

COMMONWEALTH OF AUSTRALIA

COMMONWEALTH PAYMENTS
TO OR FOR THE STATES
1972-73

PRESENTED BY
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FOR THE INFORMATION OF
HONOURABLE MEMBERS ON THE OCCASION
OF THE BUDGET 1972-73

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FOREWORD

This Paper is a revised version of similar Papers issued in connexion with the Budgets of recent years and 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 on loans made by the Commonwealth for specific purposes.

The Paper includes a Chapter outlining the general purpose capital funds available to State Governments and their authorities under the Loan Council arrangements and the Commonwealth's role in the provision of these funds.

A brief account of Commonwealth payments to or for the States is also given in Statement No. 4 accompanying the Budget Speech for 1972-73. The total figures shown there differ slightly from the totals shown herein for two reasons. First, there are certain items included in this document but not classified as payments to or for the States in Statement No. 4, namely: payments for the maintenance of tuberculosis hospitals and assistance for deserted wives, which are charged to the National Welfare Fund; contributions towards the cost of development of a township at Exmouth, which are charged to Defence Services; and payments for Aboriginal advancement, which are charged to Other expenditure. Secondly, the provision of \$250,000 in the 1972-73 Budget for assistance for tourist attractions has not been included in the tables in this document (*see* page 89).

It might be noted that rounded figures have normally been used in the text and that details in tables may not add to totals.

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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 such as Commonwealth assistance for roads and contributions under the Financial Agreement.

Since World War II and the immediate post-war period there has been a marked increase in the amount and scope of Commonwealth assistance to the States. This has reflected, amongst other things, increases in the range and variety of governmental activities that have accompanied economic and social developments in this period of rapid growth of the Australian economy; greater participation by the Commonwealth in matters that 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 in the allocation of financial resources between the Commonwealth and the States.

In this document Commonwealth assistance to the States is classified in two main ways — first, in terms of whether it is for general or specific purposes (that is, whether it is ‘untied’ or ‘tied’) and, secondly, in terms of whether it is for the purpose of financing recurrent or capital expenditures by the States.

The general revenue grants arrangements are discussed in Chapter II and further historical and statistical details are given in Appendix II. The general revenue grants, which comprise the largest element in Commonwealth assistance to the States, are provided as general subventions to the State budgets. They have no conditions attached as to how they may be used, but are intended to finance recurrent expenditures and are so used.

The financial assistance grants, formerly called tax reimbursement grants, make up the bulk of the general revenue grants. These grants are determined annually on the basis of a formula that is normally subject to review at five-year intervals. In most years, however, the Commonwealth has provided special assistance in various ways to supplement the amounts produced by the formula. In addition to the financial assistance grants, special grants are paid to certain States on the recommendation of the Commonwealth Grants Commission.

Chapter III provides information on the general purpose capital funds available to the States and their dependent authorities under the Loan Council arrangements. These comprise borrowings made by the Commonwealth on behalf of the State Governments (to which the Commonwealth has contributed from its own revenue sources in most years), interest-free grants made by the Commonwealth to the States and borrowings by State authorities. Further statistical material on these funds is presented in Appendix III.

Specific purpose payments, for both recurrent and capital purposes, are discussed in Chapter IV and further historical and statistical details are given in Appendix IV. These payments finance a very wide variety of expenditures.

The table below summarises the funds available to the States for revenue and capital purposes from Commonwealth payments and Loan Council borrowing programmes for the years 1970-71 to 1972-73 (estimated). Further details, 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

	1970-71		1971-72		1972-73 (Estimate)	
	\$m	Percentage Increase(a)	\$m	Percentage Increase(a)	\$m	Percentage Increase(a)
Revenue Payments to or for the States						
General Revenue Assistance ..	1,480.2	24.5	(b)1,537.2	3.9	1,692.2	10.1
Specific Purpose Revenue Payments	189.0	29.9	245.7	30.0	339.1	38.0
TOTAL REVENUE FUNDS ..	1,669.2	25.1	1,782.9	6.8	2,031.3	13.9
Specific Purpose Capital Payments(c)	373.0	9.0	404.4	8.4	468.6	15.9
Works and Housing Programmes						
State Borrowings ..	481.4	..	672.9	..	733.5	9.0
Advances under Commonwealth-State Housing Agreement(d)	141.6	7.1	..	..	..	..
Commonwealth Grants ..	200.0	..	219.1	9.6	248.5	13.4
Total Works and Housing	823.0	8.6	892.0	8.4	982.0	10.1
Borrowings by State Authorities(e)—						
Larger Authorities ..	399.2	7.5	438.7	9.9	488.0	11.2
Smaller Authorities ..	97.6	-2.3	107.8	10.5	115.0	6.7
Total ..	496.8	5.5	546.5	10.0	603.0	10.3
TOTAL CAPITAL FUNDS ..	1,692.8	7.7	1,842.9	8.9	2,053.6	11.4
TOTAL REVENUE AND CAPITAL FUNDS ..	3,362.0	15.7	3,625.8	7.8	4,084.9	12.7

(a) On preceding year.

(b) Includes a special advance of \$17.5 million to New South Wales. See page 27.

(c) Includes capital grants of \$6.7 million in 1971-72 and \$13.3 million in 1972-73 for expenditure on government schools.

(d) Advances under the Commonwealth-State Housing Agreement terminated at end of 1970-71. For details of new arrangements see Chapter IV.

(e) In 1970-71 and 1971-72 larger authorities were those borrowing more than \$300,000 in the year and in 1972-73 they are those authorities borrowing more than \$400,000 in the year. Smaller authorities are those borrowing amounts equal to, or less than, the limits mentioned.

CHAPTER II—GENERAL REVENUE ASSISTANCE

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

In recent years three main types of grant have been paid to the States for general revenue purposes. First, there are the financial assistance grants paid to every State. Secondly, there are the special grants paid on the recommendation of the Commonwealth Grants Commission. Thirdly, special revenue assistance has been provided in most years in addition to the financial assistance and special grants. These three types of payment are discussed below in turn.

THE FINANCIAL ASSISTANCE GRANTS

1959-60 to 1964-65

The financial assistance grants were instituted under arrangements agreed at a Premiers' Conference in June 1959 and replaced the tax reimbursement grants and supplementary grants that had previously been paid to the States. The new arrangements provided for the grants to be determined by a formula under which the grant paid to each State in each financial year was calculated by taking the grant paid to it in the previous year and increasing that grant in proportion to the increase in the preceding financial year in the State's population and in the level of average wages for Australia as a whole—increases in population and average wages being two of the main factors affecting movements from year to year in State current expenditures. In addition, to assist the States improve the standard and range of their services, a 'betterment factor' was introduced equal to 10 per cent of the increase in average wages; for example, 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.

1965-66 to 1969-70

The 1959 grants arrangements were discussed at Premiers' Conferences in April and June 1965 and the decisions reached at the June Conference were embodied in the *States Grants Act* 1965. The main change under these arrangements was that the betterment factor was fixed at 1.2 per cent per annum regardless of the

extent of the increase in average wages. As a result of this change the effective size of the betterment factor over the five years 1965-66 to 1969-70 was on average approximately double what it would have been if the previous arrangements had continued unaltered. The increase in each State's population used to calculate the grant for each year was changed from that in the preceding financial year to that in the year ending December in the year of payment.

Mainly in recognition of Queensland's large area and relatively small population it was also decided that there would be an addition of \$2 million each year to the base on which that State's grant was calculated. In addition, to reduce the difference between the per capita grants for New South Wales and Victoria, the latter State received an addition of \$1.2 million to its 1965-66 financial assistance grants and this amount was incorporated into the base for calculating its grants for later years.

As a result of discussion at Premiers' Conferences in February and June 1967 two alterations were made to these arrangements. First, for calculating the grants for 1966-67 and subsequent years, the increase in average wages for the year ending March in the year of payment, instead of for the preceding financial year, was to be used. Secondly, special revenue assistance totalling \$5 million paid to the States in 1966-67 was added into the base for that year for the purpose of calculating the formula grants for 1967-68 and subsequent years.

With this last qualification, the formula grant for each State in the years from 1965-66 to 1969-70 was determined by taking that State's grant for the previous year (with the addition of \$2 million each year 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 in 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 ending 31 March in the year of payment (except for 1965-66, when the increase was for the previous financial year); and
- (c) increasing this amount by the betterment factor of 1.2 per cent.

Following discussions at the June 1968 Premiers' Conference, Western Australia ceased to receive special grants on the recommendation of the Commonwealth Grants Commission after 1967-68 and was paid additional financial assistance grants of \$15.5 million in 1968-69 and 1969-70 in lieu thereof.

THE PRESENT REVENUE ASSISTANCE ARRANGEMENTS

The 1970 Premiers' Conferences

The grants arrangements were again discussed at Premiers' Conferences in February and June 1970. Prior to the February Conference the six State Premiers presented a joint statement entitled 'The Financial Relationship of the Commonwealth and the States' in which they requested that Commonwealth and State Treasury officers be instructed to devise a scheme to give the States access to income tax 'broadly along the lines of the system presently operating in Canada, but adapted to Australian circumstances and to the recognised needs of the less populous States'. Details of the discussions at the Conferences are given in Appendix II.

At these Conferences the Prime Minister indicated that, while the Commonwealth did not accept re-entry of the States to the income tax field, it did accept that there was a need for a significant increase in revenue assistance. The Commonwealth offered improvements estimated to make the rate of growth in such assistance between $2\frac{1}{2}$ and 3 per cent per annum higher than if the previous arrangements had continued unchanged. This improvement was effected in four main ways.

First, an addition of \$40 million was made to the 1970-71 grants calculated under the existing formula and this amount was incorporated in the base used to determine the grants for 1971-72 and subsequent years.

Secondly, the betterment factor was increased from 1.2 per cent to 1.8 per cent for determining the grants for 1971-72 and subsequent years.

Thirdly, new interest-free capital grants to the States were introduced to replace a part of the moneys previously obtained by the States from borrowings. The purpose of these grants was to relieve the States of debt charges which they would otherwise have had to pay, thus freeing State funds for other purposes. Further details of these grants are given in the following Chapter.

Fourthly, new grants were to be made to the States in each of the five years of the arrangements equal to the debt charges payable on an increasing proportion of a specified parcel of State debt totalling \$1,000 million. Further details of these grants, which will total nearly \$173 million over the five year period, are given in Chapter IV.

In addition to the foregoing, it was agreed at the June 1970 Premiers' Conference that further grants would be paid to four States in each of the five years of the arrangements, namely:

- Queensland would continue to receive an annual addition of \$2 million to the base on which its formula grant was calculated;
- Western Australia would receive grants which started at \$12.5 million in 1970-71, reducing by \$3 million per annum in each of the remaining four years of the arrangements—these grants followed on from additional financial assistance grants of \$15.5 million paid to the State in 1968-69 and 1969-70 and which had replaced the special grants previously received on the recommendation of the Commonwealth Grants Commission (the progressive reduction was made because of the relative improvement in the State's revenue position following its withdrawal from claimancy); and
- New South Wales and Victoria would receive new annual grants, equal to \$2 per head of their respective populations at 31 December each year.

At the June 1970 Conference the Prime Minister said that, if any of the four less populous States considered that the additional per capita grants to New South Wales and Victoria would adversely affect their ability to provide services of a standard comparable with those provided in those two States, they could apply for a special grant on the recommendation of the Grants Commission. (Under the previous arrangements the four non-claimant States were expected not to make any application for special grants for the period of the arrangements.) South Australia applied for a special grant early in 1970-71 and Queensland applied for a special grant in 1971-72. (See below under 'The Special Grants'.)

After the June 1970 Premiers' Conference, the Commonwealth agreed to transfer \$10 million of Tasmania's special grant to the State's financial assistance grant. (See below under 'The Special Grants'.)

The foregoing arrangements were agreed to by the Commonwealth on the basis that there were no significant changes in the existing division of financial responsibilities between the Commonwealth and the States during the period of the arrangements (1970-71 to 1974-75), that the distribution of tax resources remained unchanged and that the States and their authorities continued to pay pay-roll tax. They were embodied in the *States Grants Act 1970*, which repealed the *States Grants Act 1965-1968*.

Developments Following the June 1970 Premiers' Conference

Following the settling of the new grants arrangements at the June 1970 Premiers' Conference there have been several developments affecting the arrangements. These are described briefly below.

Legal Challenge to Pay-Roll Tax as Applied to State Governments

In the Victorian Budget for 1970-71 no appropriation was made to meet Commonwealth pay-roll tax and, on 6 October 1970, the State Government took out a writ in the High Court challenging the constitutional validity of the *Pay-roll Tax Assessment Act 1941-1969* as it applied to the State Government. On 26 November 1970 South Australia intervened to support Victoria's challenge.

In a statement in Parliament on 30 September 1970 the Prime Minister said that, as the revenue grants arrangements were conditional on the States and their authorities continuing to pay pay-roll tax, the Commonwealth could not accept the position taken by the Victorian Government and would consider what course of action it should take in order to see that the Commonwealth Budget was not impaired. Before judgment in the case had been delivered the *States Grants Bill 1971* was passed by the Commonwealth Parliament. The Bill authorised, inter alia, deductions to be made from the grants otherwise payable to a State under the *States Grants Act 1970* if the State or its authorities failed to pay pay-roll tax to the Commonwealth. The Bill also authorised the Commonwealth Statistician, in calculating the increase in average wages for purposes of the grants formula, to take account of wages and employees not included in pay-roll tax returns where this occurred because an employer failed to lodge returns, as the Victorian Government and some of its authorities had done during 1970-71.

Subsequently, on 14 May 1971, the High Court unanimously ruled that the *Pay-roll Tax Assessment Act 1941-1969* was valid in its application to State Governments.

On the understanding that the arrears of pay-roll tax payable to the Commonwealth by Victoria would be paid by the State no deductions from the grants payable to any State in 1970-71 were made under the *States Grants Act 1970-1971*.

Cessation of Receipts Duty

At the February 1970 Premiers' Conference the Premiers asked that, in the light of recent decisions by the High Court invalidating State receipts duty in its application to certain types of receipts, the Commonwealth confirm an undertaking given at a Premiers' Conference held in November 1969 that, in the event of the receipts duty being found invalid in some or all respects, the Commonwealth would introduce legislation, to operate retrospectively to 18 November 1969, to impose a like tax for the benefit of the States. The Premiers also asked that the Commonwealth legislation should have continuing operation beyond 30 June 1970.

The Prime Minister agreed to the Premiers' requests on the basis that the Commonwealth legislation would apply only to business receipts. Commonwealth legislation was introduced in June 1970 but was rejected by the Senate.

At the June 1970 Premiers' Conference, and in the Budget Speech on 18 August, it was stated that the Commonwealth proposed to re-introduce the receipts duty legislation during the 1970-71 Budget session. On 1 October the Prime Minister announced that the legislation would be limited to imposing a duty on moneys received during the period 18 November 1969 to 30 September 1970, and that the Commonwealth would make good the reasonable losses of State revenue thereafter resulting from the termination of the legislation on 30 September.

At a Premiers' Conference on 8 October 1970 it was agreed that receipts duty would not be imposed after 30 September 1970 even in those areas where the States were legally able to do so, and that the whole of the resultant loss of revenue to the States in 1970-71 would be made good by way of additional Commonwealth grants. In addition, Queensland would receive an additional grant to allow for the fact that in the first quarter of 1970-71 the Queensland rate of duty was only 0.02 per cent compared with 0.1 per cent in all other States. The Commonwealth also agreed that, for 1971-72 and subsequent years, the amounts of receipts duty which it was estimated would have been collected by the States in 1970-71 had it been a 'normal' year would be added to the base used in determining the financial assistance grants payable under the grants formula. By this means the Commonwealth in effect provided for the continued payment to the States of compensation for loss of receipts duty revenue.

Commonwealth legislation imposing duty on business receipts up to 30 September 1970 was introduced and passed in November 1970. The *States Grants Act* 1971 was passed in May 1971 and embodied the receipts duty compensation arrangements. For purposes of the Act, estimates of receipts duty that would have been collected in the whole of 1970-71 had it been a 'normal' year, and in the last three-quarters of the year had Commonwealth and State legislation continued in operation, were settled in discussions between Commonwealth and State Treasury officials. The additional financial assistance grants paid in 1970-71 totalled \$59.71 million, while the amounts added to the base grants for calculating the formula grants in 1971-72 and subsequent years totalled \$88.4 million. (The figures for each State were set out in Tables 2 and 3 of 'Commonwealth Payments to or for the States, 1971-72'.)

Transfer of Pay-Roll Tax to the States

At the June 1970 Premiers' Conference the Commonwealth offered to examine with the States any proposals put forward by them for a new growth tax. No such proposals were put forward. However, at a Premiers' Conference in April 1971 (the main purpose of which was to discuss short term budgetary difficulties the States were facing—see below under 'Other General Revenue Assistance') the Prime Minister informed the States that the Commonwealth had under examination alternative means by which the States might be given access to a new growth tax.

At a Premiers' Conference in June 1971 the Commonwealth agreed to transfer pay-roll tax to the States on the basis that, subject to certain qualifications noted below, the resulting losses to the Commonwealth budget, and gains to the States, would be offset by reductions in the financial assistance grants. In making this offer, the Prime Minister pointed out that the constitutional position debarred the States from imposing virtually any form of sales tax. He said that, in the Commonwealth's view, it would not be advisable to re-open the field of personal income tax to the States, and that pay-roll tax therefore appeared to be the sole remaining practicable possibility. While it was not an ideal tax, it was broadly based, grew almost directly in line with the economy, was relatively simple to administer and offered 'some prospect for raising additional revenue should States wish to use it for that purpose'.

The Prime Minister indicated that the transfer could only be made if all the States agreed to take over the tax and on a common date. He said that the Commonwealth would continue to operate the export incentive scheme so as to give exporters the same benefits, based on the pay-roll tax rate of 2.5 per cent, as they enjoyed under the existing scheme. The Commonwealth would continue to impose its own tax in the Territories at the existing rate of 2.5 per cent, with the rate being subject to review in the light of any changes the States might make in their individual rates of tax.

The Premiers re-affirmed their views that the States needed access to a new area of growth taxation to assist them in financing improvements in the services which State Governments provide. They indicated that, while some of them would prefer that the States be given access to income tax, they accepted that pay-roll tax would constitute a useful addition to their resources. They also said that, because of the full year costs of the abnormally high wage and salary awards granted to State Government employees in 1970-71, they would still find it very difficult to cope with their prospective 1971-72 budgetary situations.

After discussion, it was agreed that the tax would be transferred on the basis that the deductions from the States' financial assistance grants in 1971-72 would be less than the amount of pay-roll tax receivable by them (at the existing 2.5 per cent rate) by:

- (a) an amount of \$20 million to be distributed between the States in proportion to pay-roll tax collections in 1971-72 at the rate of 2.5 per cent and a further amount, estimated at the time of the Conference at \$2.7 million, to be distributed between the four less populous States so as to bring their allocations to what they would have been if the amount of \$20 million had been distributed in proportion to the financial assistance grants—in addition to the estimated amount of \$22.7 million, the Commonwealth agreed that it would provide special revenue assistance of \$40 million in 1971-72 in the form of a non-recurring grant (*see* section on 'Other General Revenue Assistance' below);
- (b) an amount equal to the estimated pay-roll tax payable in respect of non-business activities of local authorities in 1971-72 subsequent to the date of transfer of the tax; and
- (c) an amount equal to the administrative expenditure incurred by the States in 1971-72 as a result of their imposing pay-roll tax.

