated by the State Governments from their own resources for expenditure on roads over and above the amounts allocated by them for roads expenditure in 1958-59.

In the 1959 Act three important changes were made in the bases of road grants to the States. Commonwealth road grants to the States were no longer determined on the basis of petrol clearances; a change in the distribution of the grants as between the States was effected by the inclusion of motor vehicle registrations in the distribution formula as a third and equal factor with area and population; and the condition of \$1 for \$1 matching expenditure by the States was introduced for that part of the financial assistance described as the additional grant.

The 1959 Act expired on 30 June 1964, and was replaced by the *Commonwealth Aid Roads Act 1964*, to operate for the five-year period 1964-65 to 1968-69, inclusive.

Table 50 following this Appendix shows annual payments to the States for roads from 1923-24. Prior to 1959-60 payments did not coincide exactly with allocations and figures of these are given in Table 51.

RAILWAYS

The Commonwealth has given assistance to the States for a number of railway projects which have now been completed. Details of this assistance are outlined below and Table 52 which follows this Appendix gives annual figures of payments to the States for the years 1951-52 to 1967-68 (Estimate). Details of payments made by the States in respect of interest and repayment of loans (except debt charges in respect of loans for the Grafton-South Brisbane railway) are given in Table 53.

(a) Grafton-South Brisbane Railway

In 1924, the Commonwealth entered into an agreement with New South Wales and Queensland for the construction of a standard gauge railway between Grafton and South Brisbane. The railway was built at a cost of \$9,038,000 and was opened for traffic on 27 September 1930. The project was regarded for financing purposes as part of a wider standardisation scheme, initiated in 1920 but later abandoned,

under which 20 per cent of the cost was to have been met by the Commonwealth and 80 per cent by the five mainland States in proportion to their populations. In this particular instance, the Commonwealth agreed to meet the shares of the three non-participating States as well as its own. The approximate allocation of cost on this basis was—Commonwealth 56 per cent; New South Wales 32 per cent; and Queensland 12 per cent. All of the funds were provided initially by the Commonwealth but each party became responsible for meeting the debt charges on its agreed share of the cost.

(b) *Albury–Melbourne Railway*

Under the *Railway Standardization (New South Wales and Victoria) Agreement Act 1958* the Commonwealth provided \$31,946,000 for the construction of the standard gauge rail link between Albury and Melbourne. In addition, a contribution of \$28,000 was made towards the cost of the initial survey. Each of the two States is repaying 15 per cent of the cost of construction by instalments over a period of fifty years, plus interest on outstanding balances.

(c) *Railway Equipment (South Australia)*

Under the *Railway Equipment Agreement (South Australia) Act 1961* the Commonwealth provided \$2,635,000 to the State for the purchase of twelve diesel-electric locomotives and 100 wagons of 3 ft 6 in gauge for ore traffic on the Broken Hill–Port Pirie line. The Equipment Agreement required that the locomotives and wagons be readily convertible to standard gauge when the gauge of the railway is widened, and that the cost of conversion be met entirely by the State. The State is repaying 30 per cent of the cost of the equipment by instalments, with interest, over a period of fifty years.

HARBOURS AND PORT FACILITIES

Loading Facilities for Export of Coal

(a) *New South Wales*

Under the *Coal Loading Works Agreement (New South Wales) Act 1961* the Commonwealth made available to the State, on a \$1 for \$1 basis, financial assistance of \$5,300,000 towards the cost of improvements in coal loading works at the ports of Newcastle, Port Kembla and Balmain being undertaken by the State Government. Financial assistance by the Commonwealth was designed to expedite completion of the coal loading works and thereby facilitate expansion of coal exports through these ports. The State, for its part, undertook to carry out the coal loading works and related harbour improvements.

Of the assistance provided by the Commonwealth, \$2,000,000 was made available by way of grant from the Coal Industry Fund of the Joint Coal Board. The remaining amount of \$3,300,000 was provided in the form of interest-bearing advances repayable over ten years.

(b) *Queensland*

Under the *Coal Loading Works Agreement (Queensland) Act 1962* the Commonwealth provided \$400,000 of the total estimated cost of \$810,000 to expedite improvements to coal loading facilities at Gladstone. Coal from the Kianga and Moura coal-fields in central Queensland is shipped from Gladstone for export purposes.

Of the total Commonwealth assistance of \$400,000, an amount of \$200,000 was by way of grant and \$200,000 an interest-bearing loan repayable over fifteen years.

Annual figures of payments to the two States for coal loading facilities, and of debt charges paid by the States, may be obtained from the tables in Appendix IV.

Weipa Harbour Works

Under the *Weipa Development Agreement Act 1965* the Commonwealth provided \$3,270,000 in the form of an interest-bearing loan to Queensland to enable the State to finance the construction of harbour works at Weipa in north Queensland where large bauxite deposits are being exploited.

Annual figures of payments to the State, and of debt charges paid by the State may be obtained from Table 61 in Appendix IV.

Western Australia (Northern Development)

Under the *Western Australia Grant (Northern Development) Act 1958-1959*, grants totalling \$10,000,000 were made available for development of the northern part of the State. While the bulk of this assistance (\$8,034,000) was spent on the Ord River Diversion Dam and Main Irrigation Channel (Stage 1) (*see* above under 'Development and Control of Water Resources'), the remaining \$1,966,000 was spent on harbour works, mainly the Wyndham Jetty. Annual figures of grants under this Act in respect of harbour works are shown under the heading 'Northern Development—Harbours' in Table 64 in Appendix IV.

Under the *Western Australia (Northern Development) Agreement Act 1963* payments of \$7,000,000 were made to Western Australia primarily for the construction of a deep-water jetty at Broome and the construction of irrigation works within the first stage of the Ord Irrigation Project.

In the case of the Broome jetty a total of \$2,954,000 was provided, 50 per cent as a grant and 50 per cent by way of loan repayable over a period of fifteen years. The final payment of \$1,154,000 was made in 1965-66. (Details of assistance in respect of the Ord Project are given above under 'Development and Control of Water Resources'.) Annual figures of loans and debt charges in respect of the Broome Jetty are shown under the heading of 'Northern Development—Harbours' in Table 65 in Appendix IV.

Replacement of Derby Jetty

Under the *Derby Jetty Agreement Act 1962* financial assistance of \$1,600,000 was made available to the State of Western Australia towards the cost of constructing a new jetty with improved facilities at Derby, in the West Kimberleys region of Western Australia. Half of the assistance was provided by way of grant; the other half is being repaid with interest over fifteen years.

Annual figures of payments and debt charges are given in Table 65 in Appendix IV.

APPENDIX III—PART II—TABLES OF SPECIFIC PURPOSE PAYMENTS

TABLE NO.	SUBJECT
44.	Total Specific Purpose Payments, 1953-54 to 1967-68.
45.	Specific Purpose Payments by Function, 1955-56 to 1967-68.
46.	Interest and Sinking Fund Payments under the Financial Agreement, 1927-28 to 1967-68.
47.	Universities, Grants for, 1951-52 to 1967-68.
48.	Tuberculosis Hospitals, Grants for, 1949-50 to 1967-68.
49.	Natural Disasters, Payments in respect of, 1949-50 to 1967-68.
50.	Roads, Payments to States for, under Aid Roads Acts and Comparable Legislation, 1923-24 to 1967-68.
51.	Roads, Allocations for, under Aid Roads Acts and Comparable Legislation, 1923-24 to 1958-59.
52.	Railway Projects, Payments for, 1951-52 to 1967-68.
53.	Railway Projects, Debt Charges on Loans for, 1952-53 to 1967-68.

TABLE 44.—SPECIFIC PURPOSE PAYMENTS, 1953-54 TO 1967-68

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
PAYMENTS OF A REVENUE NATURE							
1953-54	13,348	9,018	4,585	3,317	3,008	1,590	34,866
1954-55	15,098	9,190	4,961	3,565	2,936	1,538	37,288
1955-56	15,671	9,569	5,252	3,760	3,068	1,566	38,886
1956-57	16,802	10,020	6,620	4,076	3,398	1,761	42,677
1957-58	17,669	10,326	6,241	4,360	3,537	1,875	44,008
1958-59	18,858	10,963	6,969	4,834	3,991	2,001	47,616
1959-60	18,730	11,576	6,533	5,752	4,133	2,108	48,832
1960-61	20,483	12,602	7,351	5,643	4,428	2,276	52,783
1961-62	22,325	13,398	7,882	5,993	4,476	2,427	56,501
1962-63	23,825	14,695	8,613	6,362	4,707	2,534	60,736
1963-64	25,469	16,119	9,437	6,723	5,002	2,695	65,445
1964-65	28,242	18,487	10,350	7,689	5,560	3,050	73,378
1965-66	38,839	20,410	15,206	8,226	5,864	3,231	91,777
1966-67	40,041	24,006	16,140	9,195	6,523	4,857	100,761
1967-68 (Estimate)	37,770	28,013	15,774	10,408	7,824	4,168	103,958
PAYMENTS OF A CAPITAL NATURE—GRANTS							
1953-54	10,461	6,539	8,148	5,194	7,625	1,805	39,772
1954-55	14,459	7,998	10,013	6,049	10,320	2,287	51,126
1955-56	17,030	10,201	11,314	6,693	12,374	2,686	60,298
1956-57	19,615	12,593	13,490	8,619	14,156	3,223	71,696
1957-58	20,964	14,938	15,151	9,936	16,202	3,684	80,875
1958-59	25,036	18,627	17,128	10,031	17,465	4,859	93,146
1959-60	28,090	24,348	17,613	10,861	18,705	5,292	104,909
1960-61	28,920	28,371	18,940	11,007	20,533	5,742	114,113
1961-62	34,082	29,976	20,718	12,497	23,382	5,743	126,398
1962-63	35,994	28,978	23,301	15,390	26,451	5,845	135,959
1963-64	37,737	27,897	24,803	16,938	28,887	6,524	142,786
1964-65	50,532	35,600	31,474	27,092	34,263	8,874	182,835
1965-66	56,244	36,884	32,841	24,678	38,499	10,263	199,409
1966-67	60,030	42,832	36,026	26,141	41,133	11,675	217,837
1967-68 (Estimate)	81,440	55,171	(a) 39,229	31,976	45,528	15,059	(a) 268,403
PAYMENTS OF A CAPITAL NATURE—LOANS							
1953-54	..	..	..	442	..	..	442
1954-55	..	..	..	358	..	..	358
1955-56	..	..	..	237	..	..	237
1956-57	..	..	..	234	..	..	234
1957-58	..	282	..	354	..	..	636
1958-59	..	976	..	138	..	..	1,114
1959-60	..	2,203	..	12	..	..	2,215
1960-61	..	2,830	..	8	..	..	2,822
1961-62	568	2,400	7,500	-18	..	..	10,450
1962-63	1,100	789	13,117	772	2,844	..	18,622
1963-64	1,056	..	15,777	885	5,127	..	22,845
1964-65	4,455	..	6,836	1,333	6,738	..	19,362
1965-66	15,534	..	9,643	1,916	12,314	..	39,407
1966-67	12,221	..	6,966	2,151	11,836	500	33,674
1967-68 (Estimate)	7,693	479	(a) 5,646	7,887	14,001	11,305	(a) 47,011
TOTAL SPECIFIC PURPOSE PAYMENTS							
1953-54	23,809	15,557	12,733	8,953	10,633	3,395	75,080
1954-55	29,558	17,188	14,974	9,972	13,256	3,825	88,773
1955-56	32,701	19,770	16,566	10,690	15,442	4,252	99,421
1956-57	36,417	22,613	20,110	12,929	17,554	4,984	114,607
1957-58	38,633	25,546	21,392	14,650	19,739	5,559	125,519
1958-59	43,894	30,566	24,097	15,003	21,456	6,860	141,876
1959-60	46,820	38,127	24,146	16,625	22,838	7,400	155,956
1960-61	50,003	43,803	26,291	16,642	24,961	8,018	169,718
1961-62	56,975	45,774	36,100	18,472	27,858	8,170	193,349
1962-63	60,919	44,462	45,031	22,524	34,002	8,379	215,317
1963-64	64,262	44,016	50,017	24,546	39,016	9,219	231,076
1964-65	83,229	54,087	48,660	31,114	46,561	11,924	275,575
1965-66	110,617	57,294	57,690	34,820	56,677	13,494	330,593
1966-67	112,292	66,838	59,132	37,487	59,492	17,032	352,273
1967-68 (Estimate)	126,903	83,663	65,149	50,271	67,353	30,532	423,872
DEBT CHARGES PAID BY THE STATES IN RESPECT OF LOANS FOR SPECIFIC PURPOSES (b)							
1954-55	..	..	..	100	..	..	100
1955-56	..	..	..	120	..	..	120
1956-57	..	..	..	134	..	..	134
1957-58	..	..	..	148	..	..	148
1958-59	..	..	..	170	..	..	170
1959-60	10	10	..	176	..	..	264
1960-61	44	44	..	177	..	..	418
1961-62	120	121	..	172	..	..	747
1962-63	223	223	129	170	..	..	1,588
1963-64	391	304	721	170	2	..	2,696
1964-65	566	330	1,373	222	205	..	4,218
1965-66	615	326	2,449	276	552	..	5,721
1966-67	913	321	3,148	365	974	..	7,201
1967-68 (Estimate)	1,336	316	3,237	495	1,817	..	9,649
1967-68 (Estimate)	1,667	311	4,561	655	2,478	..	9,649

(a) Total of capital items for which dissection as between grants and loans is available. See footnote (a) to Table 30.
 (b) Payments of interest and repayments of capital. For details see Appendix IV.