For 1972-73 and subsequent years, it was agreed that the deductions from the States' grants would be effected by reducing the 1971-72 base used to determine the formula grants for those years. The deductions from the 1971-72 base would, however, be less than the amount of the pay-roll tax receivable in 1971-72 from a full year's collections at the tax rate of 2.5 per cent by:

- (a) the amount, estimated at the time of the Premiers' Conference at \$22.7 million, by which the States would gain in 1971-72—thus ensuring that this amount would continue and escalate in future years;
- (b) an amount equal to the estimated tax payable in respect of non-business activities of local authorities in the whole of 1971-72 (in this way the Commonwealth would, in effect, continue to meet the cost of exemption in future years by way of higher financial assistance grants to State Governments than would have been paid if the authorities were not exempted);
- (c) an amount of \$3 million, as a rough allowance to take account of the probability that revenues from pay-roll tax would grow a little more slowly than the financial assistance grants the States would be losing; and
- (d) an amount equal to the administrative expenditure that would have been incurred by the States in 1971-72 if they had imposed pay-roll tax for the whole of the year.

Details of the estimated amounts involved are given in the section below on 'Calculation of Financial Assistance Grants for 1971-72 and 1972-73 (estimated)'.

After the June 1971 Conference, it was announced that the States had agreed among themselves to increase the rate of pay-roll tax from 2.5 per cent to 3.5 per cent as from the date of transfer.

Commonwealth and State legislation to transfer pay-roll tax was passed and the transfer took place as from 1 September 1971.

The amendments to the financial assistance grants arrangements which it was agreed would accompany the transfer of pay-roll tax were incorporated in the *States Grants Act (No. 2) 1971*, which repealed the *States Grants Act 1970-1971*.

The June 1972 Premiers' Conference

At the June 1972 Premiers' Conference the Commonwealth and the States agreed to the following three amendments to the financial assistance grants arrangements:

- (a) a permanent increase of \$112 million to the financial assistance grants payable in 1972-73—this increase to be built into the formula grants for the purpose of calculating the grants for subsequent years and to be distributed in proportion to the 1971-72 formula grants escalated under the formula as it will apply in 1972-73;
- (b) an increase in the per capita grants to New South Wales and Victoria from \$2 to \$3.50 per head of population in 1972-73—the increased per capita payments to be added to the formula grants for the purpose of calculating the grants in future years (this change is estimated to increase the grants payable to New South Wales and Victoria in 1972-73 by approximately \$7.1 million and \$5.4 million respectively); and
- (c) a payment of a further amount of \$3.5 million to Western Australia in 1972-73 as a special temporary addition to the State's financial assistance grant in that year.

Calculation of Financial Assistance Grants for 1971-72 and 1972-73 (estimated)

The following tables show details of the calculation of the financial assistance grants for 1971-72 and 1972-73 (estimated).

TABLE 2—CALCULATION OF FINANCIAL ASSISTANCE GRANTS FOR 1971-72

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
'Base' Grants(a)	473,588	352,732	221,552	153,932	152,963	65,731	1,420,498
Plus Additions under Formula(b)	72,165	53,197	34,927	22,756	26,275	9,275	218,594
Formula Grants	545,753	405,929	256,479	176,688	179,238	75,006	1,639,092
Plus Additional Grants to Particular States	(c)9,282	(c)7,061	..	..	(d)9,500	..	25,843
SUB-TOTAL	555,034	412,990	256,479	176,688	188,738	75,006	1,664,935
Less Notional pay-roll tax collections in 1971-72 at 2.5 per cent and on former Commonwealth assessment provisions on wages and salaries paid on or after 1.9.71(e) ..	103,834	71,983	29,199	20,760	20,439	6,954	253,169
Plus Notional pay-roll tax collections at 2.5 per cent on 'non-business' wages and salaries of local authorities paid on or after 1.9.71(e)	2,499	1,477	1,114	332	441	169	6,032
Plus Administrative costs of pay-roll tax(e)	302	294	80	75	33	20	803
Plus Share of \$22.3 million(f) ..	8,203	5,687	3,130	2,156	2,187	915	22,277
TOTAL FINANCIAL ASSISTANCE GRANTS	462,204	348,464	231,603	158,491	170,960	69,156	1,440,878

(a) Grants deemed to have been paid in 1970-71 as specified in the *States Grants Act 1971-1972*. They are the totals of the 1970-71 formula grants, additions of \$2 million and \$10 million for Queensland and Tasmania respectively, and the additions to the base made to compensate for the loss of receipts duty. For details see Table 3 in 'Commonwealth Payments to or for the States, 1971-72' and the footnote references to that table.

(b) Calculated from population increases in each State in the year ended 31 December 1971 (the weighted average of these increases was 1.83 per cent), the increase in average wages in Australia as a whole in the year ending March 1972 (11.31 per cent) and the betterment factor of 1.8 per cent.

(c) Equal to \$2 per capita of estimated populations at 31 December 1971.

(d) Additional grant reduced from the \$12.5 million paid in 1970-71—see text above.

(e) These amounts were agreed between the Commonwealth and State Treasuries and were formally determined by the Treasurer in accordance with the *States Grants Act 1971-1972*.

(f) For method of calculation see text above. This amount was estimated at \$22.7 million at the time of the June 1971 Premiers' Conference.

TABLE 3—CALCULATION OF FINANCIAL ASSISTANCE GRANTS FOR 1972-73 (ESTIMATED)

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
'Base' Grants—							
1971-72 Formula Grants(a) ..	545,753	405,929	256,479	176,688	179,238	75,006	1,639,092
Plus Addition to Queensland's Base .. .. .	..	..	2,000	..	..	..	2,000
Plus Share of \$22.3 million(b)	8,203	5,687	3,130	2,156	2,187	915	22,277
Plus \$3m Differential Growth Adjustment(c)	999	743	469	323	328	137	3,000
Less Estimate of notional pay-roll tax collections in 1971-72 at 2.5 per cent and on former Commonwealth assessment provisions(d)	139,226	96,517	39,234	27,831	27,498	9,435	339,741
Plus Estimate of notional pay-roll tax collections in 1971-72 at 2.5 per cent on 'non-business' wages and salaries of local authorities(d) ..	3,329	1,939	1,490	429	590	208	7,985
Plus Administrative costs of pay-roll tax(d)	475	327	116	84	35	23	1,060
TOTAL BASE GRANTS ..	419,533	318,108	224,450	151,849	154,880	66,854	1,335,674
Plus Additions under formula(e)	51,730	38,738	28,827	18,050	22,024	7,509	166,878
Plus Additional \$112 million(f)	37,242	27,662	17,582	12,009	12,437	5,068	112,000
Plus Additional Grants to Particular States	(g)16,519	(g)12,551	..	..	(h)10,000	..	39,070
TOTAL FINANCIAL ASSISTANCE GRANTS(i) ..	525,000	397,100	270,900	181,900	199,300	79,400	1,653,600

(a) See previous table for derivation.

(b) See footnote (f) to previous table.

(c) Representing an allowance to compensate for the probable slightly lower growth rate in revenue from pay-roll tax as compared with that from financial assistance grants. See text above.

(d) Estimates by Commonwealth and State Treasuries, subject to revision. The final amounts will be formally determined by the Treasurer in the course of 1972-73.

(e) Assumes that the percentage increase in each State's population in the year ending December 1972 is the same as in the previous year and that the increase in average wages in Australia as a whole in the year ending March 1973 is 8.5 per cent.

(f) Additional grants agreed at the June 1972 Premiers' Conference. See text above.

(g) Equal to \$3.50 per capita of the State's estimated population at 31 December 1972.

(h) Made up of \$6.5 million additional grant reduced from the \$9.5 million paid in 1971-72 (see footnote (d) to previous table), plus a special temporary addition of \$3.5 million in 1972-73.

(i) Calculated on figures shown above and then rounded to the nearest \$100,000.

The following table shows the financial assistance grants paid to each State from 1959-60, including the grants estimated to be payable in 1972-73. Annual payments of tax reimbursement and supplementary grants before 1959-60 are given in Table 54 following Appendix II.

TABLE 4—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	(a)113,356	86,467	78,474	32,131	757,351
1966-67 ..	276,794	208,790	(a)125,514	94,346	86,396	34,773	(b)826,613
1967-68 ..	302,827	228,254	(a)139,601	102,738	96,152	37,968	907,539
1968-69 ..	333,393	250,563	(a)155,963	112,768	(c)123,796	41,710	1,018,193
1969-70 ..	373,908	280,008	(a)176,522	125,706	(c)138,835	46,340	1,141,319
1970-71(d) ..	(e)470,835	(e)351,024	(a)216,672	151,602	(c)163,313	(f) 65,071	1,418,518
1971-72(d)(g) ..	(e)462,204	(e)348,464	(a)231,603	158,491	(c)170,960	69,156	1,440,878
1972-73(d)(g)(h) (est.)	(e)525,000	(e)397,100	(a)270,900	181,900	(c)199,300	79,400	1,653,600

- (a) Includes additional assistance as a result of the addition of \$2 million to the base on which Queensland's grant for each year is calculated.
- (b) Includes special assistance of \$5 million paid in 1966-67 and subsequently incorporated into the base for determining grants for 1967-68 and later years.
- (c) Includes \$15.5 million to Western Australia in lieu of a special grant in 1968-69 and 1969-70, \$12.5 million in 1970-71, \$9.5 million in 1971-72 and \$6.5 million in 1972-73. Also includes special temporary addition of \$3.5 million in 1972-73.
- (d) Includes additional grants being paid as receipts duty compensation.
- (e) Includes additional grants of \$2 per capita to New South Wales and Victoria in 1970-71 and 1971-72 and \$3.50 per capita in 1972-73.
- (f) Includes \$10 million transferred from Tasmania's special grant for 1970-71.
- (g) After deductions in accordance with the arrangements for transferring pay-roll tax to the States.
- (h) Includes additional grants agreed at the June 1972 Premiers' Conference.

It will be noted from this table that New South Wales and Victoria received less in financial assistance grants in 1971-72 than in 1970-71, whereas the other States received more. This is because New South Wales and Victoria derived relatively more revenue from the transfer of pay-roll tax than the less populous States.

THE SPECIAL GRANTS

Special grants are paid on the recommendation of the Commonwealth Grants Commission, which was established under the *Commonwealth Grants Commission Act 1933* and consists of three members who are appointed by the Governor-General for terms not exceeding three years. The members of the Commission serve on a part-time basis and are assisted by a full-time staff.

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 between the budget results and standards of effort and of services provided in the claimant State and 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 the claimant State's financial need in the current financial year, and is treated as an advance payment subject to adjustment two years later when the Commission has compared in detail the audited budget results and standards of effort and of services provided in that year for the claimant States and the standard States. The other part represents the final adjustment to the advance payment made two years earlier and is now known as the completion payment.

Special grants were paid to South Australia, Western Australia and Tasmania on the recommendation of the Commission from 1934-35 to 1958-59, when South Australia ceased to apply. Western Australia withdrew from the special grants system as from 1968-69.

Under the 1965 grants arrangements the Commonwealth expected the four non-claimant States not to apply for special grants for the period of the arrangements. However, following the June 1970 Premiers' Conference all four less populous States were free to apply for special grants and South Australia again applied for a special grant early in July 1970. Queensland made application for a special grant for 1971-72 on 30 September 1971.

Tasmania has applied continuously for special grants. Following a request by the Premier of Tasmania after the June 1970 Premiers' Conference, the Commonwealth transferred an amount of \$10 million from the advance special grant of \$22 million that would otherwise have been payable to Tasmania in that year to the financial assistance grant as a permanent addition to the latter. The \$10 million formed part of the base for purposes of calculating Tasmania's financial assistance grants for 1971-72 and subsequent years. This arrangement did not affect the total of the general revenue grants paid to Tasmania in 1970-71 and 1971-72 nor will it do so in later years. That total will continue to be determined, in effect, by the special grant recommended each year by the Grants Commission.

In 1971-72 special grants totalling \$23.8 million were paid, consisting of advance payments of \$9 million to Queensland, \$7 million to South Australia and \$11 million to Tasmania and a negative completion payment to Tasmania of \$3.2 million in respect of 1969-70. The grants to South Australia and Tasmania were recommended by the Commission in its Thirty-eighth Report, presented to Parliament in the Budget Session in 1971, and were authorised by the *States Grants (Special Assistance) Act* 1971. The grant to Queensland was recommended by the Commission in a Special Report presented to Parliament in the Autumn Session in 1972 and was authorised by the *Queensland Grant Act* 1972.

For 1972-73 the Commission has recommended advance payments of \$10 million to Queensland, \$13.5 million to South Australia and \$10 million to Tasmania. It has also recommended a positive completion payment of \$7.5 million to South Australia and a negative completion payment of \$2.4 million to Tasmania in respect of 1970-71.

The special grants paid in each year since 1910-11 are shown in Table 55 following Appendix II. Table 5 below shows the *final* amount of special grants paid *in respect of* each of the years 1959-60 to 1970-71 inclusive—that is, the advance payment paid in the year concerned plus the completion payment actually paid two years later. The table also shows the advance payments for 1971-72 and 1972-73.

TABLE 5—SPECIAL GRANTS

\$'000

	Queens- land (a)	South Australia			Western Australia			Tasmania		
		Advance Payment	Com- pletion Pay- ment(b)	Total	Advance Payment	Com- pletion Pay- ment(b)	Total	Advance Payment	Completion Payment(b)	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	1,332	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..	14,700	582	15,282	19,500	-1,190	18,310
1967-68..	15,500	(c) ..	15,500	19,000	-100	18,900
1968-69..	18,000	1,680	19,680
1969-70..	22,000	-3,200	18,800
1970-71..	..	5,000	7,500	12,500	..	..	..	(d)12,000	-2,400	9,600
1971-72..	9,000	7,000	(e)	(e)	..	..	..	11,000	(e)	(e)
1972-73..	10,000	13,500	(e)	(e)	..	..	..	10,000	(e)	(e)

(a) Advance payments only.

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

(c) No completion payment made—see page 105 below.

(d) Grant recommended by the Commission was \$22 million of which \$10 million was transferred to Tasmania's financial assistance grant for 1970-71. See text above.

(e) Not yet determined—see explanation in text above of the Commission's two-part system.

OTHER GENERAL REVENUE ASSISTANCE

From time to time the Commonwealth has provided general revenue assistance to the States additional to that payable under the financial assistance grants arrangements or by way of special grants recommended by the 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 54.) Some of the additional assistance grants paid in the years 1957-58, 1961-62, 1962-63 and 1963-64 were also available for use by the States for general revenue purposes. Table 50 in Appendix I shows the amounts of additional assistance grants in 1961-62, 1962-63 and 1963-64 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. Details of the grants paid in each of the years concerned are given in 'Commonwealth Payments to or for the States, 1967-68'.

Special Assistance 1966-67 to 1969-70

In 1966-67 and 1967-68 amounts of \$10.75 million and \$14 million respectively were paid as special revenue assistance to States affected by drought. In 1966-67 the Commonwealth also provided special assistance of \$5 million which was subsequently incorporated into the base used in calculating the formula grants for later years and is therefore included in Table 4 above. In 1968-69, \$14 million was paid in recognition of budgetary difficulties being experienced by the States. For further details of these payments in the years 1966-67, 1967-68 and 1968-69 see page 18 of 'Commonwealth Payments to or for the States, 1969-70'.

In 1969-70 special assistance of \$26 million was paid, of which \$10 million was a special repayable advance to Victoria made on 30 June 1970 to help the State finance its revenue deficit for that year. This advance bears interest at 6.5 per cent, being the rate of interest on short-term bonds offered in the May 1970 cash loan. No interest was payable on the loan in 1970-71. Interest is payable semi-annually on 31 December and 30 June in each of the subsequent four years on the reducing balance of the loan. The advance is repayable over five years by annual instalments of \$2 million on 30 June each year with the provisos, first, that Victoria undertakes to repay more than \$2 million in any year if its budgetary position permits and, secondly, that the Commonwealth will agree to postponement of an annual instalment if it is satisfied that the Victorian budgetary position in the year concerned does not permit repayment to be made without deficit financing. This latter proviso, however, does not affect the requirement that the whole of the loan be repaid by 30 June 1975. The Treasurer has agreed to requests by the State for the postponement of the first and second repayments which were due on 30 June 1971 and on 30 June 1972 respectively. Details of the remaining \$16 million of special assistance provided in 1969-70 are given on page 21 of 'Commonwealth Payments to or for the States, 1970-71'.

Special Assistance in 1970-71

A Premiers' Conference was held in February 1971 to discuss the effects on the States' budgets of the national wage decision announced in December 1970. The States presented information showing that the cost to their budgets of that and other wage awards for State government employees granted since their budgets were brought down was much greater than in previous years and they requested special revenue assistance to help meet those costs. The Commonwealth, while conceding that the States were facing budget difficulties, asked them to examine the possibility of taking measures to cope with these financial difficulties from

their resources. However, it was agreed that a further Conference would be held in April at which the States would present revised estimates for 1970-71, as well as estimates for 1971-72, in the light of any measures they may have been able to take in the interim.

Subsequent to the February Conference all the States took special action to improve their financial positions. In most but not all States this action took the form mainly of cuts in expenditure below the levels estimated in February. However, this still left the States facing substantial prospective budget deficits in 1970-71.

At the Premiers' Conference in April 1971 the Commonwealth agreed to provide the States with additional revenue assistance of \$43 million in 1970-71 on the understanding that the States used this assistance to reduce their prospective budget deficits rather than add to their expenditures. Payment of this assistance, which was distributed between the States in proportion to their financial assistance grants (other than receipts duty compensation grants), was authorised by the *States Grants Act* 1971.

Special Assistance in 1971-72

At the Premiers' Conference in June 1971 the States argued that, even after taking into account additional revenue they might be able to raise from their existing taxes and charges, they would find it very difficult to cope with their prospective 1971-72 budget deficits which, they said, were abnormally high due largely to the unavoidable 'full-year' costs of wage and salary awards granted in 1970-71.

The Commonwealth agreed to provide special revenue assistance in 1971-72 in the form of a non-recurring grant of \$40 million to be distributed between the States in proportion to their financial assistance grants. The Commonwealth also agreed, as part of the arrangements to transfer pay-roll tax to the States, to provide additional revenue assistance in 1971-72 estimated at the time of the Conference at \$22.7 million but which finally amounted to \$22.3 million. (See section on 'Transfer of pay-roll tax to the States' above.) Payment of this additional assistance was authorised by the *States Grants Act (No. 2)* 1971.

At the February 1972 Premiers' Conference, the Commonwealth agreed to provide further special revenue assistance in 1971-72 totalling \$32.5 million. Of this amount, \$15 million was provided by way of non-recurring grants distributed between the States in proportion to their financial assistance grants and the remaining \$17.5 million was a special repayable advance to New South Wales.

In announcing this loan, the Prime Minister said that New South Wales clearly had a much greater budgetary problem in 1971-72 than any of the other States and that the purpose of the special loan was to enable that State to avoid taking extreme measures to improve its budgetary position. The loan was made on 30 June 1972 and is to be repaid by 30 June 1977 by annual instalments of \$3.5 million, with provision for the advancement or deferment of repayments similar to the provisions with the loan of \$10 million made to Victoria in 1969-70 (see above). As with the loan to Victoria, no interest is payable in the first year. In the following four years interest is payable semi-annually at 5.3 per cent, this being the short-term Commonwealth bond rate offered in the February 1972 cash loan.

The additional assistance of \$15 million was authorised by the *States Grants Act 1972*. The special loan to New South Wales was authorised in the *Appropriation Act (No. 5) 1971-1972*.

Thus, special assistance totalling \$72.5 million was paid in 1971-72.

CHAPTER III—GENERAL PURPOSE CAPITAL FUNDS

The major source of general purpose capital funds available to State Governments is the annual works and housing programme approved by the Loan Council. As explained below, the Commonwealth undertakes, subject to certain conditions, to assist in financing this programme as well as providing assistance for the various specific types of capital expenditure by the States described in Chapter IV. Annual borrowing programmes are also approved by the Loan Council for larger State semi-government and local authorities which borrow more than \$400,000 individually in the financial year but there is at present no overall limit on borrowings by State authorities which borrow \$400,000 or less in a financial year.

The Loan Council, which is constituted under the 1927 Financial Agreement between the Commonwealth and the States, is composed of representatives of the Commonwealth and each State Government. Under the terms of the Financial Agreement borrowings by the Commonwealth and State Governments are, with certain exceptions, subject to approval by the Loan Council. Accordingly, 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, with minor exceptions, the State Governments and for all conversions, renewals, redemptions and consolidations of the public debt of the Commonwealth and of the States.

The works and housing programme and borrowing programmes for larger State authorities for 1972-73 agreed to at the June 1972 Loan Council meeting, together with estimates of borrowings by smaller authorities in the year, are compared in Table 1 with the programmes and borrowings for 1971-72 and 1970-71. Further details are given in the tables contained in Appendix III. On the assumption that the approved 1972-73 borrowing programmes for larger State authorities are achieved and that borrowings by smaller authorities in 1972-73 are as presently estimated, total capital funds available to State Governments and their authorities from Loan Council borrowing programmes and from the specific purpose capital payments set out in Chapter IV are estimated to be \$2.054 million in 1972-73. This would mean an increase of \$211 million, or 11.4 per cent, on the funds available from these sources in 1971-72.

STATE WORKS AND HOUSING PROGRAMMES

The Loan Council, at its meeting in June 1971, approved a works and housing programme of \$860 million for 1971-72. Subsequently, at a meeting in February 1972, the Loan Council approved an addition of \$32 million bringing the total programme for 1971-72 to \$892 million.

At its June 1972 meeting the Loan Council approved a State works and housing programme for 1972-73 of \$982 million, an increase of \$90 million or 10.1 per cent on the final programme for 1971-72.

Financing of Works and Housing Programme

Beginning in 1970-71 the works and housing programme of the States has been financed partly by borrowings which represent debt of the States, and partly by capital grants from the Commonwealth (which may be derived from revenue or from borrowings representing Commonwealth debt). The sources of funds applied to the works and housing programmes in each year from 1960-61 to 1971-72 are shown in Table 61.

The original programme of \$860 million for 1971-72 consisted of borrowings totalling \$650.2 million and grants of \$209.8 million. The further \$32 million approved in February 1972 was made up of \$30 million divided between grants and borrowings on the same basis as the original works and housing programme for the year (giving additional capital grants of \$7.3 million and additional borrowings of \$22.7 million) and \$2 million as a permanent addition to the grant portion of the programme in recognition of the costs being faced by the States in the changeover to the metric system. The interest-free capital grant element of the final works and housing programme for 1971-72 was therefore \$219.1 million and the borrowings element was \$672.9 million.

The programme of \$982 million for 1972-73 consists of borrowings of \$733.5 million and grants of \$248.5 million. The allocation of both elements of the programme between the States is in the same proportions as for previous years.

(a) Borrowings

As previously mentioned, the Commonwealth (with minor exceptions) arranges all borrowings on behalf of State Governments. The proceeds of public borrowings remaining after meeting redemptions not covered by sinking funds are applied mainly to State works and housing programmes.

When the proceeds of public borrowings available for this purpose are insufficient to finance the borrowings for State works and housing programmes, the Commonwealth makes up the shortfall by subscribing the appropriate amount to a special loan, thereby making it available to the States. The amounts made available in this way represent State debt. These special loans are made at the end of each financial year on terms and conditions similar to those offered in the final Commonwealth public loan raised in Australia during that year. The effect of this arrangement is that, as necessary, the Commonwealth contributes amounts from its own resources to help finance the borrowing programmes for State works and housing.

Under successive Commonwealth/State Housing Agreements, up to 30 June 1971 such amounts as were nominated for housing by each State Government out of its total approved borrowing programme became, formally, the borrowing programme of the Commonwealth (or part thereof) and were provided by the Commonwealth as advances, repayable over fifty-three years, at concessional rates of interest. Under arrangements applying as from 1971-72 the States continue to determine the amount of their annual borrowing programmes to be allocated to housing. However, these amounts no longer form part of the borrowing programme of the Commonwealth and, in lieu of the interest concession on such allocations, the Commonwealth provides direct grants to help the States continue to provide housing for lower income groups. Further details of these arrangements are given in Chapter IV.

(b) Capital Grants

Commencing in 1970-71, the Commonwealth is providing each year an interest-free capital grant which is designed to help the States finance capital works from which debt charges are not normally recovered, such as schools, police buildings, and the like. However, the grant is not subject to any specific conditions as to the purposes for which it may be expended. As it replaces amounts which the States would otherwise have obtained as loans, there is a substantial saving to the States in debt charges. In 1971-72, for example, the saving in debt charges to the States was about \$12.6 million and for 1972-73 the saving is estimated at \$23.8 million.

The capital grant may be financed by the Commonwealth from borrowings or from revenue. Where the Commonwealth utilises borrowings to finance the grant, or portion of it, these represent Commonwealth debt. Details of the sources of finance in 1970-71 and 1971-72 are shown in Table 61.

In December 1971 the Prime Minister announced that the Commonwealth would provide \$20 million as capital grants to the States during the eighteen months' period January 1972 to June 1973 for expenditure on government schools (for details *see* Chapter IV). Included in the arrangements for the payment of these grants was an undertaking to amalgamate the grants with the interest-free capital grants portion of the works and housing programme for determining the proportion of the works and housing programme that the grants will represent in future years. This will raise permanently the proportion of the total works and housing programme which the States receive as a grant, and reduce correspondingly the interest-bearing loan proportion. The States will therefore benefit in future years by additional savings in debt charges.

The effect of this arrangement is to increase the capital grants portion of the 1972-73 works and housing programme from 24.4 per cent to 25.3 per cent.

The table below shows the capital grant paid to each State in 1970-71 and 1971-72 and the amount payable in 1972-73:—

TABLE 6—CAPITAL GRANTS TO THE STATES

\$'000

	1970-71	1971-72(a)	1972-73(a)
New South Wales	63,610	69,690	79,051
Victoria	51,020	55,890	63,405
Queensland	25,290	27,710	31,429
South Australia	27,420	30,030	34,074
Western Australia	18,680	20,470	23,213
Tasmania	13,980	15,310	17,367
Total	200,000	219,100	248,539

(a) The capital grants for government schools paid in 1971-72 and payable in 1972-73 are *not* included in the amounts shown here. As explained in Chapter IV they are amalgamated with the grants for works and housing only for the purpose of determining the proportion of the total works and housing programme to be provided by way of capital grant in the succeeding year.

Contributions to State works and housing programmes provided by the Commonwealth since 1951-52 by way of subscriptions to special loans and by capital grants are shown in the following table:—

TABLE 7—COMMONWEALTH CONTRIBUTIONS FOR STATE WORKS AND HOUSING PROGRAMMES(a)

	Special Loans Applied to Borrowing Programmes (1)	Capital Grants (2)	Total Contributions (3)	Works and Housing Programmes (4)	(3) as Percentage of (4) (5)
	\$'000	\$'000	\$'000	\$'000	Per cent
1951-52	305,730	..	305,730	454,120	67
1952-53	263,060	..	263,060	380,364	69
1953-54	148,706	..	148,706	400,000	37
1954-55	(b)88,946	..	88,946	360,000	25
1955-56	(b)162,490	..	162,490	380,000	43
1956-57	183,771	..	183,771	384,000	48
1957-58	166,239	..	166,239	400,000	42
1958-59	6,906	..	6,906	420,000	2
1959-60	60,955	..	60,955	440,000	14
1960-61	176,729	..	176,729	460,000	38
1961-62	13,985	..	13,985	495,000	3
1962-63 .. .. .	..	..	..	510,000	..
1963-64 .. .. .	..	..	..	544,000	..
1964-65	133,800	..	133,800	580,000	23
1965-66	168,760	..	168,760	605,000	28
1966-67	89,922	..	89,922	645,000	14
1967-68	192,550	..	192,550	677,000	28
1968-69	111,443	..	111,443	710,000	16
1969-70	355,000	..	355,000	758,000	47
1970-71	199,908	200,000	399,908	823,000	49
1971-72	31,670	219,100	250,770	892,000	28

(a) For further details of the financing of State works and housing programmes, including the derivation of the amounts shown above, see Table 61 in Appendix III.

(b) Excludes proceeds of overseas borrowings paid into Trust Funds and subscribed to public loans; \$10 million in 1954-55 and \$14 million in 1955-56.

The provision of Commonwealth contributions to the State works and housing programme agreed between the Commonwealth and the States at the Loan Council meeting is conditional on the States agreeing to certain arrangements designed to promote the raising of loans to help finance the programme. On this basis the Commonwealth agreed at the June 1972 meeting of the Loan Council to support a 1972-73 borrowing programme of \$982 million (including an interest-free capital grant of \$248.5 million) in the following ways:—

- (a) to leave to the States, to the extent necessary to complete their borrowing programmes the whole of the proceeds derived from public loan raisings in Australia (other than the net proceeds of Drought Bonds, Treasury Note issues, and other borrowings for temporary purposes; amounts required to meet encashments of Special Bonds; and amounts applied to redemptions of public securities that cannot be financed out of the National Debt Sinking Fund);
- (b) to arrange, to the maximum possible extent, for the redemption of maturing but unconverted State debt that cannot be met from State sinking funds; and
- (c) to make monthly advances to the States for the first eight months of the financial year against the borrowing component of the programme at an annual rate not exceeding \$733.5 million, the position then to be reviewed and a tentative determination made, not later than February 1973, of the amount of any special loan assistance the Commonwealth may provide from its own resources. (The amount of the capital grant component of the programme is paid to the States on the basis of equal monthly instalments.)

BORROWING PROGRAMMES FOR STATE AUTHORITIES

Under a 'Gentlemen's Agreement', originally entered into in 1936, the Loan Council approves an aggregate annual borrowing programme for larger State semi-government and local authorities. From 1967-68 to 1971-72 larger authorities were defined as those borrowing more than \$300,000 in a year (and smaller authorities those borrowing \$300,000 or less in a year). At the June 1972 meeting of the Loan Council it was agreed that for 1972-73 larger authorities would be defined as those borrowing in excess of \$400,000 a year and smaller authorities those borrowing \$400,000 or less in a year. From 1962-63 no overall limit has been set on the annual borrowings by smaller State authorities.

Each State determines the allocations to individual larger authorities within the overall borrowing programme approved by the Loan Council for such authorities in the State. The terms and conditions of each loan raised by such authorities are subject to Loan Council approval.

Loans by smaller State authorities are also subject to the terms and conditions ruling under the Gentlemen's Agreement and it is the responsibility of the States to ensure that the smaller authorities conform with these terms and conditions.

The Commonwealth Government accepts no responsibility for ensuring the completion of the borrowing programmes approved by Loan Council for State authorities. However, the approved borrowing programmes for larger State authorities have been filled in recent years.

In June 1971 the Loan Council agreed to a borrowing programme in 1971-72 for larger State authorities of \$426.7 million, which was \$27.5 million or 6.9 per cent higher than the 1970-71 programme. This included special allocations totalling \$11.7 million, of which \$4 million and \$3 million were permanent additions to the programmes for New South Wales and Western Australia respectively, \$3 million was a further temporary allocation for Western Australia and \$1.7 million was a temporary allocation to Tasmania to assist in financing the development of hydro-electricity production in that State. (A permanent addition to a State's programme increases that State's share of the basic programme, the distribution of which in turn is used as the basis for determining the allocation of the following year's basic programme between the States.)

At the February 1972 meeting of the Loan Council the Commonwealth agreed to the borrowing programme for larger authorities being increased by a further \$10 million. Subsequent to this meeting the Loan Council also agreed to a further increase in the programme of \$2 million as a special temporary allocation to Queensland to help finance beach erosion control work in the Gold Coast area.

As a result of these additions the larger authority programme for 1971-72 totalled \$438.7 million, an increase of \$39.5 million or 9.9 per cent on the 1970-71 programme.

In June 1972 the Loan Council approved a programme of borrowings for larger authorities of \$488 million for 1972-73, which is \$49.3 million or 11.2 per cent higher than the final programme for 1971-72. This is made up of a basic programme of \$466 million, a permanent addition of \$10 million for New South Wales and temporary additions of \$3 million and \$9 million for Queensland and Western Australia respectively.

The Loan Council also agreed at its June 1972 meeting that the policy adopted in recent years of not imposing any overall limit on borrowings by smaller State authorities would be continued in 1972-73. In 1971-72 these authorities borrowed a total of \$107.8 million. The estimate of \$115.0 million for 1972-73 assumes that they will borrow approximately the same as in 1971-72, with an arbitrary allowance to take account of the increased ceiling for individual borrowings. This total has been divided between the States in the same proportions as their actual borrowings in 1971-72.

CHAPTER IV—SPECIFIC PURPOSE PAYMENTS

For many years the Commonwealth has provided financial assistance for certain specific types of expenditure, both current and capital, by the States. For example, assistance for expenditure on roads has been provided from 1923–24 and payments have been made under the Financial Agreement from 1927–28 in respect of interest and sinking fund charges on State debt. Further substantial assistance is being provided towards State debt charges as a result of the decisions taken at the June 1970 Premiers' Conference to provide grants to meet the debt charges on \$200 million of State debt in 1970–71 and an additional \$200 million in each of the four years 1971–72 to 1974–75, and to provide annually interest-free capital grants to assist the States in financing their capital works programme.

In recent years there has been a considerable expansion in specific purpose assistance. These payments finance a very wide variety of expenditures.

The following sections outline the payments at present being made to the States for current and capital purposes. Appendix IV 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 62 and 63 following Appendix IV classify specific purpose payments according to the nature of the payment and the type of State expenditure the payments are intended to assist.

DEBT CHARGES

Payments Under the Financial Agreement

Contributions to Interest on State Debts

Under the Financial Agreement, entered into by the Commonwealth and the States in 1927, the Commonwealth makes payments to the States 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 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 under the *Surplus Revenue Act 1910*. (See Appendix II.)

Each year the total contribution is \$15.17 million, 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 8—INTEREST PAYMENTS ON STATE DEBTS

						\$'000
New South Wales	..	..	..	..	..	5,835
Victoria	..	..	..	..	..	4,254
Queensland	..	..	..	..	..	2,192
South Australia	..	..	..	..	..	1,408
Western Australia	..	..	..	..	..	947
Tasmania	..	..	..	..	..	534
Total	..	..	..	..	..	<u>15,170</u>

Sinking Fund Contributions

The sinking fund contributions on State debt made by the Commonwealth under the Financial Agreement vary according to the date and nature of the borrowings. On States' debts existing at 30 June 1927 the Commonwealth is making contributions at the rate of 0.125 per cent per annum for a period of fifty-eight years, and on cash loans raised for the States since that date the Commonwealth contributes 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 the debt, regardless of the date on which it 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, for Treasury Bills totalling \$86 million that were issued to cover State revenue deficits accruing between July 1927 and June 1935, 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 contributions to the sinking fund on States' debts from 1964-65, including the estimated contribution in

1972-73. 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 64 following Appendix IV.

TABLE 9—SINKING FUND PAYMENTS UNDER THE FINANCIAL AGREEMENT

\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
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 ..	6,826	4,885	2,619	2,673	1,986	1,398	20,387
1968-69 ..	7,214	5,189	2,790	2,835	2,105	1,485	21,619
1969-70 ..	7,723	5,600	3,039	3,053	2,258	1,598	23,271
1970-71 ..	8,124	5,926	3,195	3,226	2,384	1,694	24,550
1971-72 ..	8,673	6,378	3,431	3,458	2,557	1,825	26,323
1972-73 (estimate)	8,978	6,626	3,567	3,607	2,649	1,885	27,312

Grants for Debt Charges

As outlined in Chapter II, the Commonwealth has undertaken to make grants to meet the debt charges on \$200 million of State debt in 1970-71 and an additional \$200 million each year from 1971-72 to 1974-75 so that, from the commencement of 1974-75, the Commonwealth will have taken over full responsibility for the debt charges on \$1,000 million of existing State debt. The grants are to meet interest and sinking fund charges on the following securities:—

	\$'000
7 per cent May 1989	50,000
6.8 per cent August 1978	38,000
6.5 per cent July 1973	203,000
6 per cent October 1991	10,000
5.9 per cent July 1977	4,000
5.4 per cent May 1987	50,000
5.4 per cent May 1990	50,000
5.25 per cent February 2004	100,000
5 per cent May 1984	200,000
5 per cent September 1985	196,000
4.5 per cent July 1986	79,000
4.5 per cent February 1987	20,000
	<hr/>
	1,000,000
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These securities carry an average interest rate of 5.5 per cent, compared with the average for all State Government securities on issue at 30 June 1970 of 5.1 per cent. The Commonwealth will also take over responsibility for the States' sinking fund contributions of 0.25 per cent per annum on these securities.

The basis for the take-over of responsibility for debt charges is that, as from the commencement of each year, \$200 million of debt will be notionally taken over by the Commonwealth. Special arrangements are to apply in relation to the 6.5 per cent July 1973 securities, as these will mature before the end of the five-year period. The formal transfer of the \$1,000 million debt from the States to the Commonwealth will be effected in June 1975.

The distribution of the debt charges assistance (and hence the distribution of the debt notionally taken over) is in proportion to the total outstanding debt of each State under the Financial Agreement as at 30 June 1970.

The following table shows the amount of debt charges assistance paid in 1970-71 and 1971-72 and payable to each State in 1972-73 under this arrangement:—

TABLE 10—GRANTS FOR STATE DEBT CHARGES, 1970-71 TO 1972-73
\$'000

	1970-71	1971-72	1972-73
New South Wales	3,800	7,600	11,399
Victoria	2,783	5,566	8,348
Queensland	1,525	3,051	4,576
South Australia	1,496	2,991	4,487
Western Australia	1,106	2,211	3,317
Tasmania	795	1,590	2,385
Total	11,504	23,008	34,512

The assistance will increase by a further \$11,504,000 in each of the subsequent three years. Over the five years 1970-71 to 1974-75, the total assistance provided will amount to \$172.56 million.

EDUCATION

Universities

Commonwealth assistance to the States for the *recurrent* expenditures of universities dates from 1951-52; in 1957-58 assistance was first given for the *capital* expenditures of universities. An outline of assistance prior to 1967 is given in Appendix IV.

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

1967-69 Triennium

After consultation with State Governments, the Commonwealth agreed in September 1966 to support a total programme of assistance to State universities in the 1967-69 triennium amounting to \$446 million, of which the Commonwealth's share was approximately \$175 million. Although the total programme was approximately \$56 million less than that recommended by the Australian Universities Commission in its Third Report, it represented \$106 million more than the programme, as amended, for the 1964-66 triennium. The *Universities (Financial Assistance) Act* 1966 therefore authorised grants of \$116.9 million for recurrent expenditure and \$58.7 million for capital expenditure, making total grants of \$175.6 million as the Commonwealth share of the total programme for the triennium. Of that amount, \$2.9 million related to half the cost of a \$5.8 million programme administered by the Australian Universities Commission for grants to universities for special research purposes associated with the training of postgraduate 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 was, however, made 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*.)

The level of Commonwealth grants for recurrent purposes during the triennium was increased to \$123.8 million by the *Universities (Financial Assistance) Act (No. 2)* 1967 which made the legislative changes necessary to give effect to the decision by the Commonwealth to support, and contribute to, higher academic salaries in universities from 1 July 1967. The *Universities (Financial Assistance) Act* 1968 was enacted to make minor technical changes to the 1966 Act relating to the building programmes of certain universities. In addition to the revised triennial programme totalling \$182.5 million covered by the *Universities (Financial Assistance) Act* 1966-1968, the *Universities (Financial Assistance) Act* 1967 re-appropriated amounts totalling \$701,000 for the Great Hall at the University of Queensland and for certain halls of residence and residential colleges at other universities, which had been provided, but were not taken up, in the 1964-66 triennium. The

Universities (Financial Assistance) Act 1969 made a minor change to the basis upon which the Commonwealth provides matching recurrent funds for teaching hospitals associated with universities while the *Universities (Financial Assistance) Act (No. 2)* 1969 made modifications to the building programmes of several universities; these changes, however, did not affect the amount of the triennial programme.