TABLE 45.—SPECIFIC PURPOSE PAYMENTS BY FUNCTION*, 1955-56 TO 1967-68

	1955-56	1956-57	1957-58	1958-59	1959-60	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68 (Est.)
PAYMENTS OF A REVENUE NATURE													
Financial Agreement	23,790	24,450	25,300	25,943	27,054	27,718	28,648	29,667	30,861	31,816	32,931	34,121	35,316
Education	3,301	4,524	5,987	8,178	9,728	13,354	16,236	18,546	21,081	28,529	32,929	38,772	48,866
Public Health and Welfare(a) ..	8,361	9,895	9,445	9,998	9,083	8,792	9,100	10,230	10,982	10,679	13,974	12,074	11,889
Natural Disasters	229	210	56	2	115	65	267	130	120	100	9,746	12,724	4,050
Development of Rural Industries ..	2,035	2,364	2,040	2,150	1,884	2,097	1,670	1,598	1,811	1,659	1,578	2,451	3,217
Railways	40	40											
Miscellaneous	1,131	1,194	1,179	1,350	968	759	579	562	589	598	619	620	620
Total Revenue	38,886	42,677	44,008	47,616	48,832	52,783	56,501	60,736	65,445	73,378	91,777	100,761	103,958
PAYMENTS OF A CAPITAL NATURE													
Education			162	5,659	5,527	9,100	12,086	12,872	12,779	32,650	32,074	40,092	69,245
Public Health and Welfare	5,060	7,258	6,797	5,065	3,857	2,275	2,421	2,574	2,193	3,200	5,235	5,501	5,685
Natural Disasters	561	1,224	1,121	508	212	580	375			11,994	8,370	12,950	
Development of Rural Industries ..	606	268	196	32	12	14	10	1,307	1,600	1,400	1,600	2,499	6,576
Water Resources	1,364	924	1,354	1,048	1,248	2,894	3,402	2,864	2,806	7,103	10,816	9,952	8,497
Roads	52,132	61,429	69,736	77,839	87,883	92,083	102,392	111,484	121,927	137,258	147,404	157,665	166,314
Railways	808	800	2,140	3,765	7,446	9,432	15,464	21,818	22,601	17,757	24,258	24,925	37,850
Harbour and Port Facilities				342	938	556	698	1,596	1,676	2,447	4,684	553	
Power and Fuel													11,300
Miscellaneous	4	26	6	4				66	48	382	750	1,954	1,497
Total Capital	60,535	71,930	81,511	94,260	107,124	116,935	136,848	154,581	165,631	202,197	238,816	251,511	319,914
TOTAL SPECIFIC PURPOSE PAYMENTS													
Financial Agreement	23,790	24,450	25,300	25,943	27,054	27,718	28,648	29,667	30,861	31,816	32,931	34,121	35,316
Education	3,301	4,524	6,149	13,837	15,251	22,454	28,322	31,418	33,860	61,179	65,003	78,864	118,111
Public Health and Welfare(a) ..	13,421	17,153	16,242	15,063	12,946	11,067	11,521	12,804	13,175	13,879	19,209	17,575	17,574
Natural Disasters	799	1,434	1,171	510	327	645	642	130	120	100	21,740	21,094	17,000
Development of Rural Industries ..	2,641	2,632	2,231	2,182	1,896	2,111	1,680	2,905	3,411	3,059	3,178	4,950	9,793
Water Resources	1,364	924	1,354	1,048	1,248	2,894	3,402	2,864	2,806	7,103	10,816	9,952	8,497
Roads	52,132	61,429	69,736	77,839	87,883	92,083	102,392	111,484	121,927	137,258	147,404	157,665	166,314
Railways	848	840	2,140	3,765	7,446	9,432	15,464	21,818	22,601	17,757	24,258	24,925	37,850
Harbour and Port Facilities				342	938	556	698	1,596	1,676	2,447	4,684	553	
Power and Fuel													11,300
Miscellaneous	1,131	1,221	1,185	1,354	968	759	579	628	637	980	1,369	2,574	2,117
Total Specific Purpose Payments ..	99,421	114,607	125,519	141,876	155,956	169,718	193,349	215,317	231,076	275,575	330,593	352,273	423,872

* The functional classification followed in this table is the same as that employed in Chapter III of this paper.
 (a) Includes payments for promotion of road safety practices.

TABLE 46.—INTEREST AND SINKING FUND PAYMENTS UNDER THE FINANCIAL AGREEMENT, 1927-28 TO 1966-67*

\$'000

	Sinking Fund Contributions							Interest Payments (a)	Total
	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total		
1927-28	592	358	264	216	158	58	1,645	15,170	16,816
1928-29	682	408	288	244	182	60	1,864	15,170	17,034
1929-30	750	428	304	254	196	56	1,988	15,170	17,158
1930-31	806	456	306	278	212	58	2,116	15,170	17,286
1931-32	896	504	310	294	238	66	2,308	15,170	17,478
1932-33	974	468	312	306	254	64	2,378	15,170	17,548
1933-34	1,036	560	324	320	274	66	2,580	15,170	17,750
1934-35	1,086	548	350	322	288	68	2,662	15,170	17,832
1935-36	1,126	542	352	330	302	68	2,720	15,170	17,890
1936-37	1,178	562	372	334	314	72	2,832	15,170	18,002
1937-38	1,206	574	386	342	324	76	2,908	15,170	18,078
1938-39	1,226	580	390	346	334	80	2,956	15,170	18,126
1939-40	1,270	600	408	360	350	84	3,072	15,170	18,242
1940-41	1,284	606	416	362	356	90	3,114	15,170	18,284
1941-42	1,304	612	422	366	364	92	3,160	15,170	18,330
1942-43	1,312	602	432	368	366	96	3,176	15,170	18,346
1943-44	1,294	602	424	370	368	98	3,156	15,170	18,326
1944-45	1,342	634	464	442	384	100	3,366	15,170	18,536
1945-46	1,288	634	444	390	372	104	3,232	15,170	18,402
1946-47	1,296	642	448	398	378	110	3,272	15,170	18,442
1947-48	1,386	672	470	424	394	118	3,464	15,170	18,634
1948-49	1,492	724	494	454	410	130	3,704	15,170	18,874
1949-50	1,606	796	530	488	438	150	4,008	15,170	19,196
1950-51	1,752	904	590	552	490	194	4,482	15,170	19,652
1951-52	1,960	1,057	668	631	545	253	5,115	15,170	20,285
1952-53	2,253	1,302	773	752	621	321	6,022	15,170	21,192
1953-54	2,547	1,519	876	875	712	397	6,925	15,170	22,095
1954-55	2,859	1,760	994	1,007	794	479	7,894	15,170	23,064
1955-56	3,091	1,944	1,067	1,121	856	540	8,620	15,170	23,790
1956-57	3,302	2,109	1,152	1,215	909	594	9,280	15,170	24,450
1957-58	3,573	2,310	1,262	1,336	995	654	10,129	15,170	25,300
1958-59	3,789	2,461	1,341	1,429	1,053	700	10,773	15,170	25,943
1959-60	4,148	2,733	1,488	1,583	1,157	776	11,884	15,170	27,054
1960-61	4,363	2,893	1,571	1,674	1,218	829	12,548	15,170	27,718
1961-62	4,659	3,132	1,688	1,798	1,306	896	13,478	15,170	28,648
1962-63	4,983	3,389	1,826	1,925	1,403	972	14,497	15,170	29,667
1963-64	5,366	3,700	1,968	2,077	1,519	1,062	15,691	15,170	30,861
1964-65	5,662	3,937	2,109	2,193	1,616	1,129	16,646	15,170	31,816
1965-66	5,991	4,225	2,272	2,335	1,726	1,212	17,761	15,170	32,931
1966-67	6,368	4,524	2,439	2,482	1,844	1,293	18,951	15,170	34,121
1967-68 (Estimate) ..	6,725	4,832	2,605	2,641	1,962	1,381	20,146	15,170	35,316

* For description of these payments, see Chapter III.

(a) For distribution of the interest payments as between States, see table in Chapter III.

TABLE 47.—GRANTS FOR UNIVERSITIES, 1951-52 TO 1967-68

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1951-52	1,046	812	375	335	263	116	(a) 2,947
1952-53	(b) 1,058	675	256	267	173	92	2,521
1953-54	1,072	667	361	335	229	115	2,779
1954-55	1,259	735	359	368	244	124	3,089
1955-56	1,288	829	393	394	268	129	3,301
1956-57	1,744	1,044	620	542	388	186	4,524
1957-58	2,391	1,329	738	777	506	246	5,987
1958-59	3,316	1,750	1,067	1,017	694	334	8,178
1959-60	3,871	2,044	1,280	1,287	829	417	9,728
1960-61	5,620	2,907	1,678	1,617	1,034	498	13,354
1961-62	7,216	3,308	2,019	1,955	1,194	544	16,236
1962-63	7,990	4,104	2,359	2,133	1,377	583	18,546
1963-64	8,941	4,916	2,621	2,367	1,595	641	21,081
1964-65	11,663	7,098	3,512	3,266	2,060	930	28,529
1965-66	13,075	8,071	3,863	3,420	2,152	970	31,551
1966-67	13,773	9,211	4,276	3,668	2,306	1,028	34,262
1967-68 (Estimate)	16,076	11,091	5,187	4,146	2,688	1,203	40,391
Total Recurrent	101,399	60,591	30,964	27,894	18,000	8,156	247,004
CAPITAL (c)							
1957-58			112	50			162
1958-59	2,539	875	543	310	531	861	5,659
1959-60	2,595	800	452	500	433	747	5,527
1960-61	2,661	3,138	1,396	564	772	569	9,100
1961-62	5,068	4,101	599	837	794	687	12,086
1962-63	4,341	5,207	960	1,006	923	435	12,872
1963-64	3,759	5,009	1,151	1,284	1,161	415	12,779
1964-65	4,507	3,288	1,784	1,814	940	412	12,745
1965-66	5,267	4,425	1,836	2,597	901	201	15,227
1966-67	6,502	5,250	1,641	1,407	1,160	394	16,354
1967-68 (Estimate)	10,320	9,002	2,791	2,070	495	783	25,461
Total Capital	47,559	41,095	13,265	12,439	8,110	5,504	127,972
TOTAL							
1951-52	1,046	812	375	335	263	116	(a) 2,947
1952-53	(b) 1,058	675	256	267	173	92	2,521
1953-54	1,072	667	361	335	229	115	2,779
1954-55	1,259	735	359	368	244	124	3,089
1955-56	1,288	829	393	394	268	129	3,301
1956-57	1,744	1,044	620	542	388	186	4,524
1957-58	2,391	1,329	850	827	506	246	6,149
1958-59	5,855	2,625	1,610	1,327	1,225	1,195	13,837
1959-60	6,466	2,844	1,732	1,787	1,262	1,164	15,255
1960-61	8,281	6,045	3,074	2,181	1,806	1,067	22,454
1961-62	12,284	7,409	2,618	2,792	1,988	1,231	28,322
1962-63	12,331	9,311	3,319	3,139	2,300	1,018	31,418
1963-64	12,700	9,925	3,772	3,651	2,756	1,056	33,860
1964-65	16,170	10,386	5,296	5,080	3,000	1,342	41,274
1965-66	18,342	12,496	5,699	6,017	3,053	1,171	46,778
1966-67	20,275	14,461	5,917	5,075	3,466	1,422	50,616
1967-68 (Estimate)	26,396	20,093	7,978	6,216	3,183	1,986	65,852
Total Grants	148,958	101,686	44,229	40,333	26,110	13,660	374,976

(a) Includes a grant for part of the year 1950-51.

(b) Includes a supplementary grant of \$270,000 for the University of New South Wales.

(c) Grants for capital expenditure purposes commenced for the first time in 1957-58.

TABLE 48.—GRANTS FOR TUBERCULOSIS HOSPITALS 1949-50 TO 1967-68

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
GRANTS FOR MAINTENANCE							
1949-50	144	626	22	34	148	76	1,050
1950-51 .. .. .	..	1,216	122	134	258	120	1,850
1951-52	1,446	1,542	364	264	384	172	4,172
1952-53	1,474	2,006	642	416	968	400	5,906
1953-54	2,404	2,288	800	516	988	384	7,380
1954-55	2,600	2,174	964	648	756	336	7,478
1955-56	2,970	2,216	1,150	566	794	290	7,986
1956-57	3,214	2,183	2,160	638	940	342	9,478
1957-58	3,430	2,055	1,540	714	889	364	8,991
1958-59	3,531	2,091	1,597	857	1,116	340	9,533
1959-60	2,750	2,193	1,091	1,247	1,023	294	8,598
1960-61	2,556	2,148	1,484	804	997	324	8,314
1961-62	2,990	2,221	1,565	691	793	368	8,628
1962-63	3,492	2,542	1,789	752	800	363	9,738
1963-64	3,750	2,772	2,118	710	751	363	10,463
1964-65	3,650	2,700	2,036	638	742	361	10,129
1965-66	6,585	3,019	2,068	662	697	338	13,370
1966-67	3,956	3,293	2,189	652	547	337	10,974
1967-68 (Estimate)	3,800	3,314	2,194	675	785	350	11,118
Total	54,743	42,600	25,896	11,618	14,376	5,922	155,156

GRANTS FOR CAPITAL EXPENDITURE

1949-50 .. .. .	..	362	70	..	6	34	472
1950-51	160	556	44	..	42	12	814
1951-52	282	796	178	96	94	22	1,468
1952-53	862	370	862	48	248	194	2,584
1953-54	836	274	1,204	78	224	142	2,758
1954-55	1,634	92	1,152	108	396	36	3,418
1955-56	1,736	150	934	244	432	20	3,516
1956-57	1,980	240	1,344	179	1,008	13	4,762
1957-58	1,186	152	1,356	216	1,366	9	4,284
1958-59	744	90	1,328	140	514	9	2,824
1959-60	432	52	744	214	78	43	1,562
1960-61	252	96	351	61	43	18	821
1961-62	95	116	401	92	24	46	773
1962-63	140	110	630	27	67	10	984
1963-64	153	50	283	30	44	39	598
1964-65	135	308	223	13	11	6	696
1965-66	390	169	110	14	2	12	696
1966-67	356	110	28	5	..	..	499
1967-68 (Estimate)	350	128	80	43	20	11	632
Total	11,721	4,219	11,321	1,607	4,618	675	34,161