1970-72 Triennium

In August 1969 the Commonwealth agreed to support the recommendations contained in the Fourth Report of the Australian Universities Commission for a programme of assistance to State universities in the 1970-72 triennium amounting to \$586.4 million. In consequence, the *States Grants (Universities) Act* 1969 authorises grants totalling \$226.8 million for the triennium, of which \$161.2 million is for recurrent expenditure, \$61.6 million for capital expenditure and \$4 million for a programme in support of research and research training to be financed on the same basis as applied prior to the 1967-69 triennium, i.e. on a \$1 for \$1 basis with the States.

The level of Commonwealth grants for recurrent purposes during the triennium was increased to \$176.3 million by the *States Grants (Universities) Act (No. 2)* 1970 which gave effect to the decision by the Commonwealth to support higher academic salaries in universities from 1 January 1970. The levels of recurrent grants were further increased during 1971 by \$3.9 million, the main purpose of which was to finance the Commonwealth's share of increased expenditures arising from a flow-on of the 1970 National Wage Case decision to academic salaries and by a further \$5.6 million to give effect to the Commonwealth's decision to meet its share of supplementary grants over the last eighteen months of the triennium towards the cost of exceptional increases that had occurred in non-academic salaries and wages. This brings the total grants for recurrent purposes in the triennium to \$185.8 million. These variations, together with some minor capital transfers in the programmes of certain universities, were incorporated in the *States Grants (Universities) Act* 1971 and the *States Grants (Universities) Act (No. 2)* 1971, respectively.

In addition to the approved triennial programme, the *States Grants (Universities) Act* 1970 re-appropriated amounts totalling \$502,000 for capital projects at certain student residences at State universities; these amounts had originally been approved for the 1967-69 triennium but had not been taken up.

The table below shows grants to the States for both recurrent and capital expenditures from 1964-65 including estimated grants for 1972-73. The estimate for 1972-73 is based on the balance of the 1970-72 triennial programme and on the

recommendations of the Australian Universities Commission for the 1973-75 triennium. Annual figures of grants prior to 1964-65 are given in Table 65 following Appendix IV.

TABLE 11—GRANTS FOR UNIVERSITIES
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT							
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 ..	15,816	10,991	5,146	4,107	2,652	1,200	39,912
1968-69 ..	17,378	12,108	5,549	4,351	2,833	1,315	43,534
1969-70 ..	20,218	13,960	6,508	4,964	3,281	1,504	50,435
1970-71 ..	23,594	16,238	7,517	5,811	3,900	1,818	58,878
1971-72 ..	27,223	18,586	8,412	6,676	4,594	2,105	67,596
1972-73 (estimate)	29,844	20,105	9,642	7,349	5,184	2,350	74,474
CAPITAL							
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 ..	5,472	6,173	1,826	1,664	567	627	16,329
1968-69 ..	7,569	7,072	1,744	1,076	734	902	19,097
1969-70 ..	6,512	4,495	1,916	1,506	2,048	757	17,234
1970-71 ..	4,050	5,990	3,124	2,369	384	429	16,346
1971-72 ..	9,682	6,669	2,597	1,818	1,571	665	23,002
1972-73 (estimate)	8,552	5,962	2,671	718	1,368	1,231	20,502
TOTAL							
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 ..	21,288	17,164	6,972	5,771	3,219	1,827	56,241
1968-69 ..	24,947	19,180	7,293	5,427	3,567	2,217	62,631
1969-70 ..	26,730	18,455	8,424	6,470	5,329	2,261	67,669
1970-71 ..	27,644	22,228	10,641	8,180	4,284	2,247	75,224
1971-72 ..	36,905	25,255	11,009	8,494	6,165	2,770	90,598
1972-73 (estimate)	38,396	26,067	12,313	8,067	6,552	3,581	94,976

Colleges of Advanced Education

The Report of the Committee on the Future of Tertiary Education in Australia under the Chairmanship of Sir Leslie Martin, C.B.E., recommended, in August 1964, 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 accepted the Committee's approach in principle and, as an interim measure, agreed to pay capital grants totalling approximately \$5 million in the remainder of the 1964-66 triennium, subject to matching by the States on a \$1 for \$1 basis.

Subsequently that year the Commonwealth established the Commonwealth Advisory Committee on Advanced Education which was succeeded in 1971 by the Australian Commission on Advanced Education with broadly the same responsibilities, viz to promote the balanced development of institutions providing advanced education in Australia and to advise the Commonwealth Government on matters of financial assistance for such institutions.

1967-69 Triennium

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, for recurrent expenditures incurred by the States in excess of the level of such expenditures in the base year 1964-65.

Following discussions at the February 1967 Premiers' Conference, 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 for Tasmanian colleges. The 1967 Act provided for total grants of \$42.3 million in the 1967-69 triennium, of which \$17.8 million was for recurrent purposes and \$24 million was for buildings and equipment to be matched on a \$1 for \$1 basis by the States. An amount of \$500,000 was made available by the Commonwealth as an unmatched grant to improve library facilities in the colleges.

The *States Grants (Advanced Education) Act (No. 3) 1967* made provision for the Commonwealth to match privately raised subscriptions applied towards residential accommodation at Colleges of Advanced Education. This Act also provided, at the request of the State Government concerned, for adjustments in the building programmes of certain colleges. The Act did not, however, affect the level of grants approved earlier in 1967 for the triennium.

During the course of the triennium, a need arose to adjust the levels of recurrent grants because of increases in academic and non-academic salaries and other costs that the States had not foreseen and that could not be met from within the then existing programme. Some re-arrangement of approved building

programmes was also found necessary. Following recommendations by the Commonwealth Advisory Committee on Advanced Education and agreement by the States, the necessary legislative changes were incorporated in the *States Grants (Advanced Education) Act (No. 2) 1969* which increased the level of Commonwealth grants for recurrent purposes over the triennium to \$19.8 million. This amount was subsequently increased to \$20 million under the authority of the *States Grants (Advanced Education) Act 1970* to meet the Commonwealth's share of increased academic salaries approved in certain States.

1970-72 Triennium

In August 1969 the Commonwealth accepted the financial recommendations contained in the Second Report of the Commonwealth Advisory Committee on Advanced Education for the 1970-72 triennium. The recommended programme amounts to \$222.4 million of which the Commonwealth's share is \$93.1 million, made up of \$43.2 million and \$49.4 million for recurrent and capital grants, respectively, and \$500,000 by way of unmatched grants for library facilities. Authority for the payment of these grants is contained in the *States Grants (Advanced Education) Act 1969*.

Amending legislation was subsequently introduced to provide for supplementary recurrent grants to meet the Commonwealth's share of increased academic salaries in colleges of advanced education. At the same time the opportunity was taken to re-arrange the approved building programmes of colleges in certain States within the amount of total grants already available and to provide, for the first time, recurrent grants to an affiliated residential college. The *States Grants (Advanced Education) Act 1970* incorporates these amendments and authorises a new level of Commonwealth grants for recurrent purposes during the triennium totalling \$49 million. The levels of recurrent grants were further increased during the triennium by \$1.1 million to allow for the flow-on of the 1970 National Wage Case decision to academic salaries, and to provide for the Commonwealth's share of other approved increases in academic salaries, and by a further \$787,000 to give effect to the Commonwealth's decision to meet its share of supplementary grants over the last eighteen months of the triennium towards the cost of exceptional increases that had occurred in non-academic salaries and wages, and to cover other minor adjustments. This brings the total grant for recurrent purposes in the triennium to \$50.9 million. These variations, together with certain transfers within capital programmes, were incorporated in the *States Grants (Advanced Education) Act 1971* and the *States Grants (Advanced Education) Act 1972*, respectively.

The following table shows grants to the States for both recurrent and capital expenditure from 1965-66 and estimated grants for 1972-73. The estimate for 1972-73 is based on the balance of the 1970-72 triennial programme and on the recommendations of the Australian Commission on Advanced Education for the 1973-75 triennium.

TABLE 12—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	608	2,788	409	554	776	138	5,273
1968-69	697	3,195	633	623	912	222	6,282
1969-70	834	4,837	1,300	1,361	1,929	397	10,658
1970-71	3,478	6,191	1,567	1,420	2,333	754	15,743
1971-72	3,713	7,341	1,860	1,651	2,920	887	18,372
1972-73 (estimate) ..	5,740	9,240	2,710	2,380	3,790	690	24,550
CAPITAL							
1965-66	750	..	..	..	232	..	982
1966-67	560	911	1,137	616	457	..	3,681
1967-68	1,335	2,677	566	713	1,304	52	6,647
1968-69	1,717	2,350	1,787	1,283	874	69	8,080
1969-70	2,937	2,891	890	1,041	1,050	677	9,486
1970-71	4,068	4,902	1,097	2,353	1,903	514	14,837
1971-72	2,666	5,580	2,412	1,699	1,899	1,385	15,641
1972-73 (estimate) ..	4,970	6,853	2,410	1,610	1,300	1,800	18,943
TOTAL							
1965-66	750	..	..	..	232	..	982
1966-67	836	2,213	1,334	891	820	59	6,153
1967-68	1,943	5,465	975	1,268	2,079	190	11,920
1968-69	2,414	5,545	2,420	1,906	1,786	291	14,362
1969-70	3,771	7,728	2,190	2,402	2,979	1,074	20,144
1970-71	7,546	11,093	2,664	3,773	4,236	1,268	30,580
1971-72	6,379	12,921	4,272	3,350	4,819	2,272	34,013
1972-73 (estimate) ..	10,710	16,093	5,120	3,990	5,090	2,490	43,493

Teachers Colleges

The *States Grants (Teachers Colleges) Act 1967* provided for the payment of unmatched grants for the construction and equipping of colleges conducted by a State for the training of teachers. The Act authorised the payment to 30 June 1970 of grants totalling \$24 million of which not more than \$8 million could be authorised for payment before 30 June 1968 and \$16 million before 30 June 1969. The provision of this assistance was subject to the understanding that the States did 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 and whether teaching or residential—was to be available for student teachers not bonded to State Education Departments.

The *States Grants (Teachers Colleges) Act 1970* extends the operation of the scheme for a further period of three years to 30 June 1973. The Act provides for payments to the States totalling \$30 million over that period and authorises the payment of not more than \$11 million before 30 June 1971 and not more than \$22 million before 30 June 1972.

The following table shows payments made to the States since 1967-68 and estimated payments in 1972-73:—

TABLE 13—GRANTS FOR TEACHERS COLLEGES
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1967-68 ..	253	500	1,086	502	1,817	360	4,518
1968-69 ..	1,210	1,600	1,293	677	582	960	6,322
1969-70 ..	6,037	3,250	1,401	2,021	201	250	13,160
1970-71 ..	546	1,250	431	140	3	100	2,470
1971-72 ..	4,194	2,750	1,364	1,063	1,132	650	11,153
1972-73 (estimate)	5,160	5,500	1,206	2,397	1,865	250	16,378

Pre-school Teachers Colleges

The *States Grants (Pre-school Teachers Colleges) Act 1968* provided for capital grants totalling \$2.5 million to be made available to the States over the three financial years ending 1970-71 for the purpose of increasing the physical capacity of approved pre-school teachers colleges. Because of difficulties encountered in some States in proceeding with the building programmes, the *States Grants (Pre-school Teachers Colleges) Act 1971* was enacted to extend to 31 December 1972 the period over which these grants could be made available. Legislation has since been introduced to extend the period to 31 December 1973.

The following table shows payments to the States for this purpose since 1968-69 and estimated payments in 1972-73:—

TABLE 14—GRANTS FOR PRE-SCHOOL TEACHERS COLLEGES
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1968-69 ..	..	21	..	35	14	100	170
1969-70 ..	26	2	..	..	161	120	309
1970-71 ..	25	1	350	480	..	..	856
1971-72 ..	521	..	..	110	..	..	631
1972-73 (estimate)	303	186	..	45	..	..	534

Technical Training—Buildings and Equipment

The *States Grants (Science Laboratories and Technical Training) Act 1964* provided for grants to the States in 1964–65 of \$10 million towards the building and equipment costs of technical schools or colleges. The *States Grants (Technical Training) Acts 1965* and 1968 each provided for the payment of \$30 million to the States for this purpose over further three year periods ended 30 June 1968 and 30 June 1971, respectively. This programme has been extended for a further three years by the *States Grants (Technical Training) Act 1971* which provides for the payment of up to \$36 million, of which not more than one-third is authorised for payment before 30 June 1972 and two-thirds before 30 June 1973.

Grants for buildings and equipment for use in technical training may be applied to technical training institutions conducted by the States or to autonomous institutions accepted as being eligible for technical training grants. The distribution of the basic annual grant of \$12 million between the States is based on State population as at 30 September 1970 and is as follows:—

TABLE 15—DISTRIBUTION OF BASIC ANNUAL GRANT FOR
TECHNICAL TRAINING

	\$'000
New South Wales.. .. .	4,440.0
Victoria	3,343.3
Queensland	1,750.0
South Australia	1,130.0
Western Australia	956.7
Tasmania	380.0
Total	12,000.0

The following table shows actual payments to the States for this purpose from 1964–65, including estimated payments in 1972–73:—

TABLE 16—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	1,448	750	551	334	9,893
1967–68 ..	3,980	5,091	1,448	1,700	1,323	335	13,877
1968–69 ..	2,999	1,550	1,456	870	437	275	7,587
1969–70 ..	3,282	3,000	1,456	807	957	376	9,878
1970–71 ..	4,846	3,912	1,457	1,191	804	325	12,535
1971–72 ..	2,416	1,500	1,238	1,130	747	380	7,411
1972–73 (estimate)	5,000	3,000	1,500	1,130	1,166	380	12,176

Science Laboratories and Equipment in Secondary Schools

Under the *States Grants (Science Laboratories and Technical Training) Act 1964* an amount of \$9.9 million was also 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 \$29.7 million, 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 \$9.9 million per annum, an amount of \$7.2 million was to be available for government schools and \$2.7 million 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 school censuses held in August 1963. The distribution of these two component amounts between the States was related to their populations. For the financial year 1967-68, the *States Grants (Science Laboratories) Act 1967* doubled the provision for non-government schools.

The *States Grants (Science Laboratories) Act 1968* extended the operation of this scheme for a further three years to 30 June 1971 and provided for a total payment of \$37.7 million over that period. The method of dissection of the basic annual grant of \$12.6 million between government and non-government schools was the same as applied in 1967-68 and the distribution of these two component amounts among the States was based on 1966 Census population figures. The component of the basic annual grant for non-government schools was allocated between groups of these schools on the basis of 1966 secondary school enrolment figures.

The *States Grants (Science Laboratories) Act 1971* extends for four years commencing 1 July 1971 the programme of unmatched grants for the improvement of science teaching facilities in secondary schools. The Act provides for the payment of \$43.3 million, of which not more than one-quarter is authorised for payment before 30 June 1972, one-half before 30 June 1973 and three-quarters before 30 June 1974. The basic annual grant under this Act is \$10.8 million.

The allocation of the \$43.3 million between government and non-government secondary schools will be broadly in the same proportion as that which applied during the three years ended 30 June 1971. As a result \$26.1 million will be available to government schools and will be divided between the States in proportion to their secondary school enrolments. The non-government schools will receive \$17.2 million which will be allocated to them on the basis of assessed needs.

Details of the distribution of the basic annual grant are given in the following table:—

TABLE 17—DISTRIBUTION OF BASIC ANNUAL GRANT FOR SCIENCE LABORATORIES
\$'000

—				Government Schools	Non-Government Schools	Total
New South Wales	..	..	..	2,367.9	1,335.4	3,703.3
Victoria	..	..	..	2,008.9	1,359.3	3,368.2
Queensland	..	..	..	768.2	830.8	1,599.0
South Australia	..	..	..	661.8	165.9	827.7
Western Australia	..	..	..	467.5	443.3	910.8
Tasmania	..	..	..	247.7	167.1	414.8
Total	..	..	..	6,522.0	4,301.8	10,823.8

The following table shows actual payments to the States for this purpose from 1964-65, including estimated payments for 1972-73:—

TABLE 18—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	4,708	3,553	1,821	1,173	912	420	12,587
1968-69	4,663	3,055	1,512	1,202	921	409	11,762
1969-70	4,663	4,037	1,818	1,203	921	256	12,898
1970-71	4,663	3,546	2,167	1,202	921	563	13,062
1971-72	3,703	3,368	1,599	828	911	415	10,824
1972-73 (estimate)	3,703	3,368	1,599	828	911	415	10,824

Secondary School Libraries

Under the *States Grants (Secondary Schools Libraries) Act 1968*, grants totalling \$27 million were made available to the States over the three years commencing 1 January 1969 to finance buildings and associated capital facilities for libraries in government and non-government secondary schools. The Act provided that, of the amount of \$27 million, not more than one-third would be authorised for payment before 31 December 1969 and two-thirds before 31 December 1970.

The allocation of the basic annual grant of \$9 million between government and non-government schools was based on the number of secondary school pupils enrolled in each of these two types of schools at school censuses in August 1967. The distribution between the States of each of those amounts was based on State populations as at 30 June 1967.

The programme was extended for a further three years from 1 January 1972 by the *States Grants (Secondary Schools Libraries) Act 1971* which provides for the payment of \$30 million over that period. The Act provides that not more than one-third of the \$30 million may be authorised for payment before 31 December 1972 and two-thirds before 31 December 1973.

The allocation of the \$30 million between government and non-government secondary schools will be based on the number of secondary school pupils enrolled in each of these two types of schools at school censuses in August 1970. The distribution between the States of the amount thus provided for government secondary schools is on the basis of relative secondary enrolments, rather than on State populations as in the previous three years. The distribution of the non-government school component as between States and as between the non-government school sectors in each State is based on entitlements as assessed by the Commonwealth. Details of the distribution of the basic annual grant are shown in the following table:—

TABLE 19—DISTRIBUTION OF BASIC ANNUAL GRANT FOR SCHOOL LIBRARIES
\$'000

	Government Schools	Non-Government Schools	Total
New South Wales	2,736.7	895.7	3,632.4
Victoria	2,315.8	781.5	3,097.3
Queensland	885.6	452.8	1,338.4
South Australia	762.9	134.1	897.0
Western Australia	538.9	143.7	682.6
Tasmania	285.5	66.8	352.3
Total	7,525.4	2,474.6	10,000.0

The following table shows actual payments to the States for this purpose since 1968-69, and estimated payments in 1972-73:—

TABLE 20—PAYMENTS FOR SCHOOL LIBRARIES
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1968-69	450	500	300	213	168	72	1,703
1969-70	2,136	2,225	1,816	627	596	140	7,540
1970-71	5,990	3,199	1,466	1,343	779	480	13,257
1971-72	4,195	2,519	1,044	891	765	366	9,780
1972-73 (estimate)	2,688	3,282	1,427	1,094	864	352	9,707

Capital Grants for Government and Independent Schools

On 9 December 1971 the Prime Minister announced a programme to provide additional assistance to both government and independent schools. The assistance to independent schools is in the form of increases in the rates of recurrent assistance, which are dealt with below under the heading '*Recurrent Assistance for Independent Schools*'. For Government schools an amount of \$20 million is being provided over the eighteen months January 1972 to July 1973 for capital expenditure on primary and secondary schools. The payments are being made by way of additions to the interest-free capital grants which the Commonwealth is making to the States as part of their annual works and housing programmes as a substitute for loan raisings. These interest-free capital grants are being paid to assist the States to finance capital works from which debt charges are not normally recovered and are not subject to specific conditions as to the purposes for which they may be expended. However, as the additional \$20 million grant is being provided in recognition of the need expressed by the States for additional capital expenditure on primary and secondary schools, the Commonwealth expects them to be so used. For further details of these capital grants see Chapter III.

The grants are being distributed between the States in proportion to their shares of the works and housing programme and are being amalgamated with the interest-free capital grants for the purpose of determining the proportion of the works and housing programme that will be provided as grants in future years.

Payment of the grants in 1971-72 was provided for in the *States Grants (Capital Assistance) Act 1971-1972*.

The following table gives the amounts paid to each State in 1971-72 and the amounts payable in 1972-73:—

TABLE 21—CAPITAL GRANTS TO THE STATES FOR GOVERNMENT SCHOOLS—
1971-72 AND 1972-73

\$'000

	1971-72	1972-73	Total
New South Wales	2,120	4,246	6,366
Victoria	1,700	3,405	5,105
Queensland	840	1,683	2,523
South Australia	910	1,823	2,733
Western Australia	620	1,242	1,862
Tasmania	470	941	1,411
Total	6,660	13,340	20,000

In a further statement to Parliament on 11 May 1972, the Prime Minister announced new forms of capital assistance for both government and independent schools and increased recurrent assistance to independent schools. The latter is outlined in the next section of this chapter.

The Prime Minister stated that as a measure of assistance for government primary and secondary schools that would facilitate forward planning by the States the Commonwealth would offer unmatched capital grants over a five-year period commencing July 1973. These grants will total \$167 million; \$31 million will be paid in each year 1973-74 and 1974-75 and \$35 million in each of the years 1975-76 to 1977-78.

The assistance to independent schools comprises a total of \$48 million as capital grants which the Commonwealth intends to make available through the States for the construction of classrooms and associated facilities in the same five-year period. \$9 million will be paid in each of the first two years and \$10 million in each of the final three years.

The grants to government and independent schools will be distributed between the States in proportion to enrolments at each kind of school. The following table shows the estimated distribution between the States of the total amounts to be paid over the five years:—

TABLE 22—ESTIMATED DISTRIBUTIONS OF CAPITAL GRANTS FOR GOVERNMENT AND INDEPENDENT SCHOOLS—1973-74 TO 1977-78

\$ million

	Government Schools	Independent Schools
New South Wales	59.8	17.5
Victoria	46.1	15.5
Queensland	23.3	7.2
South Australia	18.0	3.0
Western Australia	13.7	3.5
Tasmania	6.1	1.1
Total	167.0	48.0

It will be a condition of the grants for both government and independent schools that at least 70 per cent of the funds is used for additional facilities rather than for replacement facilities. The Commonwealth also wishes to have an understanding with each State that the present share of the State's loan funds presently being devoted to schools construction will at least be maintained.

The Minister for Education and Science, assisted by advisory committees in the States, will approve individual projects for the independent schools, and will authorise the amount of assistance for each of them.

Recurrent Assistance for Independent Schools

The Commonwealth has been making payments to the States for transmission to independent schools since 1970. The entitlement of each school is calculated on the number of pupils enrolled for full-time education as at the school census date in August of each year.

The *States Grants (Independent Schools) Act 1969* authorised payments at the rates of \$35 per primary pupil and \$50 per secondary pupil per annum as from the beginning of 1970.

In December 1971 the Prime Minister announced that, as part of a set of measures of increased assistance for schools (*see previous section*), these rates would be increased to \$50 and \$68, respectively, from the beginning of 1972. The increases were authorised by the *States Grants (Independent Schools) Act 1972*.

In May 1972, as part of further measures of increased assistance for schools (again, *see previous section*), the Prime Minister announced that for a period of five years from January 1973 the Commonwealth would contribute towards the recurrent costs of independent schools in the States at rates equivalent to 20 per cent of the assessed Australia-wide cost of educating a child in government primary and secondary schools and that it would invite the States to join with it by contributing on an equal basis.

The following table shows payments made to the States for this purpose from 1969-70 to 1971-72 and estimated payments for 1972-73. The estimated payments shown for 1972-73 incorporate the increases to operate from January 1973. These increases are approximations subject to detailed assessment in consultation with the States.

TABLE 23—RECURRENT GRANTS FOR INDEPENDENT SCHOOLS

\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1969-70	4,488	3,952	1,830	759	862	286	12,177
1970-71	9,017	7,832	3,640	1,526	1,682	556	24,253
1971-72	10,854	9,655	4,472	1,889	2,064	660	29,594
1972-73 (Estimate) ..	15,000	13,500	6,200	2,500	3,000	900	41,100

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 that the Commonwealth would make available \$2 million 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*.

The Australian Research Grants Committee was established to evaluate research projects and to make recommendations to the Government concerning the amount and disposition of grants in this field.

1967-69 Triennium

In September 1966 the Commonwealth agreed to support a research programme, the allocation of which was to be recommended by the Australian Research Grants Committee, to cost \$11 million in the 1967-69 triennium provided the States continued to meet 50 per cent of the cost of projects within that programme undertaken in State universities. As some States 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 special research programme at universities 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 million had been set for the triennium, and to leave to the States the responsibility for financing the general university research programme. Four States financed in full the general university research programme and the remaining States met at least half the cost of that programme.

1970-72 Triennium

In August 1969 the Commonwealth Government announced that it would meet the full cost of a \$12.5 million programme for the 1970-72 triennium for the Australian Research Grants Committee. The cost of this programme subsequently increased to \$13.5 million. The Commonwealth also made available a further \$4 million for a special programme of research and research training in State universities. (See earlier section relating to *Universities*.)

1973-75 Triennium

As announced in the Budget speech the Government has agreed to finance a programme of research costing \$20 million in the 1973-75 triennium for the Australian Research Grants Committee. Payments to the States for this purpose in 1972-73 are expected to total \$5.775 million. This figure is based on the balance of the 1970-72 triennial programme and also on the programme for the 1973-75 triennium.

The following table shows payments to the States for the Australian Research Grants Committee programme from 1965-66, including estimated payments for 1972-73:—

TABLE 24—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	1,044	770	365	560	257	158	3,154
1968-69	899	675	373	462	276	194	2,879
1969-70	1,161	864	365	551	323	182	3,446
1970-71	1,565	954	395	759	296	202	4,170
1971-72	1,638	1,177	511	577	307	131	4,341
1972-73 (estimate)(a) ..	2,140	1,470	613	893	427	232	5,775

(a) The State distribution is notional only; it assumes that the proportional distribution will be the same as the average for the years 1971 and 1972.

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 1972 reimbursements for maintenance expenditure totalled \$197.5 million and for capital expenditure \$36.7 million. The table below shows Commonwealth grants for maintenance and

capital expenditures from 1964-65, including estimated payments in 1972-73. Annual figures of payments in years prior to 1964-65 are given in Table 66 following Appendix IV.

TABLE 25—GRANTS FOR TUBERCULOSIS HOSPITALS

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
MAINTENANCE							
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 ..	3,813	3,306	2,416	620	807	304	11,266
1968-69 ..	4,304	3,288	2,344	571	602	351	11,460
1969-70 ..	3,952	3,176	1,754	551	789	333	10,555
1970-71 ..	4,166	3,039	1,730	545	770	347	10,597
1971-72 ..	2,971	3,170	1,528	715	875	337	9,595
1972-73 (estimate)	3,400	3,220	1,660	757	904	270	10,211
CAPITAL							
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 ..	591	10	135	31	10	3	780
1968-69 ..	571	175	39	60	..	2	847
1969-70 ..	191	327	6	69	..	..	593
1970-71 ..	143	151	55	108	12	..	469
1971-72 ..	70	119	6	155	88	..	438
1972-73 (estimate)	41	13	29	243	25	41	392
TOTAL							
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 ..	4,404	3,316	2,551	651	817	307	12,046
1968-69 ..	4,875	3,463	2,383	631	602	353	12,307
1969-70 ..	4,143	3,503	1,760	620	789	333	11,148
1970-71 ..	4,309	3,190	1,785	653	782	347	11,066
1971-72 ..	3,041	3,289	1,534	870	963	337	10,033
1972-73 (estimate)	3,441	3,233	1,689	1,000	929	311	10,603

Mental Health Institutions

Under the *States Grants (Mental Institutions) Act 1955* the Commonwealth undertook to provide financial assistance of up to \$20 million 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 1955 legislation was repealed in 1964 by the *States Grants (Mental Health Institutions) Act* which authorized 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.

Amendments in 1967 and 1970 to the *States Grants (Mental Health Institutions) Act* authorised continued assistance on the previous basis. The 1970 amendment provided for assistance up to 30 June 1973 for projects approved by the Commonwealth not later than 30 June 1972.

The following table shows payments to each State under the scheme since 1964-65, including estimated payments in 1972-73. Details of annual payments prior to 1964-65 may be obtained from 'Commonwealth Payments to or for the States, 1969-70'.

TABLE 26—GRANTS FOR CAPITAL EXPENDITURES ON MENTAL HEALTH INSTITUTIONS

\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
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 ..	2,095	1,382	196	64	148	358	4,243
1968-69 ..	1,925	1,200	323	433	375	399	4,655
1969-70 ..	2,305	947	602	1,299	241	108	5,501
1970-71 ..	1,409	798	464	909	395	224	4,199
1971-72 ..	1,325	828	1,169	246	454	185	4,207
1972-73 (estimate)	1,170	1,050	980	800	750	250	5,000

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 to 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 1964-65, including estimated expenditure in 1972-73, is shown in the following table. Details of annual payments prior to 1964-65 may be obtained from 'Commonwealth Payments to or for the States, 1969-70'.

TABLE 27—GRANTS FOR BLOOD TRANSFUSION SERVICES
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
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 ..	168	176	119	76	80	13	632
1968-69 ..	196	193	139	115	75	25	743
1969-70 ..	166	225	154	83	76	21	725
1970-71 ..	197	251	170	124	79	24	845
1971-72 ..	254	269	192	139	106	30	990
1972-73 (estimate)	285	337	230	161	124	33	1,170

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 made payments direct to emergency housekeeper services in Queensland. Total payments to the other States under this scheme amounted to \$432,000 up to 30 June 1969 of which \$224,200 was paid to New South Wales, \$155,800 to Victoria, \$34,000 to Western Australia and \$18,000 to Tasmania. South Australia did not participate in the scheme. Annual figures of payments to each State from 1960-61 are shown in the tables in Appendix V. From 1 July 1969, the assistance for housekeeper services has been subsumed in the assistance provided under the *States Grants (Home Care) Act 1969*.

Home Care Programme and Nursing Homes

Under a set of Acts effective from 14 June 1969—the *States Grants (Home Care) Act*, the *States Grants (Paramedical Services) Act* and the *States Grants (Nursing Homes) Act*—the Commonwealth undertook to provide funds, in association with the States, for the provision of a range of home care services, senior citizens' centres and nursing homes, mainly for aged persons.

Under the *States Grants (Home Care) Act* the Commonwealth shares on a \$1 for \$1 basis with participating States the cost of approved housekeeping or

other domestic assistance provided wholly or mainly for aged persons in their homes. The Commonwealth also shares on a \$1 for \$1 basis with participating States up to a maximum of one-third of the capital cost of approved senior citizens' centres as well as meeting on a \$1 for \$1 basis with the States the cost of a salary of a welfare officer employed by such a centre. It is estimated that grants in 1972-73 will amount to \$1,255,000. Annual figures of grants paid to the States under this Act are shown in Appendix V.

The *States Grants (Paramedical Services) Act* provides for the Commonwealth to share on a \$1 for \$1 basis with participating States the cost of approved paramedical services, such as chiropody, occupational therapy, physiotherapy and speech therapy, provided wholly or mainly for aged persons in their homes. There was no expenditure under the Act in 1970-71. Expenditure in 1971-72 amounted to \$7,000 and it is estimated that grants in 1972-73 will amount to \$19,000. Annual figures of grants paid to the States under this Act are shown in Appendix V.

The *States Grants (Nursing Homes) Act* provides for the Commonwealth to share on a \$1 for \$1 basis with the States the capital costs of approved nursing homes wholly or mainly for aged persons of limited means. The Act provides that the Commonwealth's share during the five year period ending 30 June 1974 is not to exceed \$5 million. Expenditure under the Act amounted to \$337,000 in 1970-71 and \$460,000 in 1971-72. It is estimated that grants in 1972-73 will amount to \$1,600,000. Annual figures of grants paid to the States under this Act are shown in Appendix V.

Dwellings for Aged Pensioners

Under the *States Grants (Dwellings for Aged Pensioners) Act* 1969 grants totalling \$25 million will be made available to the States over the five financial years ending 1973-74 for the purpose of providing self-contained dwelling units at reasonable rentals for single aged pensioners or service pensioners who receive pensions on grounds of age and who have little or no means apart from pension. This amount has been allocated among the States broadly in the proportion that the number of aged pensioners receiving supplementary assistance in a State bears to the total number of those pensioners in the six States. The Act provides that payments shall not exceed \$5 million in 1969-70, \$10 million by 30 June 1971, \$15 million by 30 June 1972 and \$20 million by 30 June 1973.

Payments to the States in 1971-72 amounted to \$7.6 million, bringing total grants in the three years ended 30 June 1972 to \$13.53 million. It is estimated that a further \$6.5 million will be made available in 1972-73. Annual figures of grants paid to the States under this Act are shown in Appendix V.

Assistance for Deserted Wives

Under the *States Grants (Deserted Wives) Act* which became effective from 1 January 1968, the Commonwealth shares, on a \$1 for \$1 basis with participating States, the cost of helping certain mothers with dependent children who are ineligible for a Class A widow's pension.

The main groups of women assisted are deserted wives during the first six months of desertion, wives during the first six months of the husband's imprisonment, deserted de facto wives, de facto wives of prisoners and unmarried mothers.

The grant by the Commonwealth to a State is equal to half the cost of the approved assistance paid by the State to each eligible person but is not to exceed half the amount that would have been payable to such a person under the Social Services Act had she been eligible for a Class A widow's pension. The total amount paid to the States during the period 1 January 1968 to 30 June 1972 was \$12.8 million and the estimated payment in 1972-73 is \$8 million. Annual figures of grants paid to the States under this Act are shown in Appendix V.

Housing Grants

From 1 July 1971 the Commonwealth has provided assistance to the States for housing by way of grants under the *States Grants (Housing) Act 1971*, in lieu of the interest concession formerly provided under the Commonwealth/State Housing Agreements.

The Commonwealth is paying the States a basic grant of \$2.75 million a year, payable for a period of 30 years, in respect of housing being provided for low income groups and of Home Builders' Account operations in each year from 1971-72 to 1975-76.

Payment of the basic grant is conditional upon a State continuing to pay to a Home Builders' Account at least 30 per cent of its annual allocation to housing from its approved borrowing programme and upon the same percentage of the grants in respect of a year's activity being paid to that Account.

The Commonwealth also provides an additional rental assistance grant of \$1.25 million each year, for the five years 1971-72 to 1975-76, as a general Commonwealth contribution towards the cost of reduced rents charged to needy families occupying housing authority homes.

The basic housing grant and the additional rental assistance grant are distributed among the States in proportions which are set out in the Act and which were decided upon after discussion with the States.

The following table shows payments made to the States in 1971-72 and estimated payments in 1972-73:—

TABLE 28—HOUSING GRANTS
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
<i>Basic Grant—</i>							
1971-72 ..	924	674	212	470	313	157	2,750
1972-73 (estimate) ..	1,848	1,348	424	940	627	313	5,500
<i>Annual Rental Assistance Grant</i>	444	331	104	152	144	75	1,250

Aboriginal Advancement

Since 1968-69 the Commonwealth has provided for the payment to the States of grants for Aboriginal advancement, particularly in the fields of housing, education and health.

The *States Grants (Aboriginal Advancement) Acts*, 1969, 1970 and 1971 provided for grants to the States of \$5.4 million in 1969-70, \$7 million in 1970-71 and \$9.2 million in 1971-72, respectively. From those grants amounts of \$3.3 million, \$4.8 million and \$5.2 million respectively were spent on housing.

For 1972-73, it is estimated that a further \$14.5 million will be paid to the States for Aboriginal advancement, including \$8.25 million for housing. The following table shows payments made to the States since 1968-69 and estimated payments in 1972-73:—

TABLE 29—GRANTS FOR ABORIGINAL ADVANCEMENT
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1968-69 ..	775	225	1,450	350	825	25	3,650
1969-70 ..	1,179	347	2,055	535	1,255	39	5,410
1970-71 ..	1,701	367	2,538	660	1,680	54	7,000
1971-72 ..	2,400	400	3,038	800	2,500	62	9,200
1972-73 (estimate)	3,720	670	4,790	1,270	3,960	90	14,500

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. In 1972-73 it is proposed to distribute \$150,000 among the States, the same amount as in 1971-72, for assistance towards local programmes. It is also proposed that

the Commonwealth itself spend \$575,000 in 1972-73 on promotion programmes having general application on a national basis, for assistance towards local programmes in the mainland Territories and towards road safety research.

Up to 30 June 1972 a total amount of \$3.2 million had been paid to the States to assist in road safety programmes. The following table shows the amounts paid to each State from 1964-65, including estimated payments in 1972-73. Annual figures of payments in years prior to 1964-65 may be obtained from 'Commonwealth Payments to or for the States, 1965-66'.

TABLE 30—GRANTS FOR PROMOTION OF ROAD SAFETY PRACTICES
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
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 ..	29	23	21	15	19	9	116
1968-69 ..	29	23	21	15	19	9	116
1969-70 ..	29	23	21	15	19	9	116
1970-71 ..	37	30	28	19	25	11	150
1971-72 ..	37	30	28	19	25	11	150
1972-73 (estimate)	37	30	28	19	25	11	150

Disposal of Overseas Ships' Garbage

In 1965-66 the Commonwealth offered financial assistance to each State except Western Australia for the provision of facilities for the disposal of overseas ships' garbage with a view to improving existing measures against the entry of exotic diseases into Australia. The offer was extended during 1967-68 to Western Australia where the dumping of garbage at sea was no longer considered satisfactory. The offer provides for the Commonwealth to meet the full capital cost of incinerators and ancillary structures and half the cost of access roads, excluding land costs, at selected ports. The cost of maintaining and operating the incinerators and transporting garbage is a State responsibility.

Since 1966-67 an amount of \$898,000 has been paid to the States for the construction of incinerators and associated site works: \$254,000 to Victoria, \$391,000 to Queensland, \$48,000 to South Australia, \$104,000 to Western Australia and \$102,000 to Tasmania. Payments in 1972-73 are estimated to total \$348,000.

Grants for the Relief of Non-Metropolitan Unemployment

On 2 December 1971 the Prime Minister announced that the Commonwealth proposed to introduce a scheme of grants to the States for employment-creating activities in non-metropolitan areas, where such action was desirable for social and economic reasons. The objective of the scheme would be to make a significant impact on the level of unemployment in non-metropolitan areas.

Grants are being made to the States for expenditure on additional labour-intensive activities of a productive kind which are being undertaken by State, semi-government and local government authorities to provide employment for those unemployed in non-metropolitan areas. Details of the scheme including the amount of the grants, the proportion to be spent on labour and non-labour components and the distribution of the monthly grant between the States were agreed with State Governments following discussions between officials which were held soon after the Prime Minister's announcement.

On average, up to one-third of the funds provided over all projects undertaken in a State may be devoted to expenditure on non-labour costs, e.g., on equipment and materials. The Commonwealth has also indicated that it would have no objection to the States or their authorities supplementing from their own resources the funds available under the scheme in order that projects with a non-labour component in excess of one-third could be undertaken.