TOTAL GRANTS

1949-50	144	988	92	34	154	110	1,522
1950-51	160	1,772	166	134	300	132	2,664
1951-52	1,728	2,338	543	360	478	194	5,640
1952-53	2,336	2,376	1,504	464	1,216	594	8,490
1953-54	3,240	2,562	2,004	594	1,212	526	10,138
1954-55	4,234	2,266	2,116	756	1,152	372	10,896
1955-56	4,706	2,366	2,084	810	1,226	310	11,502
1956-57	5,194	2,423	3,504	817	1,948	355	14,240
1957-58	4,616	2,207	2,896	930	2,255	373	13,275
1958-59	4,275	2,181	2,925	997	1,631	349	12,357
1959-60	3,182	2,245	1,835	1,461	1,101	337	10,160
1960-61	2,808	2,244	1,835	865	1,040	342	9,135
1961-62	3,085	2,337	1,966	783	817	414	9,401
1962-63	3,632	2,652	2,419	779	867	373	10,722
1963-64	3,903	2,822	2,401	740	795	402	11,061
1964-65	3,785	3,008	2,259	651	753	367	10,825
1965-66	6,975	3,188	2,178	676	699	350	14,066
1966-67	4,312	3,400	2,217	657	547	337	11,473
1967-68 (Estimate)	4,150	3,442	2,274	718	805	361	11,750
Total	66,464	46,819	37,217	13,225	18,995	6,597	189,317

TABLE 49.—PAYMENTS IN RESPECT OF NATURAL DISASTERS, 1949-50 TO 1967-68*(a)
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
PAYMENTS OF A CURRENT NATURE							
1949-50	200		2				202
1950-51	170	30	1	5	20		226
1951-52	67	20					87
1952-53	116	34					150
1953-54	200	4					204
1954-55	786		4				789
1955-56	104	12	13	100			229
1956-57	30	80		100			210
1957-58	40		16				56
1958-59			2				2
1959-60		1	44	70			115
1960-61							65
1961-62	100	100			65		267
1962-63	130				67		130
1963-64	120						120
1964-65	60	20		20			100
1965-66	5,532	40	4,174				9,746
1966-67	7,621		3,753			1,350	12,724
1967-68 (Estimate)	2,000		1,850			200	4,050
Total	17,274	341	9,860	295	152	1,550	29,471
PAYMENTS OF A CAPITAL NATURE							
1949-50			21				21
1950-51	403		2				405
1951-52			1				1
1952-53			3				3
1953-54	10						10
1954-55	408		9				416
1955-56	560		1				561
1956-57(b)		500	1	723			1,224
1957-58(b)		420		701			1,121
1958-59(b)	5	76	160	266			508
1959-60			212				212
1960-61			129			451	580
1961-62			44		320	10	375
1962-63							
1963-64							
1964-65							
1965-66	8,668		3,326				11,994
1966-67	5,460		1,760			1,150	8,370
1967-68 (Estimate)	2,000		2,650			8,300	12,950
Total	17,514	996	8,317	1,690	320	9,911	38,750
TOTAL							
1949-50	200		23				223
1950-51	573	30	3	5	20		631
1951-52	67	20	1				88
1952-53	116	34	3				153
1953-54	210	4					215
1954-55	1,193		12				1,206
1955-56	664		14		100		790
1956-57(b)	30	580	1	823			1,434
1957-58(b)	40	420	16	701			1,177
1958-59(b)	5	76	162	266			509
1959-60		1	256	70			327
1960-61			129			65	645
1961-62	100	100	44		387	10	641
1962-63	130						130
1963-64	120						120
1964-65	60	20		20			100
1965-66	14,200	40	7,500				21,740
1966-67	13,081		5,513			2,500	21,094
1967-68 (Estimate)	4,000		4,500			8,500	17,000
Total	34,787	1,337	18,177	1,985	472	11,461	68,221

* For description of these payments, see chapter III.

(a) Excludes the cost of emergency assistance provided by the Defence Services.

(b) The figures for these years include the following payments for roads purposes financed from the Commonwealth Aid Roads (Supplementary) Trust Account: 1956-57, \$324,000; 1957-58, \$670,000; and 1958-59, \$312,000.

TABLE 50.—PAYMENTS TO STATES FOR ROADS UNDER AID ROADS ACTS AND COMPARABLE LEGISLATION, 1923-24 TO 1967-68*(a)(b)

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total	Act
1923-24 ..	40	88	48	20	68	24	264	Main Roads Development Act 1923-1925
1924-25 ..	190	154	210	154	306	86	1,038	
1925-26 ..	268	302	302	226	254	86	1,438	
1926-27 ..	358	330	410	310	426	94	1,928	Federal Aid Roads Act 1926
1927-28 ..	596	786	686	514	466	148	3,196	
1928-29 ..	1,538	688	754	424	436	246	4,086	
1929-30 ..	1,750	1,018	982	510	1,608	318	6,186	
1930-31 ..	1,156	668	882	408	872	256	4,242	
1931-32 ..	1,444	566	732	474	664	156	4,036		Federal Aid Roads Act 1931-1936
1932-33 ..	1,046	682	712	432	728	190	3,790	
1933-34 ..	1,256	878	854	518	874	228	4,608	
1934-35 ..	1,346	818	918	556	938	244	4,820	
1935-36 ..	1,518	990	1,034	626	1,054	274	5,496	
1936-37 ..	1,666	1,086	1,136	688	1,160	302	6,038	
1937-38 ..	2,272	1,418	1,544	898	1,554	404	8,090	Federal Aid Roads and Works Act 1937
1938-39 ..	2,410	1,500	1,638	952	1,646	428	8,574	
1939-40 ..	2,524	1,572	1,716	996	1,724	450	8,982	
1940-41 ..	1,986	1,236	1,350	784	1,358	354	7,068	
1941-42 ..	1,244	776	846	496	842	224	4,428	
1942-43 ..	926	576	628	362	640	162	3,294	
1943-44 ..	334	640	700	406	704	184	2,968	
1944-45 ..	1,118	760	830	482	834	218	4,242	
1945-46 ..	1,792	1,116	1,218	708	1,226	320	6,380	
1946-47 ..	2,666	1,660	1,812	1,054	1,822	474	9,488	
1947-48 ..	4,048	2,002	2,210	1,266	2,214	576	12,316	Commonwealth Aid Roads and Works Act 1947-1949
1948-49 ..	3,898	2,404	2,652	1,520	2,652	690	13,816	
1949-50 ..	4,992	3,080	3,400	1,948	3,400	884	17,704	
1950-51 ..	7,228	4,462	4,920	2,818	4,920	1,284	25,632	Commonwealth Aid Roads Act 1950
1951-52 ..	8,347	5,150	5,683	3,256	5,683	1,480	29,599	
1952-53 ..	8,415	5,192	5,729	3,282	5,729	1,492	29,839	
1953-54 ..	9,373	5,783	6,381	3,656	6,381	1,662	33,236	
1954-55 ..	12,381	7,905	8,649	5,045	8,779	2,251	45,010	Commonwealth Aid Roads Act 1954-1956 and Commonwealth Aid Roads (Special Assistance) Act 1957
1955-56 ..	14,316	9,161	10,019	5,851	10,179	2,606	52,132	
1956-57 ..	16,869	10,795	11,805	6,894	11,994	3,072	61,429	
1957-58(c) ..	19,130	12,618	13,268	7,814	13,414	3,492	69,736	
1958-59(c) ..	21,355	14,042	14,825	8,724	14,996	3,897	77,839	
1959-60(d) ..	24,345	17,319	16,042	9,846	15,927	4,368	87,847	Commonwealth Aid Roads Act 1959
1960-61 ..	25,741	18,367	16,855	10,256	16,181	4,600	92,000	
1961-62 ..	27,622	20,159	18,187	11,505	17,527	5,000	100,000	
1962-63 ..	29,880	21,754	19,591	12,400	18,975	5,400	108,000	
1963-64 ..	32,443	22,824	21,070	13,337	20,526	5,800	116,000	
1964-65 ..	36,345	25,576	23,669	14,903	23,007	6,500	130,000	Commonwealth Aid Roads Act 1964
1965-66 ..	39,191	27,508	25,538	16,024	24,739	7,000	140,000	
1966-67 ..	41,744	29,443	27,415	17,222	26,676	7,500	150,000	
1967-68 (Estimate) ..	44,496	31,311	29,272	18,320	28,601	8,000	160,000	

(a) The amounts paid to the States under Aid Roads and comparable legislation did not coincide with allocations made by the Commonwealth under such legislation before 1959-60. Amounts allocated for roads by the Commonwealth under Aid Roads and comparable legislation in each year since 1923-24 are shown in Table 51.

(b) These figures do not include expenditure in the States on strategic roads, roads serving Commonwealth purposes and road safety.

(c) The figures for 1957-58 and 1958-59 include the following amounts which each State received from the \$6,000,000 special assistance grant for roads allocated in each of those years: New South Wales, \$1,600,000; Victoria, \$1,400,000; Queensland, \$1,000,000; South Australia, \$650,000; Western Australia, \$950,000; and Tasmania, \$300,000.

(d) These figures include a special adjusting payment of \$508,000 to Western Australia under Section 4 (3.) of the 1959 Act and a final adjusting payment of \$3,338,000 to complete commitments under the 1954 Act. This latter payment was distributed: New South Wales, \$916,000; Victoria, \$586,000; Queensland, \$642,000; South Australia, \$374,000; Western Australia, \$652,000; and Tasmania, \$168,000.

TABLE 51.—ALLOCATIONS FOR ROADS UNDER AID ROADS ACTS AND COMPARABLE LEGISLATION, 1923-24 TO 1958-59(a)

\$'000

	Allocations for States							Strategic Roads and Road Safety (b)	Total	ACT
	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total			
1923-24 ..	276	180	188	114	192	50	1,000	..	1,000	} <i>Main Roads Development Act 1923-1925</i>
1924-25 ..	276	180	188	114	192	50	1,000	..	1,000	
1925-26 ..	414	270	282	172	288	74	1,500	..	1,500	
1926-27 ..	1,104	720	752	456	768	200	4,000	..	4,000	} <i>Federal Aid Roads Act 1926</i>
1927-28 ..	1,104	720	752	456	768	200	4,000	..	4,000	
1928-29 ..	1,104	720	752	456	768	200	4,000	..	4,000	
1929-30 ..	1,104	720	752	456	768	200	4,000	..	4,000	
1930-31 ..	1,104	720	752	456	768	200	4,000	..	4,000	
1931-32 ..	1,000	652	682	412	696	182	3,624	..	3,624	} <i>Federal Aid Roads Act 1931-1936</i>
1932-33 ..	1,062	692	722	438	738	192	3,844	..	3,844	
1933-34 ..	1,218	794	830	504	848	222	4,416	..	4,416	
1934-35 ..	1,362	888	928	562	946	246	4,932	..	4,932	
1935-36 ..	1,534	1,000	1,044	634	1,068	278	5,558	..	5,558	
1936-37 ..	1,678	1,094	1,142	694	1,168	304	6,080	..	6,080	
1937-38 ..	2,332	1,452	1,584	922	1,594	414	8,298	..	8,298	} <i>Federal Aid Roads and Works Act 1937</i>
1938-39 ..	2,398	1,494	1,630	948	1,638	426	8,534	..	8,534	
1939-40 ..	2,504	1,560	1,702	988	1,712	446	8,912	..	8,912	
1940-41 ..	1,958	1,220	1,332	774	1,338	348	6,970	..	6,970	
1941-42 ..	1,196	744	814	472	818	212	4,256	..	4,256	
1942-43 ..	900	562	612	356	616	160	3,206	..	3,206	
1943-44 ..	262	660	720	420	724	188	2,974	..	2,974	
1944-45 ..	1,238	770	840	488	846	220	4,402	..	4,402	
1945-46 ..	1,870	1,166	1,272	738	1,278	332	6,656	..	6,656	
1946-47 ..	2,700	1,682	1,836	1,066	1,846	480	9,610	..	9,610	
1947-48 ..	4,034	1,996	2,204	1,262	2,204	574	12,274	1,200	13,474	} <i>Commonwealth Aid Roads and Works Act 1947-1949</i>
1948-49 ..	4,006	2,472	2,726	1,562	2,726	710	14,202	1,200	15,402	
1949-50 ..	4,944	3,050	3,368	1,928	3,368	876	17,534	1,200	18,734	
1950-51 ..	7,638	4,712	5,200	2,980	5,200	1,356	27,086	1,200	28,286	} <i>Commonwealth Aid Roads Act 1950</i>
1951-52 ..	8,260	5,098	5,624	3,222	5,624	1,466	29,294	1,200	30,494	
1952-53 ..	8,520	5,258	5,802	3,324	5,802	1,510	30,216	1,200	31,416	
1953-54 ..	9,282	5,726	6,320	3,620	6,320	1,646	32,914	1,200	34,114	
1954-55 ..	12,820	8,204	8,972	5,240	9,114	2,334	46,684	1,800	48,484	} <i>Commonwealth Aid Roads Act 1954-1956 and Commonwealth Aid Roads (Special Assistance) Act 1957</i>
1955-56 ..	14,564	9,320	10,192	5,952	10,356	2,652	53,036	1,900	54,936	
1956-57 ..	17,174	10,990	12,018	7,018	12,210	3,126	62,536	1,900	64,436	
1957-58(c) ..	18,990	12,528	13,170	7,758	13,316	3,466	69,228	2,000	71,228	
1958-59(c) ..	19,860	13,086	13,780	8,114	13,934	3,624	72,398	2,000	74,398	

- (a) Since 1958-59 the amounts allocated for roads under Aid Roads legislation have coincided with payments under such legislation. The actual payments made to the States under Aid Roads legislation in each year since 1923-24 are shown in Table 50.
- (b) From 1947-48 to 1958-59 specific provision for these purposes was made in the various Commonwealth Aid Roads Acts: in other years any Commonwealth expenditures have been met from annual appropriations. Portions of the amounts shown in this column were used to finance grants for promotion of road safety practices and for maintenance of the Eyre and Barkly Highways.
- (c) The figures for 1957-58 and 1958-59 include the \$6,000,000 special assistance grant for roads allocated in each of those years. This grant was arbitrarily distributed: New South Wales, \$1,600,000; Victoria, \$1,400,000; Queensland, \$1,000,000; South Australia, \$650,000; Western Australia, \$950,000; Tasmania, \$300,000; and Commonwealth purposes, \$100,000.

TABLE 52.—PAYMENTS FOR RAILWAY PROJECTS, 1951-52 TO 1967-68

\$'000

	New South Wales			Victoria			Queensland			South Australia			Western Australia			Total		
	Grants	Loans	Total Payments	Grants	Loans	Total Payments	Grants	Loans (a)	Total Payments(a)	Grants (b)	Loans (b)	Total Payments	Grants	Loans	Total Payments	Grants	Loans	Total Payments
1951-52	1,504	644	2,148	..	..	..	1,504	644	2,148
1952-53	1,393	595	1,988	..	..	..	1,394	595	1,989
1953-54	1,041	442	1,483	..	..	..	1,042	442	1,484
1954-55	850	358	1,208	..	..	..	850	358	1,208
1955-56	571	237	808	..	..	..	571	237	808
1956-57	566	234	800	..	..	..	566	234	800
1957-58	658	282	940	..	..	..	846	354	1,200	..	..	..	1,504	636	2,140
1958-59	(c) 2,306	976	3,282	..	..	..	345	138	483	..	..	..	2,651	1,114	3,765
1959-60	5,141	2,203	7,344	..	..	..	90	12	102	..	..	..	5,231	2,215	7,446
1960-61	6,602	2,830	9,432	..	..	..	8	—	8	..	..	..	6,610	2,822	9,432
1961-62	5,600	2,400	8,000	..	7,500	7,500	—	—	—	..	..	..	5,582	9,882	15,464
1962-63	242	104	346	1,841	789	2,630	..	11,917	11,917	1,828	772	2,600	1,781	2,544	4,325	5,692	16,126	21,818
1963-64	12,100	12,100	2,090	885	(d) 2,975	3,099	4,427	7,526	5,189	17,412	22,601
1964-65	3,016	3,016	3,143	1,333	(e) 4,476	4,227	6,038	10,265	7,370	10,387	17,757
1965-66	4,515	1,916	6,431	7,341	10,487	17,828	11,856	12,403	24,258
1966-67	4,868	2,061	6,929	7,410	10,586	17,996	12,278	12,647	24,925
1967-68 (Estimate)	8,250	..	8,250	..	..	..	..	600	600	6,323	2,677	9,000	8,235	11,765	20,000	22,808	15,042	37,850
Total ..	8,492	104	8,596	22,148	9,480	31,628	..	35,133	35,133	29,963	12,632	42,595	32,093	45,847	77,940	92,698	103,196	195,892

(a) Amounts provided from Loan Fund.

(b) Figures for grants are increased and for loans decreased in each year after 1951-52 by the rebates allowable under clause 16 (3.) of the Agreement.

(c) Includes a contribution of \$28,000 towards preliminary survey work.

(d) Includes advance of \$16,000 repaid in 1964-65.

(e) Expenditure less repayment of advance of \$16,000 made in 1963-64.

TABLE 53.—DEBT CHARGES PAID BY STATES ON LOANS MADE FOR RAILWAY PROJECTS, 1952-53 TO 1967-68*
\$'000

	New South Wales(a)			Victoria			Queensland(a)			South Australia			Western Australia			Total		
	Interest	Capital	Total	Interest	Capital	Total	Interest	Capital	Total	Interest	Capital	Total	Interest	Capital	Total	Interest	Capital	Total
1952-53 .. .. .	..	..	..	..	..	..	..	..	..	24	11	35	..	..	..	24	11	35
1953-54 .. .. .	..	..	..	..	..	..	..	..	..	51	22	73	..	..	..	51	22	73
1954-55 .. .. .	..	..	..	..	..	..	..	..	..	70	30	100	..	..	..	70	30	100
1955-56 .. .. .	..	..	..	..	..	..	..	..	..	84	36	120	..	..	..	84	36	120
1956-57 .. .. .	..	..	..	..	..	..	..	..	..	94	40	134	..	..	..	94	40	134
1957-58 .. .. .	..	..	..	..	..	..	..	..	..	104	44	148	..	..	..	104	44	148
1958-59	7	3	10	7	3	10	..	..	..	119	51	170	..	..	..	133	57	190
1959-60	31	13	44	32	12	44	..	..	..	124	53	177	..	..	..	187	78	265
1960-61	86	34	120	86	35	121	..	..	..	123	54	177	..	..	..	295	123	418
1961-62	160	63	223	160	63	223	129	..	129	119	53	172	..	..	..	568	179	747
1962-63	217	87	304	217	87	304	721	..	721	117	53	170	..	..	..	1,272	227	1,499
1963-64	235	96	331	234	96	330	1,341	..	1,341	153	69	222	161	15	176	2,124	276	2,400
1964-65	230	96	326	230	96	326	1,797	506	2,303	191	85	276	391	42	433	2,839	825	3,664
1965-66	225	96	321	225	96	321	1,858	1,009	2,867	257	108	365	727	78	805	3,292	1,387	4,679
1966-67	220	96	316	220	96	316	1,802	1,065	2,867	353	142	495	1,320	141	1,461	3,915	1,540	5,455
1967-68 (Estimate)	215	96	311	215	96	311	1,742	1,125	2,867	454	178	632	1,846	204	2,050	4,472	1,699	6,171
Total ..	1,626	680	2,306	1,626	680	2,306	9,390	3,705	13,095	2,437	1,029	3,466	4,445	480	4,925	19,524	6,574	26,098

* For description of repayment provisions with respect to these loans, see Chapter III and Appendix III.

(a) Excludes debt charges in respect of loans made for Grafton-South Brisbane railway.

APPENDIX IV—TABLES OF COMMONWEALTH PAYMENTS TO EACH STATE

TABLE NO.	SUBJECT
54.	Total Commonwealth Payments to or for the States, 1955–56 to 1967–68.
55.	Total Specific Purpose Capital Payments—Grants, Loans and Debt Charges on Loans, 1961–62 to 1967–68.
56.	New South Wales—Commonwealth Payments to or for, 1955–56 to 1967–68.
57.	New South Wales—Specific Purpose Capital Payments—Grants, Loans and Debt Charges on Loans, 1961–62 to 1967–68.
58.	Victoria—Commonwealth Payments to or for, 1955–56 to 1967–68.
59.	Victoria—Specific Purpose Capital Payments—Grants, Loans and Debt Charges on Loans, 1961–62 to 1967–68.
60.	Queensland—Commonwealth Payments to or for, 1955–56 to 1967–68.
61.	Queensland—Specific Purpose Capital Payments—Grants, Loans and Debt Charges on Loans, 1961–62 to 1967–68.
62.	South Australia—Commonwealth Payments to or for, 1955–56 to 1967–68.
63.	South Australia—Specific Purpose Capital Payments—Grants, Loans and Debt Charges on Loans, 1961–62 to 1967–68.
64.	Western Australia—Commonwealth Payments to or for, 1955–56 to 1967–68.
65.	Western Australia—Specific Purpose Capital Payments—Grants, Loans and Debt Charges on Loans, 1961–62 to 1967–68.
66.	Tasmania—Commonwealth Payments to or for, 1955–56 to 1967–68.

TABLE 54.—TOTAL COMMONWEALTH PAYMENTS TO OR FOR THE STATES 1955-56 TO 1967-68

	1955-56	1956-57	1957-58	1958-59	1959-60	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68 (Est.)
\$'000													
GENERAL REVENUE GRANTS													
Financial Assistance Grants(a)	314,000	348,100	380,000	410,000	489,000	539,989	584,280	608,640	635,967	681,349	757,351	826,613	900,100
Special Grants	37,000	37,000	39,000	41,500	16,652	17,236	22,462	22,502	22,900	31,720	41,770	40,072	35,407
Other General Revenue .. .. .	..	..	..	..	..	..	..	..	..	..	..	10,750	..
Total	351,000	385,100	419,000	451,500	505,652	557,225	606,742	631,142	658,867	713,069	799,121	877,435	935,507
ADDITIONAL ASSISTANCE GRANTS													
Used by States for—													
General Revenue .. .. .	..	..	(b)	..	..	..	..	11,346	17,650	..	..	..	..
Other Purposes .. .. .	..	..	(b)	..	..	..	20,000	23,654	22,350	..	..	..	..
Total Additional Grants .. .. .	..	..	10,000	..	..	..	20,000	35,000	40,000	..	..	..	..
SPECIFIC PURPOSE PAYMENTS OF A REVENUE NATURE													
Payments under Financial Agreement—													
Interest on State Debts	15,170	15,170	15,170	15,170	15,170	15,170	15,170	15,170	15,170	15,170	15,170	15,170	15,170
Sinking Fund on State Debts	8,620	9,280	10,129	10,773	11,884	12,548	13,478	14,497	15,691	16,646	17,761	18,951	20,146
Universities	3,301	4,524	5,987	8,178	9,728	13,354	16,236	18,546	21,081	28,529	31,551	34,262	40,391
Colleges of Advanced Education	..	..	..	..	..	..	..	..	..	..	..	..	..
Research Grants .. .. .	..	..	..	..	..	..	..	..	..	..	1,378	2,472	3,017
Tuberculosis Hospitals	7,986	9,478	8,991	9,532	8,598	8,314	8,628	9,738	10,463	10,129	13,370	10,974	11,118
Blood Transfusion Services	172	214	251	263	282	315	349	369	396	428	482	561	632
Housekeeper Services	23	23	23	23	23	23	23	23	23	22	22	23	23
Road Safety Practices	180	180	180	180	180	140	100	100	100	100	100	116	116
Natural Disaster Payments	229	210	56	2	115	65	267	130	120	100	9,746	12,724	4,050
Agricultural Extension Services	932	1,014	968	994	930	1,014	1,010	1,014	1,198	1,212	1,202	2,176	2,900
Minor Agricultural Research .. .. .	..	..	..	..	..	n.a.	n.a.	46	48	34	28	23	29
Tobacco Extension Services .. .. .	..	..	..	..	..	..	..	48	58	58	598	619	620
Cattle Tick Control	1,103	1,350	1,072	1,156	954	1,083	660	536	518	414	348	252	288
Coal Mining—Long Service Leave	1,131	1,194	1,179	1,050	968	759	579	562	589	598	619	620	620
P. Augusta—P. Pirie Railway	40	40	..	..	..	..	..	..	..	..	..	..	..
Eradication of House Borers .. .. .	..	..	..	300	..	..	..	..	..	..	..	..	..
Total Specific Revenue	38,886	42,677	44,008	47,616	48,832	52,783	56,501	60,736	65,445	73,378	91,777	100,761	103,958
SPECIFIC PURPOSE PAYMENTS OF A CAPITAL NATURE													
Universities .. .. .	..	..	162	5,659	5,527	9,100	12,086	12,872	12,779	12,745	15,227	16,354	25,461
Teachers' Colleges .. .. .	..	..	..	..	..	..	..	..	..	..	982	3,681	8,000
Colleges of Advanced Education	..	..	..	..	..	..	..	..	..	9,905	9,635	10,163	9,320
Science Laboratories .. .. .	..	..	..	..	..	..	..	..	..	10,000	6,230	9,894	12,587
Technical Training .. .. .	..	..	..	..	..	..	..	..	..	4,539	4,973	5,000	13,877
Mental Health Institutions	1,546	2,496	2,513	2,241	2,295	1,454	1,648	1,590	1,595	2,504	4,799	4,999	5,000
Tuberculosis Hospitals	3,514	4,762	4,284	2,824	1,562	821	773	984	598	696	696	499	632
Disposal of Ships' Garbage .. .. .	..	..	..	..	..	..	..	..	..	..	..	29	53
Natural Disaster Payments	561	1,224	1,121	508	212	580	375	..	..	..	11,994	8,370	12,950
Softwood Forestry .. .. .	..	..	..	..	..	..	..	..	..	..	..	291	3,926
Meat Production	606	268	196	32	12	14	10	1	..	..	..	8	..
Brigalow Lands Development .. .. .	..	..	..	..	..	..	..	1,200	1,600	1,400	1,600	2,200	2,650
Recharging Cattle Dips .. .. .	..	..	..	..	..	..	..	106	..	..	..	..	..
N. Development (W.A.)—Water	..	..	..	..	30	1,860	3,280	2,864	1,466	1,468	1,112	..	..
Water Resources Investigations	..	..	..	..	..	..	..	..	..	687	861	971	1,304
Water Supply (W.A.)	1,364	924	1,354	1,048	1,218	1,034	122	..	840	3,492	5,581	6,233	4,000
Blowering Reservoir .. .. .	..	..	..	..	..	..	..	..	100	156	472	528	193
Chowilla Reservoir .. .. .	..	..	..	..	..	..	..	..	400	1,300	1,540	970	1,500
Flood Mitigation .. .. .	..	..	..	..	..	..	..	..	..	..	..	..	..
Commonwealth Aid Roads	52,132	61,429	69,736	77,839	87,847	92,000	100,000	108,000	116,000	130,000	140,000	150,000	160,000
Beef Cattle Roads .. .. .	..	..	..	..	..	..	2,300	3,400	5,594	6,100	5,800	6,005	6,050
Gordon River Road .. .. .	..	..	..	..	..	..	..	270	1,094	1,840	1,840	1,596	200
Eyre and Barkly Highways .. .. .	..	..	..	..	36	83	92	84	64	64	64	64	64
Railway Projects	808	800	2,140	3,765	7,446	9,432	15,464	21,818	22,601	17,757	24,258	24,925	37,850
Coal Loading Facilities .. .. .	..	..	..	..	..	..	568	996	276	1,047	813	..	..
N. Development (W.A.)—	..	..	..	..	..	..	..	..	..	..	..	..	..
Harbours .. .. .	..	..	..	342	938	556	130	..	700	1,100	1,154	553	..
Weipa Development .. .. .	..	..	..	..	..	..	..	600	700	300	..	..	..
Derby Jetty .. .. .	..	..	..	..	..	..	..	..	..	..	..	..	6,300
Hydro-Electricity (Tasmania) .. .. .	..	..	..	..	..	..	..	..	..	..	..	..	5,000
Natural Gas (S.A.) .. .. .	..	..	..	..	..	..	..	..	..	..	..	..	..
Imported Housing .. .. .	..	..	..	..	..	..	..	..	..	380	750	1,952	747
Exmouth Township .. .. .	..	..	..	..	..	..	..	..	..	2	..	2	750
Migrant Centres .. .. .	..	..	..	..	..	..	..	..	..	..	..	..	..
Total Specific Capital	60,535	71,930	81,511	94,260	107,124	116,935	136,848	154,581	165,631	202,197	238,816	251,511	319,914
Total Specific Payments	99,421	114,607	125,519	141,876	155,956	169,718	193,349	215,317	231,076	275,575	330,593	352,273	423,872
TOTAL PAYMENTS	450,421	499,707	554,519	593,376	661,608	726,943	820,091	881,459	929,943	988,644	1,129,715	1,229,708	1,359,979

(a) Taxation reimbursement and supplementary grants prior to 1959-60.