As far as possible, those seeking employment under the scheme should be registered for employment with the Commonwealth Employment Service. In this respect the State Governments are working closely with the Commonwealth Department of Labour and National Service. The detailed administration of the scheme, including the determination of the types of activity that might be usefully undertaken with the grants, is a matter for each State Government.

Initially, the grants were at the rate of \$2.25 million a month but an increase in the rate to \$4.5 million a month was announced at the February 1972 Premiers' Conference. The rate of grants was further increased to \$6 million per month at the June 1972 Premiers' Conference and will operate at this level to the end of 1972, before which date the scheme will be reviewed.

The following table gives the allocation of the monthly grants between the States in 1971-72 and 1972-73:—

TABLE 31—NON-METROPOLITAN UNEMPLOYMENT RELIEF GRANTS; ALLOCATION OF MONTHLY GRANTS, 1971-72 AND 1972-73

	1971-72		1972-73	Per cent
	Dec.-Jan.	Feb.-June		
	\$	\$	\$	
New South Wales ..	866,250	1,732,500	2,310,000	38.5
Victoria	506,250	1,012,500	1,350,000	22.5
Queensland	450,000	900,000	1,200,000	20.0
South Australia ..	135,000	270,000	360,000	6.0
Western Australia ..	168,750	337,500	450,000	7.5
Tasmania	123,750	247,500	330,000	5.5
Total per month ..	2,250,000	4,500,000	6,000,000	100.0

NATURAL DISASTERS

When natural disasters of a major kind 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, usually on a \$1 for \$1 basis. Such relief does not normally cover the cost of restoration of private assets damaged by natural disasters, it being regarded as the individual's responsibility to provide against such losses by way of insurance.

The Commonwealth regards the provision of relief and restoration measures other than relief of personal hardship and distress as being the responsibility of State Governments. However, recognising that the States have limited financial resources on which they can draw in an emergency, the Commonwealth is prepared to assist in financing measures other than relief of personal hardship and distress where the States are involved in substantial expenditure of an abnormal nature.

When disasters occur requiring substantial expenditure of an abnormal nature, the Commonwealth looks to the State concerned to contribute to the cost of relief or restoration measures. However, past policy under which State Governments were in most cases expected to contribute on a \$1 for \$1 basis has given rise over the years to numerous difficulties, chiefly associated with the difficulty of obtaining, at the outset of a disaster, meaningful estimates of the amount of relief and restoration expenditure likely to be required and hence of the real need for the Commonwealth's participation. Under current policy each State is expected to acquit its own basic responsibility by meeting up to an initial 'base' amount of expenditure on eligible relief and restoration measures in each financial year, after which the Commonwealth is prepared to reimburse in full the remaining expenditures on eligible relief and restoration measures in that year in respect of such disasters.

Eligible Expenditures

Within the context of the overall policy described above, Commonwealth reimbursements to the States under all natural disaster assistance arrangements take the form of interest-free loans, repayable over ten years with an initial two year repayment holiday period, where the States themselves make loans. Other reimbursements of expenditure take the form of grants. Drought relief assistance is provided on the basis of reimbursing the States for four main categories of relief, namely:

- (a) loans for carry-on and re-stocking purposes where credit is not available through normal commercial channels to those who have reasonable prospects of recovery;
- (b) rebates of freight for 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;
- (c) grants to local councils and other authorities to provide relief work for those unemployed in drought affected rural areas; and
- (d) certain minor miscellaneous items of expenditure associated with the drought.

For all other disasters such as floods, cyclones, bushfires, etc., Commonwealth assistance may be provided for the general repair and restoration of public assets damaged during the course of major natural disasters. The assistance is in the form of reimbursement of State Government expenditure on the repair of damage and restoration of public assets to pre-disaster standard, including assistance provided by the State Government for restoration of semi-government and local authority assets damaged by the disaster. Semi-government and local authorities are expected to bear a proportion of the cost of restoring their assets, generally one-third of the expenditure involved up to a limit of \$100,000 for each authority depending on the authority's financial capacity.

Eligible measures may also include carry-on and re-stocking loans to primary producers, e.g. where widespread and prolonged flooding occurs, and loans to proprietors of small businesses whose stock has been lost during the disaster. Such loans may be made to persons who are unable to obtain credit through normal commercial channels and who have reasonable prospects of recovery. Assistance is not provided for the loss of personal assets (other than emergency relief assistance and relief of personal hardship and distress), stock, crops, etc.

Within the principle laid down for eligibility under each category of expenditures listed above, the Commonwealth normally imposes no limit on the amount of reimbursable expenditure on these measures by the State Governments concerned and it is left to each State Government to administer the assistance in the light of the particular circumstances in the State.

Total natural disaster assistance paid to the States in 1971-72 amounted to \$7.03 million made up of \$6.9 million to Queensland for drought, flood and cyclone relief and \$142,677 to Tasmania for flood restoration. There are currently no commitments that will require Commonwealth payments to the States for natural disaster relief and restoration in 1972-73.

The following sections give details of payments to the States for natural disaster relief and restoration in 1971-72. Details of assistance provided in previous years may be obtained from earlier issues of this document and details of payments to each State since 1950-51 are given in Table 67, Appendix IV.

New South Wales

The Commonwealth agreed that carry-over expenditure by the State in 1971-72 on the restoration of 1971 flood damage would count towards New South Wales base natural disaster expenditure of \$5 million for that year and that any eligible expenditure in excess of this amount would be reimbursed by the Commonwealth. Details of such expenditure were not available before the end of the financial year and no payments of natural disaster assistance were therefore made to the State in 1971-72.

The following table gives details of Commonwealth payments to New South Wales as reimbursement of natural disaster expenditure for the past five years:—

TABLE 32—NATURAL DISASTER ASSISTANCE TO NEW SOUTH WALES 1967-68 TO 1971-72
\$'000

	1967-68	1968-69	1969-70	1970-71	1971-72
Drought—Loans	3,300	5,160	..	..	..
Freight rebates	393	1,890	21	..	..
Employment	3,800	1,413	..	450	..
Other	155	66	..	..	..
Total	7,648	8,529	21	450	..
Other disasters—Loans .. .. .	..	..	..	122	..
Grants	(a) ..	100	..	4,628	..
Total disaster assistance	7,648	8,629	21	5,200	..

(a) Amount shown in previous editions of this document deleted because of refund in 1968-69 of overpayment of \$58,000 for flood relief.

Victoria

No requests for Commonwealth assistance with natural disaster expenditures were received from the Victorian Government during 1971-72.

The following table gives details of Commonwealth payments to Victoria as reimbursement of natural disaster expenditure during the past five years:—

TABLE 33—NATURAL DISASTER ASSISTANCE TO VICTORIA 1967-68 TO 1971-72
\$'000

	1967-68	1968-69	1969-70	1970-71	1971-72
Drought—Loans	2,709	3,000	93	..	..
Freight rebates	2,528	1,730	23	..	..
Employment	2,393	4,095	54	..	..
Other	370	175	..	..	..
Total	8,000	9,000	170	..	..
Other disasters—Loans .. .. .	..	..	..	..	..
Grants .. .. .	..	..	200	43	..
Total disaster assistance.. .. .	8,000	9,000	370	43	..

Queensland

For 1971-72 the Commonwealth agreed to meet all State expenditure in 1971-72 on eligible natural disaster relief and restoration measures in excess of Queensland's base natural disaster expenditure of \$2 million. For this purpose eligible State expenditure included carry-over expenditure on restoration of damage caused by the 1971 floods, expenditure on drought relief and re-stocking measures and on restoration of damage caused by cyclone Althea.

The Commonwealth also agreed to assist on a \$1 for \$1 basis in meeting the cost of emergency relief and the relief of personal hardship and distress occasioned by cyclone Althea.

Eligible drought relief expenditure included expenditure on normal drought relief measures in remaining drought declared areas, initially up to end-December 1971, but later extended to mid-April 1972. State expenditure on loans for re-stocking, and on freight rebates on re-stocking for six months after an area ceased to be drought declared or six months after Commonwealth drought relief assistance ceased, was also eligible.

Expenditure by Queensland on eligible flood relief and restoration measures in 1970-71 amounted to \$1.2 million and, as expenditure from State resources on drought relief exceeded the State's base natural disaster relief expenditure of \$2 million in 1970-71, this was eligible for full reimbursement by the Commonwealth. However, as expenditure details were not available in 1970-71, the

payment was not made until 1971-72. For 1971-72 the Commonwealth also agreed that State expenditure in 1971-72 on approved flood relief and restoration measures in respect of the 1971 floods would be eligible for Commonwealth assistance on the basis outlined above.

When cyclone Althea struck the Townsville area late in December 1971 causing substantial widespread damage, the Commonwealth agreed to a request for immediate assistance with the cost of providing emergency relief and the relief of personal hardship and distress. The Commonwealth also agreed to provide assistance for the restoration of government assets damaged as a result of the cyclone within the ambit of Commonwealth-State arrangements for natural disaster assistance. As Queensland had already exceeded its base natural disaster expenditure for 1971-72 of \$2 million, this meant that the Commonwealth would reimburse in full expenditure in 1971-72 by the State Government on eligible restoration measures and that any carry-over expenditure in 1972-73 from the disaster would count towards Queensland's base natural disaster expenditure for 1972-73.

The Queensland Government also requested Commonwealth assistance in meeting the cost of repairing damage to government assets in the Brisbane area from flooding that followed in the wake of cyclone Daisy as it passed down the Queensland coast in February 1972. However, the Commonwealth was unable to accept that the flooding was sufficiently widespread or caused such major damage to government assets as to be accepted as falling within the ambit of established arrangements for natural disaster assistance to the States.

The following table gives details of Commonwealth payments to Queensland as reimbursement of natural disaster expenditure during the past five years:—

TABLE 34—NATURAL DISASTER ASSISTANCE TO QUEENSLAND 1967-68 TO 1971-72

\$'000

	1967-68	1968-69	1969-70	1970-71	1971-72
Drought—Loans	568	805	4,953	4,750	350
Freight rebates	1,389	515	7,366	3,900	836
Employment	1,000	695	1,574	1,549	316
Other .. ..	..	..	..	3,432	..
Total	2,957	2,015	13,893	13,632	1,502
Other disasters—Loans .. ..	..	..	..	..	..
Grants	649	..	..	733	5,388
Total disaster assistance ..	3,606	2,015	13,893	14,365	6,889

South Australia

No requests for Commonwealth assistance with natural disaster expenditures were received from the South Australian Government during 1971-72.

The following table gives details of Commonwealth payments to South Australia as reimbursement of natural disaster expenditure during the past five years:—

TABLE 35—NATURAL DISASTER ASSISTANCE TO SOUTH AUSTRALIA 1967-68 TO 1971-72
\$'000

	1967-68	1968-69	1969-70	1970-71	1971-72
Drought—Loans	275	274	..	..	..
Freight rebates	415	(a)304	..	..	..
Employment	166	602	..	..	..
Other	144	(a)64	..	..	..
Total	1,000	(a)1,244	..	..	..
Other disasters—Loans .. .. .	..	..	..	..	..
Grants .. .. .	..	..	..	..	..
Total disaster assistance	1,000	(a)1,244	..	..	..

(a) Excludes overpayment totalling \$56,000 for drought relief refunded in 1969-70.

Western Australia

No requests for Commonwealth assistance with natural disaster expenditures were received from the Western Australian Government during 1971-72.

During the past five years Western Australia has received assistance from the Commonwealth only in respect of damage caused by the Meckering earthquake. Details are given in the following table:—

TABLE 36—NATURAL DISASTER ASSISTANCE TO WESTERN AUSTRALIA
1967-68 TO 1971-72
\$'000

	1967-68	1968-69	1969-70	1970-71	1971-72
Other disasters—					
Loans
Grants	50	171	31	..
Total disaster assistance	50	171	31	..

Tasmania

In 1970-71 the Tasmanian Government requested Commonwealth assistance in restoring State and local government assets in the north-west of the State damaged

by flooding late in August 1970. The State estimated that this expenditure would amount to about \$1.35 million and that there would be expenditure of about \$200,000 on other relief measures which the State offered to meet itself. On the basis that restoration and relief expenditure would be spread over two years, and in keeping with the policy of requiring the State to meet an initial amount of expenditure, the Commonwealth offered to meet all such expenditure in excess of \$1 million and, in addition, expenditure estimated to total \$200,000 on other measures normally eligible for assistance. However, the State said that the restoration had to be made in the shortest possible time and offered to limit the Commonwealth contribution to \$300,000 in respect of State Government assets and \$300,000 in respect of local government assets if the Commonwealth would agree to a \$1 for \$1 sharing arrangement. As this approach implied that the State would be meeting a 'base' amount of expenditure on eligible measures consistent with the Commonwealth's general approach on natural disaster relief assistance, the Commonwealth agreed to assist on this basis. Payments under the arrangement amounted to \$268,000 in 1970-71 and \$142,677 in 1971-72.

The following table gives details of Commonwealth payments to Tasmania as reimbursement of natural disaster expenditure during the past five years:—

TABLE 37—NATURAL DISASTER ASSISTANCE TO TASMANIA 1967-68 TO 1971-72
\$'000

	1967-68	1968-69	1969-70	1970-71	1971-72
Drought—Loans .. .. .	..	125	73	16	..
Freight rebates .. .. .	..	..	..	..	..
Employment .. .. .	..	..	..	..	..
Other .. .. .	..	..	..	..	..
Total .. .. .	..	125	73	16	..
Other disasters—Loans	(a)2,836	1,070	..	..	..
Grants	(a)3,709	..	..	268	143
Total disaster assistance	(a)6,545	1,195	73	284	143

(a) Excludes overpayment of \$1,105,000 for bushfire relief refunded over the period 1969-70 to 1971-72.

DEVELOPMENT OF RURAL INDUSTRIES

Brigalow Lands Development Scheme

The *Brigalow Lands Agreement Act 1962-1967* approves an agreement with 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.

The Act provides for Commonwealth financial assistance, subject to an overall limit of \$23 million, to finance expenditure by the State on specified works during the thirteen years ending 30 June 1975. The assistance is in the form of interest-bearing loans repayable over twenty years. Payments by the Commonwealth to 30 June 1972 amounted to \$13.4 million. Payments in 1971-72 were \$1.1 million and it is estimated that \$1 million will be provided in 1972-73. Annual payments prior to 1971-72 are shown in Table 78 in Appendix V.

Softwood Forestry

Under the *Softwood Forestry Agreements Act* 1967 the Commonwealth provided financial assistance to all States during the five years ending 30 June 1971 for a programme of increased planting of softwood forests. The assistance to each State was by way of interest-bearing loans repayable over twenty-five years, with repayments and the payment of interest to commence approximately ten years after the date of each advance.

Payments by the Commonwealth to 30 June 1972 amounted to \$17.6 million including an adjustment of \$0.4 million paid in 1971-72. It is estimated that a final adjusting payment of \$0.1 million will be paid in 1972-73 to conclude payments under this Act.

The States have accepted a Commonwealth offer of financial assistance towards a further five-year programme ending on 30 June 1976, on the same terms as for the first five-year programme. Subject to the legislation being enacted by the Commonwealth Parliament during 1972-73, it is estimated that a total of \$9.1 million will be provided under this programme to the States in 1972-73 for expenditure incurred in 1971-72 and for estimated expenditure during 1972-73.

Details of the annual payments to each State and the estimated payments for 1972-73 are shown in the tables in Appendix V.

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 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 1971 a total amount of \$33.7 million had been made available to the States for these purposes. For the five-year period 1971-72 to 1975-76, the Commonwealth has undertaken to make additional funds of up to \$37 million available to the States for the same purposes. Payments made to each State from 1964-65, and the estimated payments in 1972-73, are set out in the following table. Annual figures of payments in years prior to 1964-65 may be obtained from 'Commonwealth Payments to or for the States, 1965-66'.

TABLE 38—GRANTS FOR AGRICULTURAL EXTENSION SERVICES^(a)
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
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	760	667	664	368	294	147	2,900
1968-69	1,019	986	900	391	375	228	3,900
1969-70	1,427	1,027	966	460	493	226	4,599
1970-71	1,188	1,194	1,153	538	598	314	4,985
1971-72	1,475	1,364	1,251	651	589	349	5,679
1972-73 (estimate) ..	1,680	1,490	1,380	690	680	380	6,300

(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 \$34,000 in 1964-65, \$28,000 in 1965-66, \$23,000 in 1966-67, \$30,000 in 1967-68, \$57,000 in 1968-69, \$98,000 in 1969-70, \$68,000 in 1970-71 and \$102,000 in 1971-72. The estimated payment in 1972-73 is \$134,000. The amounts paid to each State are shown in the tables in Appendix V.

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 1972 an amount of \$12 million has been made available for this purpose.

The payment for this purpose in 1971-72 was \$450,000 and the estimated payment in 1972-73 is \$486,000. Commonwealth contributions to New South Wales towards the cost of cattle tick measures from 1960-61 are shown in Table 74 in Appendix V.

Eradication of Bovine Brucellosis and Tuberculosis

Since 1 January 1970 the Commonwealth has joined with the States in meeting the cost of an intensified campaign for the eradication of bovine brucellosis and tuberculosis. Up to 30 June 1972 a total amount of \$4,028,000 had been made available to the States for this purpose, comprising \$203,000 in 1969-70, \$1,421,000 in 1970-71 and \$2,404,000 in 1971-72. The amounts paid to each State are shown in the tables of Appendix V.

In the three-year period 1972-73 to 1974-75, the Commonwealth has undertaken to continue assistance on a similar basis. This involves matching the combined expenditure of the mainland States, provided it is maintained at least at the 1968-69 level. The matching contributions will be expended on approved eradication measures in these States. In the case of Tasmania, the Commonwealth has agreed to meet all the costs associated with the campaign in excess of \$50,000 over the three-year period.

The estimate of total payments for 1972-73 is \$4 million. The amounts payable to each State in 1972-73 are still tentative and are subject to discussion between the Commonwealth and the States.

DEVELOPMENT AND CONTROL OF WATER RESOURCES

For some years the Commonwealth has been providing special financial assistance towards a number of projects designed to develop or control water resources in the States. Details of assistance so provided are set out below.

Chowilla Reservoir

In 1963 the River Murray Waters Agreement between the Commonwealth, 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.

Under the *Chowilla Reservoir Agreement Act* 1963 the Commonwealth also agreed to provide assistance in the form of interest-bearing loans to New South Wales to finance that State's share of the capital cost of the Chowilla Reservoir. Repayment of each loan commences ten years from the date on which it was made and will spread over a further period of ten years.

Payments by the Commonwealth to 30 June 1968 amounted to \$1.5 million. Annual figures of payments and debt charges are shown in Tables 74 and 75 in Appendix V. No payments have been made since that date.

Because of significant increases in the estimated cost of the project since it was originally estimated in 1962, it was decided in August 1967 to suspend further work on the project. Following a reassessment by the River Murray Commission of the relationship between costs and benefits of the scheme, the Dartmouth project on the Mitta Mitta River in Victoria was selected as the next major project for development on the River Murray system.

Dartmouth Dam

Under the *Dartmouth Reservoir Agreement Act* 1970, which came into operation on 30 March 1972, the Commonwealth agreed to provide financial assistance to New South Wales, Victoria and South Australia towards the States' shares of the cost of the Dartmouth Dam, which was recommended by the River Murray Commission as the next project to be built on the River Murray system. In October 1971, the cost of the dam was estimated to be \$64 million.

Under the financing arrangements, the Commonwealth will, in addition to meeting its own one-quarter share of the total cost of the project, lend to each of the States concerned one-half of each of their one-quarter shares of the construction costs. Interest will accrue from the date of payment of each advance at the long-term bond rate prevailing at the time of each advance. Capital repayments will be deferred for ten years and will take place over the subsequent fifteen years.