(b) No dissection available.

TABLE 55.—TOTAL SPECIFIC PURPOSE CAPITAL PAYMENTS—GRANTS,
LOANS AND DEBT CHARGES ON LOANS

\$'000

	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68 (Estimate)
PAYMENTS OF A CAPITAL NATURE—GRANTS							
Universities	12,086	12,872	12,779	12,745	15,227	16,354	25,461
Teachers' Colleges .. .. .	..	..	..	..	..	..	8,000
Colleges of Advanced Education .. .. .	..	..	..	..	982	3,681	9,320
Science Laboratories .. .. .	..	..	..	9,905	9,635	10,163	12,587
Technical Training .. .. .	..	..	..	10,000	6,230	9,894	13,877
Mental Health Institutions	1,648	1,590	1,595	2,504	4,539	4,973	5,000
Tuberculosis Hospitals	773	984	598	696	696	499	632
Disposal of Ships' Garbage .. .. .	..	..	..	..	..	29	53
Natural Disaster Payments	374	..	..	..	..	650	4,550
Encouragement of Meat Production	10	1	..	..	..	8	..
Recharging Cattle Dips .. .. .	..	106	..	..	..	..	..
N. Development (W.A.)—Water	3,280	2,864	1,466	1,468	1,112	..	..
Water Resources Investigations .. .. .	..	..	..	687	861	971	1,304
Water Supply (Western Australia)	122	..	..	..	..	..	..
Flood Mitigation .. .. .	..	..	400	1,300	1,540	970	1,500
Commonwealth Aid Roads	100,000	108,000	116,000	130,000	140,000	150,000	160,000
Beef Cattle Roads	2,300	3,400	3,597	3,800	3,500	3,753	(a) 1,550
Eyre and Barkly Highways	92	84	64	64	64	64	64
Gordon River Road .. .. .	..	..	270	1,094	1,840	1,596	200
Railway Projects	5,582	5,692	5,189	7,370	11,856	12,278	22,808
Coal Loading Facilities .. .. .	..	..	80	120	..	..	..
N. Development (W.A.)—Harbours	130	..	350	550	577	..	..
Derby Jetty .. .. .	..	300	350	150	..	..	..
Exmouth Township .. .. .	..	..	..	380	750	1,952	747
Migrant Centres .. .. .	..	66	48	2	..	2	750
TOTAL GRANTS	126,398	135,959	142,786	182,835	199,409	217,837	(a)268,403
PAYMENTS OF A CAPITAL NATURE—LOANS							
Natural Disasters .. .. .	..	..	..	..	11,994	7,720	8,400
Softwood Forestry .. .. .	..	..	..	..	..	291	3,926
Brigalow Development .. .. .	..	1,200	1,600	1,400	1,600	2,200	2,650
Water Supply (Western Australia) .. .. .	..	..	..	..	1,250	1,250	1,500
Blowering Reservoir .. .. .	..	..	840	3,492	5,581	6,233	4,000
Chowilla Reservoir .. .. .	..	..	100	156	472	528	193
Beef Cattle Roads .. .. .	..	..	1,997	2,300	2,000	2,252	(a)
Railway Projects	9,882	16,126	17,412	10,387	12,403	12,647	15,042
Coal Loading Facilities	568	996	196	927	813	..	..
Weipa Development .. .. .	..	..	..	..	2,717	553	..
N. Development (W.A.)—Harbours .. .. .	..	..	350	550	577	..	..
Derby Jetty .. .. .	..	300	350	150	..	..	..
Tasmanian Hydro-Electricity .. .. .	..	..	..	..	..	..	6,300
Natural Gas (South Australia) .. .. .	..	..	..	..	..	..	5,000
TOTAL LOANS	10,450	18,622	22,845	19,362	39,407	33,674	(a)47,011
TOTAL SPECIFIC PURPOSE CAPITAL PAYMENTS	136,848	154,581	165,631	202,197	238,816	251,511	319,914
DEBT CHARGES PAID BY SIX STATES IN RESPECT OF LOANS FOR SPECIFIC PURPOSES							
<i>Interest Payments</i>							
Brigalow Development .. .. .	..	..	..	..	..	..	233
Water Supply (Western Australia) .. .. .	..	..	..	..	21	101	180
Blowering Reservoir .. .. .	..	..	..	39	220	513	840
Chowilla Reservoir .. .. .	..	..	..	5	13	38	65
Beef Cattle Roads .. .. .	..	..	32	133	258	348	423
Railway Projects	568	1,272	2,124	2,839	3,292	3,915	4,472
Coal Loading Facilities .. .. .	..	30	79	82	119	148	129
N. Development (W.A.)—Harbours .. .. .	..	..	4	30	60	72	67
Weipa Development .. .. .	..	..	..	..	..	..	176
Derby Jetty .. .. .	..	2	25	36	35	32	30
TOTAL INTEREST	568	1,304	2,264	3,164	4,018	5,167	6,615
<i>Capital Payments</i>							
Brigalow Development .. .. .	..	..	..	..	..	..	222
Beef Cattle Roads .. .. .	..	..	..	..	..	..	570
Railway Projects	179	227	276	825	1,387	1,540	1,699
Coal Loading Facilities .. .. .	..	56	156	176	263	343	343
N. Development (W.A.)—Harbours .. .. .	..	..	..	..	..	98	98
Weipa Development .. .. .	..	..	..	..	..	..	49
Derby Jetty .. .. .	..	..	..	53	53	53	53
TOTAL CAPITAL PAYMENTS	179	283	432	1,054	1,703	2,034	3,034
<i>Total Debt Charges</i>							
Brigalow Development .. .. .	..	..	..	..	..	..	455
Water Supply (Western Australia) .. .. .	..	..	..	..	21	101	180
Blowering Reservoir .. .. .	..	..	..	39	220	513	840
Chowilla Reservoir .. .. .	..	..	..	5	13	38	65
Beef Cattle Roads .. .. .	..	..	32	133	258	348	993
Railway Projects	747	1,499	2,400	3,664	4,679	5,455	6,171
Coal Loading Facilities .. .. .	..	86	235	258	382	491	472
N. Development (W.A.)—Harbours .. .. .	..	..	4	30	60	170	165
Weipa Development .. .. .	..	..	..	..	..	..	225
Derby Jetty .. .. .	..	2	25	89	88	85	83
TOTAL DEBT CHARGES	747	1,588	2,696	4,218	5,721	7,201	9,649

(a) A total amount of \$4,500,000 is estimated to be payable to Queensland in respect of Beef Roads in 1967-68. Since no dissection as between payments in the form of grants and loans is available for this item it has been included only under total specific purpose capital payments.

TABLE 56.—TOTAL COMMONWEALTH PAYMENTS TO OR FOR NEW SOUTH WALES
\$'000

	1955-56	1956-57	1957-58	1958-59	1959-60	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68 (Est.)
GENERAL REVENUE GRANTS													
Financial Assistance Grant(a)	122,672	130,558	141,471	152,188	166,900	183,977	198,498	206,642	215,712	230,537	255,001	276,794	299,800
Other General Revenue .. .. .	..	..	..	..	..	..	..	..	..	..	..	(b)8,000	..
Total General Revenue Grants	122,672	130,558	141,471	152,188	166,900	183,977	198,498	206,642	215,712	230,537	255,001	284,794	299,800
ADDITIONAL ASSISTANCE GRANTS													
Used by State for—													
General Revenue .. .. .	..	..	(c)	..	..	..	..	3,838	646	..	..	..	..
Other Purposes .. .. .	..	..	(c)	..	..	..	4,480	5,454	12,170	..	..	..	..
Total Additional Assistance Grants .. .. .	..	..	3,978	..	..	..	4,480	9,292	12,816	..	..	..	..
SPECIFIC PURPOSE PAYMENTS OF A REVENUE NATURE													
Payments under Financial Agreement—													
Interest on State Debts	5,834	5,834	5,834	5,834	5,834	5,834	5,834	5,834	5,834	5,834	5,834	5,834	5,834
Sinking Fund on State Debts	3,091	3,302	3,573	3,789	4,148	4,363	4,659	4,983	5,366	5,662	5,991	6,368	6,725
Universities	1,288	1,744	2,391	3,316	3,871	5,620	7,216	7,990	8,941	11,663	13,075	13,773	16,076
Colleges of Advanced Education .. .. .	..	..	..	..	..	..	..	..	..	..	..	276	650
Research Grants .. .. .	..	..	..	..	..	..	..	..	..	..	500	656	971
Tuberculosis Hospitals	2,969	3,214	3,430	3,531	2,750	2,556	2,990	3,492	3,750	3,650	6,585	3,956	3,800
Blood Transfusion Services	53	62	69	71	73	84	95	96	101	110	117	231	155
Housekeeper Services	12	12	12	12	12	12	12	12	12	12	12	12	12
Road Safety Practices	44	45	45	45	45	35	25	25	26	25	25	29	29
Natural Disaster Payments	104	30	40	..	..	..	100	130	120	60	5,532	7,621	2,000
Agricultural Extension Services	290	260	260	282	274	280	278	282	328	328	328	535	730
Minor Agricultural Research .. .. .	..	..	..	..	..	n.a.	n.a.	n.a.	8	9	9	6	9
Tobacco Industry Extension Services .. .. .	..	..	..	..	..	..	..	6	6	..	..	..	..
Cattle Tick Control	1,103	1,350	1,072	1,156	954	1,083	660	536	518	414	348	252	288
Coal Mining—Long Service Leave	883	949	943	828	769	616	456	439	459	475	483	492	491
Total Specific Purpose Revenue	15,671	16,802	17,669	18,858	18,730	(e) 20,483	(e) 22,325	(e) 23,825	25,469	28,242	38,839	40,041	37,770
SPECIFIC PURPOSE PAYMENTS OF A CAPITAL NATURE													
Universities .. .. .	..	..	..	2,539	2,595	2,661	5,068	4,341	3,759	4,507	5,267	6,502	10,320
Teachers' Colleges .. .. .	..	..	..	..	..	..	..	..	..	..	..	..	2,500
Colleges of Advanced Education .. .. .	..	..	..	..	..	..	..	..	..	750	560	2,660	..
Science Laboratories .. .. .	..	..	..	..	..	..	..	..	..	3,709	3,709	3,709	4,708
Technical Training .. .. .	..	..	..	..	..	..	..	..	..	3,744	3,492	3,760	3,980
Mental Health Institutions .. .. .	..	..	..	..	..	..	..	..	..	..	..	..	..
Tuberculosis Hospitals	418	767	648	394	718	866	1,297	1,295	982	659	1,717	2,217	2,200
Roads	1,736	1,979	1,186	743	432	252	95	140	153	135	390	356	350
Natural Disaster Payments	560	..	..	5	..	..	..	..	..	..	8,668	5,460	2,000
Softwood Forestry .. .. .	..	..	..	..	..	..	..	..	..	..	..	..	1,500
Recharging Cattle Dips .. .. .	..	..	..	..	..	..	..	96	..	..	..	..	..
Blowering Reservoir .. .. .	..	..	..	..	..	..	..	..	840	3,492	5,581	6,233	4,000
Chowilla Reservoir .. .. .	..	..	..	..	..	..	..	..	100	156	472	528	193
Flood Mitigation .. .. .	..	..	..	..	..	..	..	..	400	1,300	1,540	970	1,500
Water Resources Investigations .. .. .	..	..	..	..	..	..	..	..	..	133	188	212	359
Commonwealth Aid .. .. .	..	..	..	..	..	..	..	..	..	..	..	..	..
Railway Projects	14,316	16,869	19,130	21,355	24,345	25,741	27,622	29,880	32,443	36,345	39,191	41,744	44,496
Coal Loading Facilities(d) .. .. .	..	..	..	..	..	..	(d) 568	(d) 346	..	(d) 807	(d) 813	..	8,250
Migrant Centres .. .. .	..	..	..	..	..	..	..	..	..	..	..	..	117
Total Specific Purpose Capital	17,030	19,615	20,964	25,036	28,090	29,520	34,650	37,094	38,793	54,987	71,778	72,251	89,133
Total Specific Purpose Payments	32,701	36,417	38,633	43,894	46,820	(e) 50,003	(e) 56,975	(e) 60,919	64,262	83,229	110,617	112,297	126,903
TOTAL PAYMENTS	155,373	166,975	184,082	196,082	213,720	(e)233,980	(e)259,953	(e)276,853	292,790	313,766	365,618	397,086	426,703

(a) Taxation reimbursement and supplementary grants prior to 1959-60. (b) Special revenue assistance. (c) No dissection available. (d) In addition, the following grants were made from the Coal Industry Fund: 1961-62, \$344,000; 1962-63, \$604,000; 1964-65, \$559,000; 1965-66, \$493,000. (e) Total of items for which figures are available.

TABLE 57.—NEW SOUTH WALES—SPECIFIC PURPOSE CAPITAL PAYMENTS
GRANTS, LOANS AND DEBT CHARGES ON LOANS

\$'000

	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68 (Estimate)
PAYMENTS OF A CAPITAL NATURE—GRANTS							
Universities	5,068	4,341	3,759	4,507	5,267	6,502	10,320
Teachers' Colleges .. .. .	..	..	..	..	..	..	2,500
Colleges of Advanced Education .. .. .	..	..	..	..	750	560	2,660
Science Laboratories .. .. .	..	..	..	3,709	3,709	3,709	4,708
Technical Training .. .. .	..	..	..	3,744	3,492	3,760	3,980
Mental Health Institutions	1,296	1,295	982	659	1,717	2,217	2,200
Tuberculosis Hospitals	96	140	153	135	390	356	350
Recharging Cattle Dips .. .. .	..	96	..	..	..	..	..
Flood Mitigation .. .. .	..	..	400	1,300	1,540	970	1,500
Water Resources Investigations .. .. .	..	..	..	133	188	212	359
Commonwealth Aid Roads	27,622	29,880	32,443	36,345	39,191	41,744	44,496
Railway Projects .. .. .	..	242	..	..	..	..	8,250
Migrant Centres .. .. .	..	..	..	..	..	..	117
Total Specific Purpose Capital Grants	34,082	35,994	37,737	50,532	56,244	60,030	81,440

PAYMENTS OF A CAPITAL NATURE—LOANS							
Natural Disaster Payments .. .. .	..	..	..	..	8,668	5,460	2,000
Softwood Forestry .. .. .	..	..	..	..	..	..	1,500
Chowilla Reservoir .. .. .	..	..	100	156	472	528	193
Blowering Reservoir .. .. .	..	..	840	3,492	5,581	6,233	4,000
Railway Projects .. .. .	..	104	..	..	..	..	..
Coal Loading Facilities	568	996	116	807	813	..	..
Total Specific Purpose Loans	568	1,100	1,056	4,455	15,534	12,221	7,693
TOTAL SPECIFIC PURPOSE CAPITAL PAYMENTS	34,650	37,094	38,793	54,987	71,778	72,251	89,133

DEBT CHARGES PAID BY NEW SOUTH WALES IN RESPECT OF LOANS FOR SPECIFIC PURPOSES
INTEREST PAYMENTS

Chowilla Reservoir .. .. .	..	..	..	5	13	38	65
Blowering Reservoir .. .. .	..	..	..	39	220	513	840
Railway Projects (a)	160	217	234	230	225	220	215
Coal Loading Facilities .. .. .	..	30	79	77	110	139	121
Total Interest Payments	160	247	313	351	568	910	1,241

CAPITAL PAYMENTS

Railway Projects(a)	63	87	96	96	96	96	96
Coal Loading Facilities .. .. .	..	56	156	168	249	330	330
Total Capital Payments	63	143	252	264	345	426	426

TOTAL DEBT CHARGES

Chowilla Reservoir .. .. .	..	..	..	5	13	38	65
Blowering Reservoir .. .. .	..	..	..	39	220	513	840
Railway Projects(a)	223	304	331	326	321	316	311
Coal Loading Facilities .. .. .	..	87	235	245	359	469	451
TOTAL DEBT CHARGES	223	391	566	615	913	1,336	1,667

(a) Figures prior to 1961-62 are given in Table 53.

TABLE 58.—TOTAL COMMONWEALTH PAYMENTS TO OR FOR VICTORIA

\$'000

—	1955-56	1956-57	1957-58	1958-59	1959-60	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68 (Est.)
GENERAL REVENUE GRANTS													
Financial Assistance Grant(a)	78,934	92,126	100,811	109,165	121,250	134,743	146,029	152,267	159,482	171,750	191,922	208,790	226,600
Total General Revenue Grants ..	78,934	92,126	100,811	109,165	121,250	134,743	146,029	152,267	159,482	171,750	191,922	208,790	226,600
ADDITIONAL ASSISTANCE GRANTS													
Used by State for— General Revenue .. ..	..	..	(b)	..	..	..	..	4,884	10,280	..	..	..	..
Other Purposes .. ..	..	..	(b)	..	..	..	3,600	2,570	..	..	..	..	..
Total Additional Assistance Grants	..	..	2,122	..	..	..	3,600	7,454	10,280	..	..	..	..
SPECIFIC PURPOSE PAYMENTS OF A REVENUE NATURE													
Financial Agreement— Interest on State Debts	4,254	4,254	4,254	4,254	4,254	4,254	4,254	4,254	4,254	4,254	4,254	4,254	4,254
Sinking Fund on State Debts	1,944	2,109	2,310	2,461	2,733	2,893	3,132	3,389	3,700	3,937	4,225	4,524	4,832
Universities	829	1,044	1,329	1,750	2,044	2,907	3,308	4,104	4,916	7,098	8,071	9,211	11,091
Colleges of Advanced Education .. ..	..	..	..	..	..	..	..	..	..	..	..	1,302	2,794
Research Grants .. ..	..	..	..	..	..	..	..	..	..	..	331	607	803
Tuberculosis Hospitals ..	2,216	2,183	2,055	2,091	2,193	2,148	2,221	2,542	2,772	2,700	3,019	3,293	3,314
Blood Transfusion Services	44	63	75	82	87	100	105	112	121	129	144	276	174
Housekeeper Services ..	8	8	8	8	8	8	8	8	8	8	8	8	8
Road Safety Practices ..	36	36	36	36	36	28	20	20	20	20	20	23	23
Natural Disaster Payments	12	80	..	..	1	..	100	..	..	20	40	..	..
Agricultural Extension Services	224	242	258	280	220	264	250	250	298	310	298	508	720
Minor Agricultural Research .. ..	..	..	..	..	..	n.a.	n.a.	n.a.	14	11	..	..	..
Tobacco Industry Extension Services ..	..	..	..	..	..	..	..	16	16	..	..	..	..
Coal Mining—Long Service Leave ..	2	1	1	1	1	..	..	..	..	..	..	..	..
Total Specific Purpose Revenue	9,569	10,020	10,326	10,963	11,576 (c)	12,602 (c)	13,398 (c)	14,695	16,119	18,487	20,410	24,006	28,013
SPECIFIC PURPOSE PAYMENTS OF A CAPITAL NATURE													
Universities .. ..	..	..	..	875	800	3,138	4,101	5,207	5,009	3,288	4,425	5,250	9,002
Teachers' Colleges .. ..	..	..	..	..	..	..	..	..	..	..	..	..	1,783
Colleges of Advanced Education .. ..	..	..	..	..	..	..	..	..	..	..	..	911	2,943
Science Laboratories ..	..	..	..	..	..	..	..	..	..	2,799	2,799	2,799	3,553
Technical Training .. ..	..	..	..	..	..	..	..	..	..	2,826	336	3,050	5,091
Mental Health Institutions	891	1,054	1,091	1,239	1,036	168	..	..	..	711	1,567	1,192	1,200
Tuberculosis Hospitals ..	149	240	151	89	52	96	116	110	50	308	169	110	128
Natural Disaster Payments	..	500	420	76	..	..	..	..	..	..	..	..	479
Softwood Forestry .. ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Water Resources Investigations .. ..	..	..	..	..	..	..	..	..	..	90	80	77	160
Commonwealth Aid .. ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Roads	9,161	10,795	12,618	14,042	17,319	18,367	20,159	21,754	22,824	25,576	27,508	29,443	31,311
Railway Projects .. ..	..	..	940	3,282	7,344	9,432	8,000	2,630	..	..	..	..	..
Imported Housing .. ..	..	..	4	..	..	..	..	..	66	14	2	..	..
Migrant Centres .. ..	..	..	..	1	..	..	..	..	..	..	..	..	..
Total Specific Purpose Capital	10,201	12,593	15,220	19,603	26,551	31,201	32,376	29,767	27,897	35,600	36,884	42,832	55,650
Total Specific Purpose Payments	19,770	22,613	25,546	30,566	38,127 (c)	43,803 (c)	45,774 (c)	44,462	44,016	54,087	57,294	66,838	83,663
TOTAL PAYMENTS	98,704	114,739	128,479	139,731	159,377 (c)	178,546 (c)	195,403 (c)	204,183 (c)	213,778	225,837	249,216	275,628	310,263

(a) Taxation reimbursement and supplementary grants prior to 1959-60. (b) No dissection available. (c) Total of items for which figures are available.

TABLE 59.—VICTORIA—SPECIFIC PURPOSE CAPITAL PAYMENTS
GRANTS, LOANS AND DEBT CHARGES ON LOANS

\$'000

	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68 (Estimate)
PAYMENTS OF A CAPITAL NATURE—GRANTS							
Universities	4,101	5,207	5,009	3,288	4,425	5,250	9,002
Teachers' Colleges .. .. .	..	..	..	..	..	..	1,783
Colleges of Advanced Education .. .. .	..	..	..	..	..	911	2,943
Science Laboratories .. .. .	..	..	..	2,799	2,799	2,799	3,553
Technical Training .. .. .	..	..	..	2,826	336	3,050	5,091
Mental Health Institutions	(a)	(a)	(a)	711	1,567	1,192	1,200
Tuberculosis Hospitals	116	110	50	308	169	110	128
Water Resources Investigations .. .. .	..	..	..	90	80	77	160
Commonwealth Aid Roads	20,159	21,754	22,824	25,576	27,508	29,443	31,311
Railway Projects	5,600	1,841	..	..	..	..	..
Migrant Centres .. .. .	..	66	14	2	..	..	..
Total Specific Purpose Capital Grants	29,976	28,978	27,897	35,600	36,884	42,832	55,171
PAYMENTS OF A CAPITAL NATURE—LOANS							
Softwood Forestry	2,400	789	..	..	..	..	479
Railway Projects .. .. .	..	..	..	..	..	..	..
Total Specific Purpose Loans	2,400	789	..	..	..	..	479
TOTAL SPECIFIC PURPOSE CAPITAL PAYMENTS	32,376	29,767	27,897	35,600	36,884	42,832	55,650
DEBT CHARGES PAID BY VICTORIA IN RESPECT OF LOANS FOR SPECIFIC PURPOSES							
INTEREST PAYMENTS							
Railway Projects(b)	160	217	234	230	225	220	215
Total Interest Payments	160	217	234	230	225	220	215
CAPITAL PAYMENTS							
Railway Projects(b)	63	87	96	96	96	96	96
Total Capital Payments	63	87	96	96	96	96	96
TOTAL DEBT CHARGES							
Railway Projects(b)	223	304	330	326	321	316	311
TOTAL DEBT CHARGES	223	304	330	326	321	316	311

(a) Assistance available under the *States Grants (Mental Institutions) Act* 1955 exhausted.
(b) Figures prior to 1961-62 are given in Table 53.

TABLE 60.—TOTAL COMMONWEALTH PAYMENTS TO OR FOR QUEENSLAND

\$'000

	1955-56	1956-57	1957-58	1958-59	1959-60	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68 (Est.)
GENERAL REVENUE GRANTS													
Financial Assistance Grants (a) ..	49,309	54,524	59,389	63,789	72,750	79,901	87,460	91,083	94,821	101,111	113,356	125,514	138,500
Other General Revenue ..	..	..	..	..	..	..	..	..	..	..	..	2,750	..
Total General Revenue Grants	49,309	54,524	59,389	63,789	72,750	79,901	87,460	91,083	94,821	101,111	113,356	128,264	138,500
ADDITIONAL ASSISTANCE GRANTS													
Used by State for—													
General Revenue ..	..	..	(b)	..	..	..	..	6,680	8,480	4,800	..	..	..
Other Purposes ..	..	..	(b)	..	..	..	..	..	..	..	..	..	..
Total Additional Assistance Grants	..	..	2,250	..	..	..	..	6,680	8,480	4,800	..	..	..
SPECIFIC PURPOSE PAYMENTS OF A REVENUE NATURE													
Payments Under Financial Agreement—													
Interest on State Debts	2,192	2,192	2,192	2,192	2,192	2,192	2,192	2,192	2,192	2,192	2,192	2,192	2,192
Sinking Fund on State Debts ..	1,067	1,152	1,262	1,341	1,488	1,571	1,688	1,826	1,968	2,109	2,272	2,439	2,605
Universities ..	393	620	738	1,067	1,280	1,678	2,019	2,359	2,621	3,512	3,863	4,276	5,187
Colleges of Advanced Education ..	..	..	..	..	..	..	..	..	..	..	..	197	504
Research Grants ..	..	..	..	..	..	..	..	..	..	..	..	105	315
Tuberculosis Hospitals ..	1,151	2,160	1,540	1,597	1,091	1,484	1,565	1,789	2,118	2,036	2,068	2,189	2,194
Blood Transfusion Services ..	34	39	44	50	49	56	67	74	82	90	103	215	143
Road Safety Practices ..	34	33	33	33	33	26	18	19	18	19	18	21	21
Natural Disasters ..	13	..	16	2	44	..	..	..	..	..	4,174	3,753	1,850
Agricultural Extension Services ..	200	250	256	238	224	244	248	244	294	294	294	545	650
Minor Agricultural Research ..	..	..	..	..	..	n.a.	n.a.	n.a.	25	12	19	15	19
Tobacco Industry Extension Services ..	..	..	..	..	..	..	..	26	26	..	..	..	..
Coal Mining—Long Service Leave ..	168	174	160	149	132	100	85	84	93	86	98	93	94
Eradication of House Borers ..	..	..	..	300	..	..	..	..	..	..	..	..	..
Total Specific Purpose Revenue ..	5,252	6,620	6,241	6,969	6,533 (c)	7,351 (c)	7,882 (c)	8,61	9,437	10,350	15,206	16,140	15,774
SPECIFIC PURPOSE PAYMENTS OF A CAPITAL NATURE													
Universities ..	..	..	112	543	452	1,396	599	960	1,151	1,784	1,836	1,641	2,791
Teachers' Colleges ..	..	..	..	..	..	..	..	..	..	..	..	..	1,250
Colleges of Advanced Education ..	..	..	..	..	..	..	..	..	..	..	..	1,137	1,050
Science Laboratories ..	..	..	..	..	..	..	..	..	1,435	1,435	1,435	1,821	1,821
Technical Training ..	..	..	..	..	..	..	..	..	1,449	1,449	1,449	1,449	1,449
Mental Health Institutions ..	133	176	228	237	149	195	141	75	108	225	146	288	350
Tuberculosis Hospitals ..	935	1,344	1,357	1,328	744	351	401	630	283	223	110	28	80
Natural Disaster Payments ..	1	1	..	160	212	129	44	..	..	..	..	3,326	1,760
Softwood Forestry ..	..	..	..	..	..	..	..	..	..	..	..	201	496
Encouragement of Meat Production ..	226	164	186	32	12	10	4	1	..	..	..	..	..
Brigalow Lands Development ..	..	..	..	..	..	..	..	1,200	1,600	1,400	1,600	2,200	2,650
Recharging Cattle Dips ..	..	..	..	..	..	..	..	10	..	..	..	..	..
Water Resources Investigations ..	..	..	..	..	..	..	..	..	..	256	313	366	402
Commonwealth Aid Roads ..	10,019	11,805	13,268	14,825	16,042	16,855	18,187	19,591	21,070	23,669	25,538	27,415	29,272
Beef Cattle Roads ..	..	..	..	..	..	..	1,300	2,000	4,094	4,600	4,000	4,505	4,500
Eyre and Barkly Highways ..	..	..	..	..	2	4	42	34	14	14	14	14	14
Railway Projects ..	..	..	..	..	..	..	7,500	11,917	12,100	3,016	..	..	600
Coal Loading Facilities ..	..	..	..	..	..	..	..	..	160	240	..	..	..
Weipa Development ..	..	..	..	..	..	..	..	..	..	..	2,717	553	..
Migrant Centres ..	..	..	..	3	..	..	..	..	..	..	..	..	..
Total Specific Purpose Capital ..	11,314	13,490	15,151	17,128	17,613	18,940	28,218	36,418	40,580	38,310	42,484	42,992	49,375
Total Specific Purpose Payments ..	16,566	20,110	21,392	24,097	24,146 (c)	26,291 (c)	36,100 (c)	45,031 (c)	50,017	48,660	57,690	59,132	65,149
TOTAL PAYMENTS	65,875	74,634	83,031	87,886	96,896 (c)	106,192 (c)	130,240 (c)	144,594 (c)	149,638	149,771	171,046	187,396	203,649

(a) Taxation reimbursement and supplementary grants prior to 1959-60. (b) No dissection available. (c) Total of items for which figures are available.