No payments have yet been made to the States under the Agreement, but it is estimated that \$500,000 will be paid to each of the three participating States in 1972-73.

Ord River Irrigation Project

Details are given in Appendix IV of the earlier legislation under which grants totalling \$12.2 million were made to Western Australia for Stage I of the Ord River Irrigation Project.

Under the *Western Australia Agreement (Ord River Irrigation) Act* 1968 the Commonwealth is providing financial assistance of up to \$48.18 million to Western Australia for Stage II of the Ord River Irrigation Project. The financial assistance is on the basis of a grant for the construction of the dam, which is expected to cost in the vicinity of \$22 million, and interest-bearing loans for the irrigation works. Each loan is repayable over a period of fifteen years commencing approximately nine and a half years after the end of the financial year during which payment was made.

Financial assistance made available by the Commonwealth for Stage II to 30 June 1972 amounted to \$21.7 million which includes payments totalling \$4.8 million in 1971-72. The payments comprised \$21.4 million in the form of grants for the construction of the dam and \$300,000 in the form of loans towards the cost of construction of the irrigation works. It is estimated that \$1.3 million will be paid in 1972-73, of which \$550,000 will be part of the loan component of the financial assistance. Annual figures of payments and debt charges, including estimates for 1972-73, are given in Table 83 in Appendix V.

Western Australia Water Supply

Details are given in Appendix IV of the earlier legislation under which grants totalling \$10 million were made to Western Australia for the construction of a comprehensive water supply scheme.

Under the *Western Australia (South-west Region Water Supplies) Agreement Act* 1965-1971, the Commonwealth is providing financial assistance of up to \$12 million by way of interest-bearing loans to Western Australia to accelerate works undertaken by the State to extend the comprehensive water supply scheme in the south-west portion of the State. The new areas to be served total approximately 4 million acres. The Commonwealth assistance extends over an eight-year period from July 1965 and is on a \$1 for \$1 basis. Repayments will be spread over fifteen years, commencing ten years after each advance is made. Payments by the Commonwealth to 30 June 1972 were \$11.8 million including \$2 million in 1971-72 and it is estimated that payments will amount to \$158,000 in 1972-73. Annual figures of payments and debt charges, including estimates for 1972-73, are given in Table 83 in Appendix V.

Investigation and Measurement of Water Resources

In 1964-65 the Commonwealth agreed to provide grants 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 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 of up to \$2.8 million to the States for expenditure incurred by the States during the three years ending 30 June 1967. The payments were used mainly for capital works, although in both surface and underground programmes some current expenditure was involved. Total payments under the Act amounted to \$2.5 million.

The *States Grants (Water Resources Measurement) Act 1967* extended the arrangements for another three years by authorising further payments to the States of up to \$4.5 million. For details of the extension to these arrangements see page 78.

The following table shows the total payments to each State for both surface and underground investigations from 1964-65, including estimated payments in 1972-73:—

TABLE 39—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	53	211	16	861
1966-67 ..	212	77	366	63	235	18	971
1967-68 ..	359	131	414	125	260	20	1,309
1968-69 ..	377	159	467	150	273	74	1,500
1969-70 ..	394	163	522	142	312	68	1,601
1970-71 ..	863	420	516	187	572	64	2,622
1971-72 ..	..	422	544	158	670	71	1,864
1972-73 (estimate)	1,779	453	563	161	710	71	3,736

National Water Resources Development Programme—First Stage

In 1966-67 the Commonwealth announced that it would be prepared to make available about \$50 million over the succeeding five years to assist the States with suitable projects for the conservation and use of water in rural industry. Up to the end of 1969-70 six projects involving a maximum Commonwealth commitment of \$54.4 million had been approved under this scheme.

Details of the projects selected for assistance under the scheme are set out below.

Fairbairn Dam (formerly Maraboon Dam)

Under the *Queensland Grant (Maraboon Dam) Act 1968* the Commonwealth is providing grants of up to \$20 million to Queensland for the construction of the Fairbairn Dam on the Nogoia River near Emerald. Payments by the Commonwealth to 30 June 1972 amounted to \$16.6 million which includes a payment of \$5.5 million in 1971-72. It is estimated that \$2 million will be provided in 1972-73. Annual payments prior to 1971-72 are given in Table 79 of Appendix V.

River Murray Salinity Reduction

Under the *Victoria Grant (River Murray Salinity) Act 1968* the Commonwealth is providing grants of up to \$3.6 million to Victoria for two salinity reduction projects

on the River Murray. Payments by the Commonwealth to 30 June 1972 amounted to \$1.6 million which includes a payment of \$22,000 in 1971-72. It is estimated that \$38,000 will be paid in 1972-73. Annual payments prior to 1971-72 are given in Table 77 of Appendix V.

Copeton Dam

Under the *New South Wales Grant (Gwydir River Dam) Act* 1969 the Commonwealth is providing grants of up to \$20 million to New South Wales for the construction of a dam on the Gwydir River near Copeton. Payments by the Commonwealth to 30 June 1972 amounted to \$13.9 million, including a payment of \$4.5 million in 1971-72, and it is estimated that \$4 million will be paid in 1972-73. Details of annual payments are given in Table 75 of Appendix V.

King River Dam

Under the *Victoria Grant (King River Dam) Act* 1969 the Commonwealth is providing grants of up to \$4 million to Victoria for the construction of a dam on the King River south of Cheshunt. Payments by the Commonwealth to 30 June 1972 amounted to \$3.6 million, including a payment of \$211,500 in 1971-72, and it is estimated that \$91,500 will be paid in 1972-73. Annual payments prior to 1971-72 are given in Table 77 of Appendix V.

Tailem Bend to Keith Pipeline

Under the *South Australia Grant (Tailem Bend to Keith Pipeline) Act* 1969 the Commonwealth is providing grants of up to \$6 million to South Australia for the construction of a pipeline and certain associated works, to carry water from Tailem Bend to Keith. Payments by the Commonwealth to 30 June 1972 amounted to \$4.5 million including a payment of \$1.5 million in 1971-72 and it is estimated that a further \$1.04 million will be paid in 1972-73. Details of annual payments prior to 1971-72 are given in Table 81 of Appendix V.

Cressy-Longford Irrigation Works

Under the *Tasmania Grant (Cressy-Longford Irrigation Works) Act* 1969 the Commonwealth is providing grants of up to \$750,000 to Tasmania for the construction of a channel system and associated works to carry water from the tailrace of the Poatina Power Station to supply rural holdings. Payments by the Commonwealth to 30 June 1972 amounted to \$649,000 including a payment of \$449,000 in 1971-72 and it is estimated that a further \$101,000 will be paid in 1972-73. Details of annual payments are given in Table 85 of Appendix V.

National Water Resources Development Programme—Second Stage

In 1969–70 the Commonwealth announced that it would provide \$100 million over the next five years under a new National Water Resources Development Programme. Up to the end of 1971–72 five projects involving a maximum Commonwealth commitment of \$36.65 million had been approved under this programme.

Details of these projects are set out below.

Bundaberg Irrigation Works

Under the *Queensland Grant (Bundaberg Irrigation Works) Act* 1970 the Commonwealth is providing grants of up to \$12.8 million to Queensland for the construction of the Monduran Dam on the Kolan River and associated works to regulate the flows of both the Kolan and Burnett Rivers. Payments by the Commonwealth to 30 June 1972 amounted to \$5.2 million including a payment of \$3.3 million in 1971–72 and it is estimated that \$5.5 million will be paid in 1972–73. Details of annual payments are given in Table 79 of Appendix V.

Flood Mitigation

Under the *New South Wales Grant (Flood Mitigation) Act* 1971 the Commonwealth is providing grants of up to \$9 million to New South Wales towards the cost of further flood mitigation works on various coastal rivers in the State. Assistance of \$8 million has previously been provided under the *New South Wales Grant (Flood Mitigation) Act* 1964–1968 (see Appendix IV).

The new grant is to assist in financing the cost of a further seven-year programme of additional works on the rivers covered under the previous legislation and of flood mitigation works on the Bellinger, Manning, Hawkesbury, Moruya and Hastings Rivers. Payments by the Commonwealth to 30 June 1972 amounted to \$2 million including a payment of \$0.9 million in 1971–72 and it is estimated that \$1.2 million will be paid in 1972–73. Details of annual payments are given in Table 74 of Appendix V.

Investigation and Measurement of Water Resources

Under the *States Grants (Water Resources Measurement) Act* 1970 the Commonwealth is providing grants of up to \$8.2 million to the States towards a further three-year programme of surface water measurement and underground water resources investigations which commenced in 1970–71. Payments by the Commonwealth totalled \$4.4 million to 30 June 1972 including a payment of \$1.9 million in 1971–72 and it is estimated that \$3.7 million will be paid in 1972–73. For details of the payments under this and the previous Acts and estimated payments for 1972–73 see page 75.

Pike Creek Dam

The Commonwealth Government has agreed to provide grants of up to \$4.65 million to New South Wales and Queensland towards the cost of construction of a dam and associated works on Pike Creek in the border rivers region of the two States.

The financial assistance is to be shared equally by the two States. No payments have yet been made by the Commonwealth to the States for this project, but it is estimated that a total of \$800,000 will be paid in 1972-73.

Millewa Pipeline

The Commonwealth Government has agreed to provide grants of up to \$2 million to Victoria towards the cost of construction of a pipeline and certain associated works to carry water from the River Murray to rural holdings in the Millewa district of the State.

It is estimated that \$500,000 will be made available to the State in 1972-73.

ROADS

The Commonwealth has given assistance to the States for expenditure on roads from 1923-24. This assistance has taken two main forms—general assistance under the various Commonwealth Aid Roads Acts and comparable legislation, and assistance for specific roads or specific road projects.

Under the *Commonwealth Aid Roads Act 1964*, which expired on 30 June 1969, grants totalling \$750 million were paid to the States for roads during the five year period 1964-65 to 1968-69. The Act provided for a basic grant of \$660 million and an additional grant of \$90 million which was payable subject to State Governments meeting certain minimum requirements regarding roads expenditure from their own resources. The grants were distributed among the States on the basis of 5 per cent to Tasmania and the remainder shared among the other States, one-third according to population, one-third according to area and one-third according to registered motor vehicles. Additional details of this Act and of previous Aid Roads Acts are given in Appendix IV.

Commonwealth Aid Roads Act 1969

The arrangements for Commonwealth assistance to States for roads to apply after the expiration of the 1964 Aid Roads Act were announced at a special Premiers' Conference held in March 1969. Legislative effect has been given to these arrangements in the *Commonwealth Aid Roads Act 1969*.

In considering the new arrangements the Commonwealth was greatly assisted by the information and advice furnished by the Commonwealth Bureau of Roads which was set up, following the 1964 review of the roads arrangements, to undertake a thorough survey and appraisal of the existing roads system and of foreseeable roads requirements. The Commonwealth Government accepted the Bureau's

assessment that, provided funds were applied economically, expenditure at a rate considerably higher than at present could be undertaken during the next five years. On this basis provision has been made for grants totalling \$1,252.05 million to be paid to the States over the five-year period commencing on 1 July 1969. This represents an increase of about 67 per cent on the amount provided in the preceding five years.

As was the case under the 1959 and 1964 Aid Roads Acts, the annual grants are not related to the amount of customs and excise duty collected on petrol and States are free to allocate to municipal or local authorities moneys received by them from the Commonwealth.

It is the aim of the new arrangements to bring the distribution of Commonwealth financial assistance for roads among the States more closely into accord with relative needs for roads expenditure, but the Commonwealth recognised the problems that could be created for the smaller States by too rapid a change from the distribution formula that had applied over the previous five years. The total grant of \$1,252.05 million is therefore divided into two parts; a principal grant and supplementary grants.

The principal grant totalling \$1,200 million is distributed between the six States by giving equal weight to the distribution under the *Commonwealth Aid Roads Act* 1964 and the distribution indicated by the Bureau of Roads' analysis of the relative needs for roads expenditure.

In addition, South Australia, Western Australia and Tasmania receive supplementary grants totalling \$52.05 million which will be phased out by the end of the five-year period. The supplementary grants will ensure that the total of each State's grant will be increased by at least 50 per cent compared with the amounts received under the 1964 legislation.

The following table shows the principal and supplementary grants payable under the 1969 Act:—

TABLE 40—GRANTS PAYABLE UNDER COMMONWEALTH AID ROADS ACT 1969
\$'000

				Principal Grant	Supplementary Grant	Total
1969-70				180,000	13,000	193,000
1970-71				205,000	13,000	218,000
1971-72				235,000	10,250	245,250
1972-73				270,000	9,000	279,000
1973-74				310,000	6,800	316,800
Total				1,200,000	52,050	1,252,050

A feature of the new arrangements is that assistance is being directed more specifically than in the past to the development of particular classes of road. The only condition imposed in the 1964 Act on the direction of expenditure was that States were required to spend 40 per cent of their grant on roads in rural areas other than highways, main roads or trunk roads. The *Commonwealth Aid Roads Act* 1969 provides for specific allocations of the principal grant for urban arterial and sub-arterial roads, rural arterial roads, rural roads other than arterial roads, and for planning and research.

The amount allocated for planning and research is 1.5 per cent of the total principal grant, while the amount allocated for rural roads other than arterial roads was determined by increasing by 5 per cent each year the amount each State was required, under the 1964 Act, to spend on minor rural roads from its 1968-69 grant. Each State's share of the remainder of the principal grant has been allocated between rural arterial, and urban arterial and sub-arterial roads, in the same proportions as indicated by the Bureau of Roads' assessment of each State's road needs in these two categories. Provision is made in the legislation for limited transfers of grants from one class of road to another but it is the Commonwealth's intention that requests from States for such transfers will be approved only in exceptional circumstances. The provision in the 1964 Act permitting expenditure of roads grants up to a total of \$2 million on works other than road works is not continued in the new Act.

The resulting allocations of the principal grant to the various classes of roads expenditure, and the distribution of the supplementary grants (which are available for expenditure on the construction and maintenance of any type of road), are shown in the following table:—

TABLE 41—GRANTS PAYABLE UNDER COMMONWEALTH AID ROADS ACT 1969
DIVISION BETWEEN CLASSES OF ROADS—1969-70 TO 1973-74

\$'000

	Principal Grant					Supplementary Grants	Total
	Urban Arterial and Sub-Arterial Roads(a)	Rural Roads		Planning and Research	Total Principal Grant		
		Arterial Roads(a)	Other Rural Roads(b)				
New South Wales	201,010	63,870	109,820	5,700	380,400	..	380,400
Victoria ..	156,010	17,720	76,850	3,820	254,400	..	254,400
Queensland ..	99,240	56,720	72,170	3,470	231,600	..	231,600
South Australia..	59,430	13,670	45,100	1,800	120,000	9,000	129,000
Western Australia	62,410	23,910	70,880	2,400	159,600	40,800	200,400
Tasmania ..	22,590	10,870	19,730	810	54,000	2,250	56,250
Total ..	600,690	186,760	394,550	18,000	1,200,000	52,050	1,252,050

(a) Construction and reconstruction only.

(b) Construction, reconstruction and maintenance.

Under the 1964 Act, each State Government was required, in order to qualify for its share of the additional grant, to spend an equivalent amount from its own resources in excess of the amount it was required to spend in 1963-64. Under the 1969 Act each State Government is required to increase expenditure on roads from its own resources at the same rate as the increase in the number of motor vehicles on register in the State.

The following table shows the amount paid to each State for roads under the *Commonwealth Aid Roads Act 1964*, and the amounts paid in 1969-70, 1970-71 and 1971-72, and payable in 1972-73 under the *Commonwealth Aid Roads Act 1969*. Annual payments prior to 1964-65 are shown in Table 68 in Appendix IV.

TABLE 42—GRANTS UNDER COMMONWEALTH AID ROADS ACTS
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
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 ..	44,467	31,286	29,266	18,384	28,597	8,000	160,000
1968-69 ..	47,319	33,113	31,098	19,433	30,537	8,500	170,000
1969-70 ..	57,060	38,160	34,740	21,000	32,940	9,100	193,000
1970-71 ..	64,980	43,460	39,560	23,500	36,270	10,230	218,000
1971-72 ..	74,500	49,820	45,360	25,500	39,250	10,820	245,250
1972-73 ..	85,590	57,240	52,110	28,000	43,910	12,150	279,000

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. The construction of these roads is aimed particularly at increasing the turn-off of beef cattle for export.

Details are given in Appendix IV of the legislation under which payments of \$20.5 million were made to Queensland and of \$8.4 million to Western Australia in the period 1961-62 to 1966-67.

Under the *States Grants (Beef Cattle Roads) Act 1968* the Commonwealth is providing grants to Queensland, Western Australia and South Australia for a further programme of beef cattle road construction over a period of seven years from 1 July 1967. The amounts provided by the Act for each State are \$39.5 million for Queensland, \$9.5 million for Western Australia and \$1 million for South Australia.

The following table shows the payments made to the States for this purpose up till 1971-72 and the estimated payments for 1972-73:—

TABLE 43—PAYMENTS FOR BEEF CATTLE ROADS
\$'000

	Queensland			South Australia	Western Australia	Total
	Grants	Loans(a)	Total Payments	Grants	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	1,998	4,095	..	1,500	5,595
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	4,000	..	4,000	..	1,400	5,400
1968-69	4,550	..	4,550	..	1,451	6,001
1969-70	5,100	..	5,100	..	1,168	6,268
1970-71	7,685	..	7,685	300	1,000	8,985
1971-72	8,200	..	8,200	350	1,600	10,150
1972-73 (estimate) ..	6,920	..	6,920	350	1,490	8,760

(a) Details of debt charges on loans are given in Table 79 in Appendix V.

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 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 July 1959 and June 1972 an amount of \$871,000 was paid to the three States. Annual figures of payments to each of the three States from 1960-61 may be obtained from the tables in Appendix V.

Sealing of Eyre Highway

The Commonwealth has agreed to provide up to \$2.5 million as assistance to South Australia towards the cost of completing the sealing of the Eyre Highway over the next four years. The assistance will be by way of a grant of one-third of expenditure on the project in each year from 1972-73 to 1975-76 inclusive, up to a maximum of \$625,000 a year. Payments in 1974-75 and 1975-76 will be taken into account in determining South Australia's allocation of funds under new arrangements that will be in force after the expiry of the current Commonwealth Aid Roads arrangements in June 1974.

Promotion of Road Safety Practices

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

RAILWAY PROJECTS

The Commonwealth has provided and is providing financial assistance to the States for expenditure on various railways projects. Brief notes on the projects which have been completed, and details of Commonwealth assistance provided for them, are included in Appendix IV. Commonwealth financial assistance is currently being made available for the following 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 3ft 6in gauge lines of the South-eastern Division of the State to 5ft 3in gauge, pending conversion of the main South Australian and Victorian systems to standard 4ft 8½in gauge, was completed in 1959 and work is almost completed on the conversion to standard gauge of the Port Pirie-Cockburn railway. Payments by the Commonwealth for these purposes up to 30 June 1972 totalled \$47.7 million and provision has been made in 1972-73 for a further payment of \$200,000 under this Agreement.

The *Railway Agreement (New South Wales and South Australia) Act 1968* provided for the construction on behalf of South Australia of a standard gauge railway from Cockburn to Broken Hill together with various railway works associated with the standard gauge connection. This project has been completed to the stage where trans-continental trains were able to begin running during the early part of 1970. The Commonwealth is providing finance on the same terms as outlined above for the 1949 Agreement with South Australia. Payments by the Commonwealth up to 30 June 1972 totalled \$14 million and provision has been made for a further payment of \$300,000 in 1972-73.