TABLE 61.—QUEENSLAND—SPECIFIC PURPOSE CAPITAL PAYMENTS
GRANTS, LOANS AND DEBT CHARGES ON LOANS

\$'000

	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68 (Estimate)
PAYMENTS OF A CAPITAL NATURE—GRANTS							
Universities	599	960	1,151	1,784	1,836	1,641	2,791
Teachers' Colleges .. .. .	..	..	..	..	..	..	1,250
Colleges of Advanced Education .. .. .	..	..	..	..	..	1,137	1,050
Science Laboratories .. .. .	..	..	..	1,435	1,435	1,435	1,821
Technical Training .. .. .	..	..	..	1,449	1,449	1,449	1,449
Mental Health Institutions	142	75	108	225	146	288	350
Tuberculosis Hospitals	400	630	283	225	110	28	80
Natural Disasters	44	..	..	..	..	..	750
Encouragement of Meat Production	4	1	..	..	..	..	..
Recharging Cattle Dips .. .. .	..	10	..	..	..	..	..
Water Resources Investigations .. .. .	..	..	..	256	313	366	402
Commonwealth Aid Roads	18,187	19,591	21,070	23,669	25,538	27,415	29,272
Beef Cattle Roads	1,300	2,000	2,097	2,300	2,000	2,253	(a)
Eyre and Barkly Highways	42	34	14	14	14	14	14
Coal Loading Facilities .. .. .	..	..	80	120	..	..	..
Total Specific Purpose Capital Grants	20,718	23,301	24,803	31,474	32,841	36,026	(a) 39,229

PAYMENTS OF A CAPITAL NATURE—LOANS							
Natural Disasters .. .. .	..	..	..	..	3,326	1,760	1,900
Brigalow Lands Development .. .. .	..	1,200	1,600	1,400	1,600	2,200	2,650
Softwood Forestry .. .. .	..	..	..	..	..	201	496
Beef Cattle Roads .. .. .	..	..	1,997	2,300	2,000	2,252	(a)
Railway Projects	7,500	11,917	12,100	3,016	..	..	600
Coal Loading Facilities .. .. .	..	..	80	120	..	..	..
Weipa Development .. .. .	..	..	..	..	2,717	553	..
Total Specific Purpose Loans	7,500	13,117	15,777	6,836	9,643	6,966	(a) 5,646
TOTAL SPECIFIC PURPOSE CAPITAL PAYMENTS	28,218	36,418	40,580	38,310	42,484	42,992	49,375

DEBT CHARGES PAID BY QUEENSLAND IN RESPECT OF LOANS FOR SPECIFIC PURPOSES

INTEREST PAYMENTS

Beef Cattle Roads .. .. .	..	..	32	133	258	348	423
Railway Projects	129	721	1,341	1,797	1,858	1,802	1,742
Coal Loading Facilities .. .. .	..	..	..	5	9	9	8
Weipa Development .. .. .	..	..	..	..	..	..	176
Brigalow Lands Development .. .. .	..	..	..	..	..	..	233
Total Interest Payments	129	721	1,373	1,935	2,125	2,159	2,582

CAPITAL PAYMENTS

Beef Cattle Roads .. .. .	..	..	..	..	..	..	570
Railway Projects .. .. .	..	..	..	506	1,009	1,065	1,125
Coal Loading Facilities .. .. .	..	..	..	8	14	13	13
Weipa Development .. .. .	..	..	..	..	..	..	49
Brigalow Lands Development .. .. .	..	..	..	..	..	..	222
Total Capital Payments .. .. .	..	..	..	514	1,023	1,078	1,979

TOTAL DEBT CHARGES

Beef Cattle Roads .. .. .	..	..	32	133	258	348	993
Railway Projects	129	721	1,341	2,303	2,867	2,867	2,867
Coal Loading Facilities .. .. .	..	..	..	13	23	22	21
Weipa Development .. .. .	..	..	..	..	..	..	225
Brigalow Lands Development .. .. .	..	..	..	..	..	..	455
TOTAL DEBT CHARGES	129	721	1,373	2,449	3,148	3,237	4,561

(a) A total of \$4,500,000 is estimated to be payable to Queensland in 1967-68 in respect of beef cattle roads. Since no dissection between payments in the form of grants and loans is available it has been included only under total specific purpose capital payments

TABLE 62.—TOTAL COMMONWEALTH PAYMENTS TO OR FOR SOUTH AUSTRALIA

\$'000

	1955-56	1956-57	1957-58	1958-59	1959-60	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68 (Est.)
GENERAL REVENUE GRANTS													
Financial Assistance Grants (a) ..	27,753	31,433	34,962	37,969	55,350	61,454	66,451	69,552	72,729	78,155	86,467	94,346	102,700
Special Grant ..	10,800	11,600	11,400	10,500	2,852	..	..	..	..	..	..	..	..
Total General Revenue Grants	38,553	43,033	46,362	48,469	58,202	61,454	66,451	69,552	72,729	78,155	86,467	94,346	102,700
ADDITIONAL ASSISTANCE GRANTS													
Used by States For— General Revenue ..	..	..	(b)	..	..	..	1,940	2,624	5,524	..	..	..	..
Other Purposes ..	..	..	(b)	..	..	..	..	1,382	..	..	..	..	..
Total Additional Assistance Grants	..	..	736	..	..	..	1,940	4,006	5,524	..	..	..	..
SPECIFIC PURPOSE PAYMENTS OF A REVENUE NATURE													
Payments Under Financial Agreement— Interest on State Debts ..	1,408	1,408	1,408	1,408	1,408	1,408	1,408	1,408	1,408	1,408	1,408	1,408	1,408
Sinking Fund on State Debts ..	1,121	1,215	1,336	1,429	1,583	1,674	1,798	1,925	2,077	2,193	2,335	2,482	2,641
Universities ..	394	542	777	1,017	1,287	1,617	1,955	2,133	2,367	3,266	3,420	3,668	4,146
Colleges of Advanced Education ..	..	..	..	..	..	..	..	..	..	..	..	275	576
Research Grants ..	..	..	..	..	..	..	..	..	..	..	223	352	564
Tuberculosis Hospitals ..	565	638	714	857	1,247	804	691	752	710	638	662	652	675
Blood Transfusion Ser- vices ..	18	21	26	27	32	35	38	42	44	47	61	123	83
Road Safety Practices ..	22	22	23	22	23	17	13	12	13	12	13	15	15
Natural Disaster Pay- ments ..	100	100	..	..	70	..	..	..	..	20	..	..	..
Agricultural Extension Services ..	92	90	76	74	102	88	90	90	104	104	104	217	300
Minor Agricultural Research ..	..	..	..	..	..	n.a.	n.a.	n.a.	..	1	..	3	..
Port Augusta—Port Pirie Railway ..	40	40	..	..	..	..	..	..	..	..	..	..	..
Total Specific Purpose Revenue	3,760	4,076	4,360	4,834	5,752	(c) 5,643	(c) 5,993	(c) 6,362	6,723	7,689	8,226	9,195	10,408
SPECIFIC PURPOSE PAYMENTS OF A CAPITAL NATURE													
Universities ..	..	..	50	310	500	564	837	1,006	1,284	1,814	2,597	1,407	2,070
Teachers' Colleges ..	..	..	..	..	..	..	..	..	..	..	..	..	1,067
Colleges of Advanced Education ..	..	..	..	..	..	..	..	..	..	..	616	880	880
Science Laboratories ..	..	..	..	..	..	..	..	..	..	924	859	990	1,173
Technical Training ..	..	..	..	..	..	..	..	..	..	933	350	750	1,700
Mental Health Insti- tutions ..	24	257	304	245	184	91	56	104	173	265	242	193	200
Tuberculosis Hospitals ..	243	179	216	140	214	61	92	27	30	13	14	5	43
Disposal of Ships' Garbage ..	..	..	..	..	..	..	..	..	..	..	..	..	23
Natural Disaster Pay- ments ..	..	723	701	266	..	..	..	..	..	..	..	90	210
Softwood Forestry ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Water Resources ..	..	..	..	..	..	..	..	..	..	72	52	63	102
Investigations ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Commonwealth Aid Roads ..	5,851	6,894	7,814	8,724	9,846	10,256	11,505	12,400	13,337	14,903	16,024	17,222	18,320
Beef Cattle Roads ..	..	..	..	..	..	..	..	..	..	..	..	..	50
Eyre and Barkly High- ways ..	..	..	..	..	27	27	25	25	24	25	25	25	25
Railway Projects ..	808	800	1,200	483	102	..	Cr. 36	2,600	2,975	4,476	6,431	6,929	9,000
Natural Gas ..	..	..	..	..	..	..	..	..	..	..	..	..	5,000
Migrant Centres ..	4	..	5	1	..	..	..	..	..	..	..	2	..
Total Specific Purpose Capital	6,930	8,853	10,290	10,169	10,873	10,999	12,479	16,162	17,823	23,425	26,594	28,292	39,863
Total Specific Purpose Payments	10,690	12,929	14,650	15,003	16,625	(c) 16,642	(c) 18,472	(c) 22,524	24,546	31,114	34,820	37,487	50,271
TOTAL PAYMENTS	49,243	55,962	61,748	63,472	74,827	(c) 78,096	(c) 86,863	(c) 96,082	102,799	109,269	121,287	131,833	152,971

(a) Taxation reimbursement and supplementary grants prior to 1959-60. (b) No dissection available. (c) Total of items for which figures are available.

TABLE 63.—SOUTH AUSTRALIA—SPECIFIC PURPOSE CAPITAL PAYMENTS
GRANTS, LOANS AND DEBT CHARGES ON LOANS

\$'000

	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68 (Estimate)
PAYMENTS OF A CAPITAL NATURE—GRANTS							
Universities	837	1,006	1,284	1,814	2,597	1,407	2,070
Teachers' Colleges .. .. .	..	..	..	..	..	..	1,067
Colleges of Advanced Education .. .. .	..	..	..	..	..	616	880
Science Laboratories .. .. .	..	..	..	924	859	990	1,173
Technical Training .. .. .	..	..	..	933	350	750	1,700
Mental Health Institutions	56	104	173	265	242	193	200
Tuberculosis Hospitals	92	27	30	13	14	5	43
Disposal of Ships' Garbage .. .. .	..	..	..	..	..	..	23
Water Resources Investigations .. .. .	..	..	..	72	52	63	102
Commonwealth Aid Roads	11,505	12,400	13,337	14,903	16,024	17,222	18,320
Beef Cattle Roads .. .. .	..	..	..	..	..	..	50
Eyre and Barkly Highways	25	25	24	25	25	25	25
Railway Projects	Cr. 18	1,828	2,090	3,143	4,515	4,868	6,323
Migrant Centres .. .. .	..	..	..	..	..	2	..
Total Specific Purpose Capital Grants	12,497	15,390	16,938	22,092	24,678	26,141	31,976

PAYMENTS OF A CAPITAL NATURE—LOANS							
Softwood Forestry .. .. .	..	772	885	1,333	1,916	90	210
Railway Projects(a)	18	..	..	..	..	2,061	2,677
Natural Gas .. .. .	..	..	..	..	..	..	5,000
Total Specific Purpose Loans	18	772	885	1,333	1,916	2,151	7,887
TOTAL SPECIFIC PUR- POSE CAPITAL PAYMENTS	12,479	16,162	17,823	23,425	26,594	28,292	39,863

DEBT CHARGES PAID BY SOUTH AUSTRALIA IN RESPECT OF LOANS FOR SPECIFIC PURPOSES
INTEREST PAYMENTS

Railway Projects(b)	119	117	153	191	257	353	454
Natural Gas .. .. .	..	..	..	..	..	..	23
Total Interest Payments	119	117	153	191	257	353	477

CAPITAL PAYMENTS

Railway Projects(b)	53	53	69	85	108	142	178
Total Capital Payments	53	53	69	85	108	142	178

TOTAL DEBT CHARGES

Railway Projects(b)	172	170	222	276	365	495	632
Natural Gas .. .. .	..	..	..	..	..	..	23
TOTAL DEBT CHARGES	172	170	222	276	365	495	655

(a) Figures prior to 1961-62 are given in Table 52.

(b) Figures prior to 1961-62 are given in Table 53.

TABLE 64.—TOTAL COMMONWEALTH PAYMENTS TO OR FOR WESTERN AUSTRALIA

	1955-56	1956-57	1957-58	1958-59	1959-60	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68 (Est.)
\$'000													
GENERAL REVENUE GRANTS													
Financial Assistance Grants(a) ..	24,627	27,411	29,931	32,349	50,924	55,954	60,171	62,480	65,597	70,498	78,474	86,396	94,900
Special Grant ..	17,800	18,400	20,300	22,200	7,000	8,618	12,312	12,420	12,144	17,120	24,038	19,406	15,518
Total General Revenue Grants	42,427	45,811	50,231	54,549	57,924	64,572	72,483	74,900	77,741	87,618	102,512	105,802	110,418
ADDITIONAL ASSISTANCE GRANTS													
Used by State For—													
General Revenue	..	..	(b)	..	..	..	..	..	300	..	..	..	..
Other Purposes ..	..	..	(b)	..	..	..	1,320	2,728	3,464	..	..	..	..
Total Additional Assistance Grants	..	..	630	..	..	..	1,320	2,728	3,764	..	..	..	..
SPECIFIC PURPOSE PAYMENTS OF A REVENUE NATURE													
Payments Under Financial Agreement—													
Interest on State Debts ..	948	948	948	948	948	948	948	948	948	948	948	948	948
Sinking Fund on State Debts ..	856	909	995	1,053	1,157	1,218	1,306	1,403	1,519	1,616	1,726	1,844	1,962
Universities ..	268	388	506	694	829	1,034	1,194	1,377	1,595	2,060	2,152	2,306	2,688
Colleges of Advanced Education ..	..	..	..	..	..	..	..	..	..	..	..	363	794
Research Grants ..	..	..	..	..	..	..	..	..	..	..	142	155	230
Tuberculosis Hospitals ..	795	940	889	1,116	1,023	997	793	800	751	742	697	547	785
Blood Transfusion Services ..	23	22	26	24	30	29	32	35	37	42	44	92	62
Road Safety Practices ..	30	30	30	30	30	23	16	17	16	17	16	19	19
Housekeeper Services ..	2	2	2	2	2	2	2	2	2	1	1	2	2
Natural Disaster Payments ..	..	..	..	..	..	65	67	..	..	..	..	..	..
Agricultural Extension Services ..	88	106	84	70	64	80	88	94	104	102	104	213	300
Coal Mining—Long Service Leave ..	58	53	57	54	50	32	30	31	30	32	34	34	34
Total Specific Purpose Revenue	3,068	3,398	3,537	3,991	4,133	4,428	4,476	4,707	5,002	5,560	5,864	6,523	7,824
SPECIFIC PURPOSE PAYMENTS OF A CAPITAL NATURE													
Universities ..	..	..	..	531	433	772	794	923	1,161	940	901	1,160	495
Teachers Colleges ..	..	..	..	..	..	..	..	..	..	..	..	..	900
Colleges of Advanced Education ..	..	..	..	..	..	..	..	..	..	..	232	457	1,327
Science Laboratories ..	..	..	..	..	..	..	..	..	..	707	502	899	912
Technical Training ..	..	..	..	..	..	..	..	..	..	714	269	551	1,323
Mental Health Institutions ..	20	104	58	34	74	31	154	116	332	447	338	260	550
Tuberculosis Hospitals ..	431	1,008	1,366	514	78	43	24	67	44	11	2	..	20
Natural Disaster Payments ..	..	..	..	..	..	..	320	..	..	..	..	..	736
Softwood Forestry ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Encouragement of Meat Production ..	380	104	10	..	..	4	6	..	..	..	..	8	..
N. Development (Water) ..	..	..	..	..	30	1,860	3,280	2,864	1,466	1,468	1,112	1,250	1,500
Water Supply ..	1,364	924	1,354	1,048	1,218	1,034	122	..	..	..	..	..	..
Water Resources Investigations ..	..	..	..	..	..	..	..	..	..	136	211	235	260
Commonwealth Aid ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Roads ..	10,179	11,994	13,414	14,996	15,927	16,181	17,527	18,975	20,526	23,007	24,739	26,676	28,601
Beef Cattle Roads ..	..	..	..	..	..	..	1,000	1,400	1,500	1,500	1,500	1,500	1,500
Eyre and Barkly Highways ..	..	..	..	..	7	52	25	25	25	25	25	25	25
Railway Projects ..	..	..	..	..	..	..	..	..	..	..	..	..	..
N. Development (Harbours) ..	..	..	..	342	938	556	130	..	700	1,100	1,154	..	..
Derby Jetty ..	..	..	..	..	..	..	..	600	700	300	..	..	..
Exmouth Township ..	..	..	..	..	..	..	..	..	..	380	750	1,952	747
Migrant Centres ..	..	22	..	..	..	..	..	..	..	..	..	..	633
Total Specific Purpose Capital ..	12,374	14,156	16,202	17,465	18,705	20,533	23,382	29,295	34,014	41,001	50,813	52,969	59,529
Total Specific Purpose Payments ..	15,442	17,554	19,739	21,456	22,838	24,961	27,858	34,002	39,016	46,561	56,677	59,492	67,353
TOTAL PAYMENTS	57,869	63,365	70,600	76,005	80,762	89,533	101,661	111,630	120,521	134,179	159,189	165,294	177,771

(a) Taxation reimbursement grants prior to 1959-60.

(b) No dissection available.

TABLE 65.—WESTERN AUSTRALIA—SPECIFIC PURPOSE CAPITAL PAYMENTS
GRANTS, LOANS AND DEBT CHARGES ON LOANS

\$'000

	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68 (Estimate)
PAYMENTS OF A CAPITAL NATURE—GRANTS							
Universities	794	923	1,161	940	901	1,160	495
Teachers' Colleges .. .. .	..	..	..	..	..	..	900
Colleges of Advanced Education .. .. .	..	..	..	..	232	457	1,327
Science Laboratories .. .. .	..	..	..	707	502	899	912
Technical Training .. .. .	..	..	..	714	269	551	1,323
Mental Health Institutions	154	116	332	447	338	260	550
Tuberculosis Hospitals	24	67	44	11	2	..	20
Natural Disasters	320	..	..	..	..	..	..
Encouragement of Meat Production	6	..	..	..	..	8	..
Northern Development—Water	3,280	2,864	1,466	1,468	1,112	..	..
Water Supply	122	..	..	..	..	..	..
Water Resources Investigations .. .. .	..	..	..	136	211	235	260
Commonwealth Aid Roads	17,527	18,975	20,526	23,007	24,739	26,676	28,601
Beef Cattle Roads	1,000	1,400	1,500	1,500	1,500	1,500	1,500
Eyre and Barkly Highways	25	25	25	25	25	25	25
Railway Projects .. .. .	..	1,781	3,099	4,227	7,341	7,410	8,235
Northern Development—Harbours	130	..	350	550	577	..	..
Derby Jetty .. .. .	..	300	350	150	..	..	..
Exmouth Township .. .. .	..	..	..	380	750	1,952	747
Migrant Centres .. .. .	..	..	34	..	..	..	633
Total Specific Purpose Capital Grants	23,382	26,451	28,887	34,263	38,499	41,133	45,528

PAYMENTS OF A CAPITAL NATURE—LOANS							
Softwood Forestry .. .. .	..	..	..	..	1,250	1,250	736
Water Supply .. .. .	..	..	..	..	..	..	1,300
Railway Projects .. .. .	..	2,544	4,427	6,038	10,487	10,586	11,765
Northern Development—Harbours .. .. .	..	..	350	550	577	..	..
Derby Jetty .. .. .	..	300	350	150	..	..	..
Total Specific Purpose Loans .. .. .	..	2,844	5,127	6,738	12,314	11,836	14,001
TOTAL SPECIFIC PUR- POSE CAPITAL PAYMENTS	23,382	29,295	34,014	41,001	50,813	52,969	59,529

DEBT CHARGES PAID BY WESTERN AUSTRALIA IN RESPECT OF LOANS FOR SPECIFIC PURPOSES
INTEREST PAYMENTS

Water Supply .. .. .	..	..	..	..	21	101	180
Railway Projects .. .. .	..	..	161	391	727	1,320	1,846
Northern Development—Harbours .. .. .	..	..	4	30	60	72	67
Derby Jetty .. .. .	..	2	25	36	35	32	30
Total Interest Payments .. .. .	..	2	190	457	843	1,525	2,123

CAPITAL PAYMENTS

Railway Projects .. .. .	..	..	15	42	78	141	204
Northern Development—Harbours .. .. .	..	..	..	..	..	98	98
Derby Jetty .. .. .	..	..	..	53	53	53	53
Total Capital Payments .. .. .	..	..	15	95	131	292	355

TOTAL DEBT CHARGES

Water Supply .. .. .	..	..	..	..	21	101	180
Railway Projects .. .. .	..	..	176	433	805	1,461	2,050
Northern Development—Harbours .. .. .	..	..	4	30	60	170	165
Derby Jetty .. .. .	..	2	25	89	88	85	83
TOTAL DEBT CHARGES .. .. .	..	2	205	552	974	1,817	2,478

TABLE 66.—TOTAL COMMONWEALTH PAYMENTS TO OR FOR TASMANIA

\$'000

	1955-56	1956-57	1957-58	1958-59	1959-60	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68 (Est.)
GENERAL REVENUE GRANTS													
Financial Assistance ..													
Grants(a) ..	10,705	12,048	13,436	14,540	21,826	23,960	25,671	26,616	27,626	29,297	32,131	34,773	37,600
Special Grant ..	8,400	7,000	7,300	8,800	6,800	8,618	10,150	10,082	10,756	14,600	17,732	20,666	19,889
Total General Revenue Grants	19,104	19,048	20,736	23,340	28,626	32,578	35,821	36,698	38,382	43,897	49,863	55,439	57,489
ADDITIONAL ASSISTANCE GRANTS													
Used by State For—													
General Revenue ..	..	..	(b)	..	..	..	..	..	900	..	..	..	..
Other Purposes ..	..	..	(b)	..	..	..	1,980	3,040	1,916	..	..	..	..
Total Additional Assistance Grants	..	..	283	..	..	..	1,980	3,040	2,816	..	..	..	..
SPECIFIC PURPOSE PAYMENTS OF A REVENUE NATURE													
Payments Under Financial Agreement—													
Interest on State Debts ..	534	534	534	534	534	534	534	534	534	534	534	534	534
Sinking Fund on State Debts ..	540	594	654	700	776	829	896	972	1,062	1,129	1,212	1,293	1,381
Universities ..	129	186	246	334	417	498	544	583	641	930	970	1,028	1,203
Colleges of Advanced Education ..	..	..	..	..	..	..	..	..	..	..	..	59	140
Research Grants ..	..	..	..	..	..	..	..	..	..	..	..	77	63
Tuberculosis Hospitals ..	290	342	364	340	294	324	368	363	363	361	338	337	350
Blood Transfusion Services ..	..	8	10	10	10	11	12	11	11	11	13	24	15
Road Safety Practices ..	14	14	14	14	14	10	8	8	8	7	8	9	9
Housekeeper Services ..	1	1	1	1	1	1	1	1	1	..	1	1	1
Natural Disaster Payments ..	..	..	..	..	..	..	..	..	..	..	..	1,350	200
Agricultural Extension Services ..	38	66	34	50	46	58	56	54	70	74	74	158	200
Coal Mining—Long Service Leave ..	20	16	18	18	16	11	8	8	5	4	4	1	1
Total Specific Purpose Revenue..	1,566	1,761	1,875	2,001	2,108	2,276	2,427	2,534	2,695	3,050	3,231	4,857	4,168
SPECIFIC PURPOSE PAYMENTS OF A CAPITAL NATURE(c)													
Universities ..	..	..	..	861	747	569	687	435	415	412	201	394	783
Teachers' Colleges ..	..	..	..	..	..	..	..	..	..	..	..	..	500
Colleges of Advanced Education ..	..	..	..	..	..	..	..	..	..	..	..	..	460
Science Laboratories ..	..	..	..	..	..	..	..	..	..	331	331	331	420
Technical Training ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Mental Health Institutions ..	..	..	..	..	..	..	..	..	..	334	334	334	334
Tuberculosis Hospitals ..	60	138	183	92	134	104	..	..	..	197	529	823	500
Disposal of Ships' Garbage ..	20	13	9	9	43	18	46	10	39	6	12	..	11
Natural Disaster Payments ..	..	..	..	..	..	..	..	..	..	..	..	29	30
Softwood Forestry ..	..	..	..	..	..	..	..	..	..	..	..	1,150	8,300
Water Resources Investigations ..	..	..	..	..	..	..	..	..	..	..	..	505	..
Commonwealth Aid ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Roads ..	2,606	3,072	3,492	3,897	4,368	4,600	5,000	5,400	5,800	6,500	7,000	7,500	8,000
Gordon River Road ..	..	..	..	..	..	..	..	..	270	1,094	1,840	1,596	200
Hydro-Electricity ..	..	..	..	..	..	..	..	..	..	..	..	..	6,300
Total Specific Purpose Capital ..	2,686	3,223	3,684	4,859	5,292	5,742	5,743	5,845	6,524	8,874	10,263	12,175	26,364
Total Specific Purpose Payments	4,252	4,984	5,559	6,860	7,400	8,018	8,170	8,379	9,219	11,924	13,494	17,032	30,532
TOTAL PAYMENTS	23,357	24,032	26,578	30,200	36,026	40,596	45,971	48,117	50,417	55,821	63,357	72,471	88,021

(a) Taxation reimbursement grants prior to 1959-60. (b) No dissection available. (c) All specific purpose capital payments received by Tasmania have been in the form of grants except \$500,000 in 1966-67 and an estimated \$4,500,000 in 1967-68 for Bushfire Relief, and the estimated payments in 1967-68 for Softwood Forestry and Hydro-Electric Development. It is estimated that \$4,000 interest is payable on the latter loan in 1967-68. The Bushfire Relief loans are interest-free.

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