(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 also provides 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. The Commonwealth will provide initially all of the finance for that part of the cost associated with railway standardization and the State will repay 30 per cent by instalments over fifty years, plus interest on outstanding balances. The Commonwealth will provide finance initially for 70 per cent of the cost attributed to development 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 1972 amounted to \$100.9 million and provision has been made for a further payment of \$1.25 million in 1972-73.

(c) *Tasmania*

Under the *Railway Agreement (Tasmania) Act* 1971, the Commonwealth is providing up to \$4.25 million to Tasmania, of which \$2.975 million is for the construction of a new rail link between the existing rail system and Bell Bay and \$1.275 million is for the upgrading of about eight miles of the existing line from Launceston and for associated works. The financial assistance comprises \$2.5 million in the form of loans repayable over 30 years and \$1.75 million by way of grants.

In 1971-72 payments to the State for this project amounted to \$3.09 million of which \$1.82 million was by way of loan and \$1.27 million by way of grant. It is estimated that the balance of the assistance available (\$1.16 million) will be paid in 1972-73.

The table below shows payments by the Commonwealth to the States for railway projects from 1964-65, including estimated payments in 1972-73. Annual details prior to 1964-65 are given in Table 70, Appendix IV, which also includes a break-down of payments between grants and loans. Table 71 in Appendix IV shows debt charges associated with loans for railway projects.

TABLE 44—PAYMENTS FOR RAILWAY PROJECTS
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1964-65 ..	..	..	3,016	4,476	10,265	..	17,757
1965-66 ..	..	..	..	6,431	17,827	..	24,258
1966-67 ..	..	..	..	6,929	17,996	..	24,925
1967-68 ..	8,250	..	578	6,628	19,458	..	34,914
1968-69 ..	1,750	..	..	8,878	8,362	..	18,990
1969-70 ..	..	..	..	12,212	7,900	..	20,112
1970-71 ..	..	..	..	2,048	5,236	..	7,284
1971-72 ..	..	..	..	1,024	1,988	3,094	6,106
1972-73 (estimate)	..	..	..	500	1,250	1,156	2,906

HARBOUR 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 in Weipa. Details of this assistance are given in Appendix IV.

Grassy Harbour

The Commonwealth has agreed to provide financial assistance to Tasmania of \$1,355,000 towards the construction of port facilities at Grassy Harbour, King Island. The proposed financial assistance will comprise \$677,500 by way of a grant and \$677,500 in the form of a loan repayable over 15 years.

It is estimated that the Commonwealth will make payments of \$1,158,000 towards this project in 1972-73.

POWER AND FUEL

Tasmanian Power Development

The *Tasmania Agreement (Hydro-Electric Power Development) Act* 1968 authorised the Commonwealth to provide Tasmania with bridging financial assistance, subject to an overall limit of \$47 million for the financing of a five-year programme of accelerated electric power development based on the commencement of development of the Gordon River area in the south-west of the State. The financial assistance was by way of interest-bearing loans each repayable over a period of eight years commencing not later than 15 December 1975. Payments by the Commonwealth amounting to \$23.9 million have been made including the final payment of \$2.5 million made in 1971-72. Annual figures of payments and debt charges are shown in Table 85 in Appendix V.

South Australian Natural Gas Pipeline

The *Natural Gas Pipeline (South Australia) Agreement Act* 1967 authorised the Commonwealth to provide South Australia with bridging financial assistance, up to a maximum of \$15 million to help finance the construction of a natural gas pipeline from Gidgealpa-Moomba to Adelaide. The financial assistance was by way of interest-bearing loans each repayable over a period of eight years commencing 15 December 1972. Payments by the Commonwealth amounting to \$15 million have been made including the final payment of \$1.75 million made in 1971-72. Annual figures of payments and debt charges are shown in Table 81 in Appendix V.

Gladstone Power Station

Under the *Gladstone Power Station Agreement Act 1970* the Commonwealth agreed, subject to certain conditions, to provide financial assistance to Queensland by way of loans to help finance the construction of a thermal power station at Gladstone in Central Queensland. The amount to be provided by the Commonwealth for the project is proportionate to the total cost of the power station in the ratio of 80 to 155. No payments have yet been made by the Commonwealth but provision has been made for payment of \$14 million in 1972-73. Payment will be dependent upon the State meeting the provisions of the agreement during 1972-73.

OTHER ASSISTANCE

Western Australia-Darwin Shipping Service

The Commonwealth has agreed to provide a grant of \$2.5 million to Western Australia for the purchase of a ship to maintain the State shipping service to Darwin. It is estimated that the full amount of \$2.5 million will be paid in 1972-73.

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 1949-1968*. The rate of excise on coal produced for home consumption was increased from 3.33 cents a ton to 4.4 cents a ton from 1 November 1968. At the same time, excise on coal produced for export was introduced at the rate of 1.1 cents a ton. The rate on coal produced for export was increased from 1 July 1969 to 2.2 cents a ton, from 1 July 1970 to 3.3 cents a ton, and from 1 July 1971 to 4.4 cents a ton.

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 1949-1968* and, up to 30 June 1972, these appropriations totalled \$21.2 million. The excise collections in the respective States and total amounts appropriated to the Trust Account in each year from 1964-65, including estimates for 1972-73, are shown in the following table. Annual figures of collections and appropriations prior to 1964-65 are given in 'Commonwealth Payments to or for the States, 1965-66'.

TABLE 45
EXCISE COLLECTED FOR COAL MINING INDUSTRY LONG SERVICE LEAVE^(a)
\$'000

					New South Wales	Queensland	Western Australia	Tasmania	Total
1964-65	..	..	..	..	475	86	32	4	598
1965-66	..	..	..	..	483	98	34	4	619
1966-67	..	..	..	..	492	93	34	1	620
1967-68	..	..	..	..	478	99	40	3	620
1968-69	..	..	..	..	658	159	45	3	865
1969-70	..	..	..	..	850	259	47	4	1,160
1970-71	..	..	..	..	953	403	53	7	1,416
1971-72	..	..	..	..	1,116	563	55	3	1,737
1972-73 (estimate)	..	..	..	..	1,395	629	53	5	2,082

^(a) The total collections are appropriated to the Trust Account and are thus treated here as payments for the States. The funds are not necessarily spent in the State in which they are collected and are not separately credited in the Trust Account to individual States. No excise has been collected in South Australia, or (since 1961-62) in Victoria.

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 1972 totalled \$1.87 million. It is estimated that \$106,000 will be made available in 1972-73. Annual figures of payments to each State from 1960-61, including estimated payments in 1972-73, may be obtained from the tables in Appendix V. (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 grants and loans, 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 'Harold E. Holt' at North West Cape.

Payments by the Commonwealth to 30 June 1972 totalled \$4.15 million, including \$340,000 by way of loans, and it is estimated that \$7,950 will be provided in 1972-73. Annual figures of payments prior to 1972-73 are given in Table 82 in Appendix V.

Supervision of Apprenticeship Training

The Commonwealth and the States have arranged to collaborate in the introduction of improved supervision and advisory services in relation to the training of apprentices. Assistance to the States will be in the form of the payment for a three year period of the salaries of special officers employed by the States for this purpose. It is estimated that \$218,000 will be made available in 1972-73, the first year of operation of this Scheme. Estimated payments to each State are shown in the tables in Appendix V.

Assistance for Tourist Attractions

An approach is being made to the States seeking their agreement to a programme of development of tourist attractions—such as Australiana or pioneer settlements, the preservation of historic sites and buildings, fauna sanctuaries and the like—considered to have particular appeal to overseas visitors to this country. The proposal is that the Commonwealth match expenditure by the States \$1 for \$1 for this purpose, up to a total Commonwealth expenditure of \$1 million annually. Provision is made in the budget for expenditure of \$250,000 in 1972-73.

As discussions with the States are still to be undertaken, there is no basis on which to estimate the allocation of the amount between States. Because of this it has not been included in the tables in this document.



APPENDIX I—SUMMARY TABLES

TABLE NO.	SUBJECT
46.	Commonwealth Payments to or for the States, 1971-72.
47.	Commonwealth Payments to or for the States, Estimates 1972-73.
48.	Commonwealth Payments to or for the States per Head of Population, 1971-72.
49.	Commonwealth Payments to or for the States per Head of Population, Estimates 1972-73.
50.	Summary of Commonwealth Payments to or for the States and Loan Council Programmes, 1958-59 to 1972-73.
51.	Summary of Commonwealth Payments to or for the States, by States, 1958-59 to 1972-73.
52.	Summary of Commonwealth Payments to or for the States, by States, per Head of Population, 1958-59 to 1972-73.

TABLE 46.—COMMONWEALTH PAYMENTS TO OR FOR THE STATES, 1971-72

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
GENERAL REVENUE ASSISTANCE							
Financial Assistance Grants	462,204	348,464	231,603	158,491	170,960	69,156	1,440,873
Special Grants			9,000	7,000		7,800	23,800
Special Revenue Assistance	(a)35,813	13,621	8,606	5,929	6,014	2,517	(a)72,500
Total General Revenue Assistance..	498,017	362,085	249,209	171,420	176,974	79,473	1,537,173
SPECIFIC PURPOSE PAYMENTS							
<i>Payments of a Revenue Nature</i>							
Payments under Financial Agreement—							
Interest on State Debts	5,835	4,254	2,192	1,408	947	534	15,170
Sinking Fund on State Debts	8,673	6,378	3,431	3,458	2,557	1,825	26,323
Debt Charges Assistance	7,600	5,566	3,051	2,991	2,211	1,590	23,008
Universities	27,223	18,586	8,412	6,676	4,594	2,105	67,596
Colleges of Advanced Education	3,713	7,341	1,860	1,651	2,920	887	18,372
Independent Schools	10,854	9,655	4,472	1,899	2,064	660	29,594
Research Grants	1,638	1,177	511	577	307	131	4,341
Tuberculosis Hospitals	2,971	3,170	1,528	715	875	337	9,595
Blood Transfusion Services	254	269	192	139	106	30	990
Home Care Services	161	137	158	9	10	15	491
Senior Citizens' Centres	2		1				12
Paramedical Services				4		3	7
Assistance for Deserted Wives	1,258	1,970	1,002	464	981	201	5,876
Housing Grants	1,368	1,005	315	623	487	232	4,000
Aboriginal Advancements	668	116	371	270	223	17	1,665
Road Safety Practices	37	30	28	19	25	17	150
Non-metropolitan Unemployment Relief	10,395	6,075	5,400	1,620	2,024	1,485	26,999
Natural Disaster Payments			1,188				1,188
Agricultural Extension Services	1,475	1,364	1,251	651	589	349	5,679
Minor Agricultural Research	19	16	42	11	14		102
Cattle Tick Control	450						450
Bovine Brucellosis and Tuberculosis Eradication	786	700	458	177	192	91	2,404
Coal Mining Industry—Long Service Leave	1,116		563		55	3	1,737
Total Specific Purpose Revenue Payments ..	86,496	67,809	36,426	23,361	21,151	10,506	245,748
<i>Payments of a Capital Nature—Grants</i>							
Universities	9,682	6,669	2,597	1,818	1,571	665	23,002
Colleges of Advanced Education	2,666	5,580	2,412	1,699	1,899	1,385	15,641
Teachers Colleges	4,194	2,750	1,364	1,063	1,132	650	11,153
Pre-school Teachers Colleges	521			110			631
Science Laboratories	3,703	3,368	1,599	828	911	415	10,824
Technical Training	2,416	1,500	1,238	1,130	747	380	7,411
School Libraries	4,195	2,519	1,044	891	765	366	9,780
Capital Grants for Government Schools	2,120	1,700	840	910	620	470	6,660
Mental Health Institutions	1,325	828	1,169	246	454	185	4,207
Tuberculosis Hospitals	70	119	6	155	88		438
Senior Citizens' Centres	39	11	91	87	30	11	269
Nursing Homes			332		44	84	460
Dwellings for Aged Pensioners	3,260	2,243	661	1,002	224	232	7,622
Aboriginal Advancement	1,732	284	2,667	530	2,277	45	7,535
Disposal of Ships' Garbage		130	55		104		288
Natural Disaster Payments			5,351			143	5,494
Bundaberg Irrigation Works			3,250				3,250
Cressy-Longford Irrigation Works						449	449
Ord River Project					4,593		4,593
Water Resources Investigations/Measurements		422	544	158	670	71	1,864
Flood Mitigation	923						923
Salinity Reduction		22					22
Fairbairn Dam			5,530				5,530
Copeton Dam	4,500						4,500
King River Dam		212					212
Tallem Bend Pipeline				1,500			1,500
Commonwealth Aid Roads	74,500	49,820	45,360	25,500	39,250	10,820	245,250
Beef Cattle Roads			8,200	350	1,600		10,150
Eyre and Barkly Highways Maintenance			14	25	25		64
Railway Projects				752	819	1,274	2,845
Migrant Centres	214		123	12	23		372
Total Specific Purpose Capital Grants ..	116,060	78,177	84,447	38,766	57,846	17,645	392,939
<i>Payments of a Capital Nature—Loans</i>							
Natural Disaster Payments			350				350
Softwood Forestry			196	93	56	45	389
Brigalow Lands Development Scheme			1,050				1,050
Comprehensive Water Supply					2,000		2,000
Ord River Project					167		167
Railway Projects				272	1,169	1,820	3,261
Hydro-electric Scheme						2,500	2,500
Natural Gas				1,750			1,750
Exmouth Township					12		12
Total Specific Purpose Loans			1,596	2,115	3,404	4,365	11,479
Total Specific Purpose Capital Payments ..	116,060	78,177	86,043	40,881	61,250	22,010	404,418
Total Specific Purpose Payments	202,556	145,986	122,469	64,242	82,401	32,516	650,166
TOTAL PAYMENTS	700,573	508,071	371,678	235,662	259,375	111,989	2,187,344

(a) Includes special advance of \$17.5 million. See page 27.

TABLE 47.—COMMONWEALTH PAYMENTS TO OR FOR THE STATES,
ESTIMATES 1972-73 \$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
GENERAL REVENUE ASSISTANCE							
Financial Assistance Grants	525,000	397,100	270,900	181,900	199,300	79,400	1,653,600
Special Grants			10,000	21,000		7,600	38,600
Total General Revenue Assistance	525,000	397,100	280,900	202,900	199,300	87,000	1,692,200
SPECIFIC PURPOSE PAYMENTS OF A REVENUE NATURE							
Payments under Financial Agreement—							
Interest on State Debts	5,835	4,254	2,192	1,408	947	534	15,170
Sinking Fund on State Debts	8,978	6,626	3,567	3,607	2,649	1,885	27,312
Debt Charges Assistance	11,399	8,348	4,576	4,487	3,317	2,385	34,512
Universities	29,844	20,105	9,642	7,349	5,184	2,350	74,474
Colleges of Advanced Education	5,740	9,240	2,710	2,380	3,790	690	24,550
Independent Schools	15,000	13,500	6,200	2,500	3,000	900	41,100
Research Grants	2,140	1,470	613	893	427	232	5,775
Tuberculosis Hospitals	3,400	3,220	1,660	757	904	270	10,211
Blood Transfusion Services	285	337	230	161	124	33	1,170
Home Care Services	170	337	202	10	6	5	730
Senior Citizens' Centres	3	6	3	10	3		25
Paramedical Services				19			19
Assistance for Deserted Wives	1,170	3,200	1,500	550	1,400	180	8,000
Housing Grants	2,292	1,679	527	1,093	771	388	6,750
Aboriginal Advancement	1,120	200	1,000	610	1,010	40	3,980
Road Safety Practices	37	30	28	19	25	11	150
Non-metropolitan Unemployment Relief	27,720	16,200	14,400	4,320	5,400	3,960	72,000
Agricultural Extension Services	1,680	1,490	1,380	690	680	380	6,300
Minor Agricultural Research	73	16	33	12			134
Cattle Tick Control	486						486
Bovine Brucellosis and Tuberculosis Eradication	1,250	1,150	885	235	380	100	4,000
Coal Mining Industry—Long Service Leave	1,395		629		53	5	2,082
Supervision of Apprenticeship Training	33	75	52	26	19	13	218
Total Specific Purpose Revenue Payments	120,050	91,483	52,029	31,136	30,089	14,361	339,148
SPECIFIC PURPOSE PAYMENTS OF A CAPITAL NATURE—GRANTS							
Universities	8,552	5,962	2,671	718	1,368	1,231	20,502
Colleges of Advanced Education	4,970	6,853	2,410	1,610	1,300	1,800	18,943
Teachers Colleges	5,160	5,500	1,206	2,397	1,865	250	16,378
Pre-school Teachers Colleges	303	186		45			534
Science Laboratories	3,703	3,368	1,599	828	911	415	10,824
Technical Training	5,000	3,000	1,500	1,130	1,166	380	12,176
School Libraries	2,688	3,282	1,427	1,094	864	352	9,707
Capital Grants for Government Schools	4,246	3,405	1,683	1,823	1,242	941	13,340
Mental Health Institutions	1,170	1,050	980	800	750	250	5,000
Tuberculosis Hospitals	41	13	29	243	25	41	392
Senior Citizens' Centres	57	140	72	143	71	17	500
Nursing Homes		700	300	450		150	1,600
Dwellings for Aged Pensioners	3,101	1,128	1,300	227	555	160	6,471
Aboriginal Advancement	2,600	470	3,790	660	2,950	50	10,520
Disposal of Ships' Garbage		300		10	30	8	348
Bundaberg Irrigation Works			5,500				5,500
Cressy-Longford Irrigation Works						101	101
Ord River Project					743		743
Water Resources Investigations/Measurements	1,779	453	563	161	710	71	3,736
Flood Mitigation	1,200						1,200
Salinity Reduction		38					38
Fairbairn Dam			2,000				2,000
Copeton Dam	4,000						4,000
King River Dam		92					92
Pike Creek Dam	421		421				842
Tailm Bend Pipeline				1,040			1,040
Millewa Pipeline		500					500
Commonwealth Aid Roads	85,590	57,240	52,110	28,000	43,910	12,150	279,000
Beef Cattle Roads			6,920	350	1,490		8,760
Eyre and Barkly Highways Maintenance			14	25	25		64
Eyre Highway Sealing				625			625
Railway Projects				386	515	476	1,377
Grassy Harbour						579	579
W.A.—Darwin Shipping Service					2,500		2,500
Migrant Centres	10		96				106
Exmouth Township					8		8
Total Specific Purpose Capital Grants	134,591	93,680	86,591	42,765	62,998	19,422	440,047
SPECIFIC PURPOSE PAYMENTS OF A CAPITAL NATURE—LOANS							
Softwood Forestry	3,328	1,499	1,920	400	978	1,090	9,215
Brigalow Lands Development Scheme			1,000				1,000
Comprehensive Water Supply					158		158
Ord River Project					550		550
Dartmouth Dam	500	500		500			1,500
Railway Projects				114	735	680	1,529
Gladstone Power Station			14,000				14,000
Grassy Harbour						579	579
Total Specific Purpose Loans	3,828	1,999	16,920	1,014	2,421	2,349	28,531
Total Specific Purpose Capital Payments	138,419	95,679	103,511	43,779	65,419	21,771	468,578
Total Specific Purpose Payments	258,469	187,162	155,540	74,915	95,508	36,132	807,726
TOTAL PAYMENTS	783,469	584,262	436,440	277,815	294,808	123,132	2,499,926

TABLE 48.—COMMONWEALTH PAYMENTS TO OR FOR THE STATES
PER HEAD OF POPULATION,* 1971-72

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
	\$	\$	\$	\$	\$	\$	\$
GENERAL REVENUE ASSISTANCE							
Financial Assistance Grant	99.69	98.75	125.37	134.00	163.77	176.42	114.08
Special Grants .. .. .	..	..	4.87	5.92	..	19.90	1.85
Special Revenue Assistance	(a) 7.72	3.86	4.66	5.01	5.76	6.42	(a) 5.74
Total General Revenue Assistance..	107.42	102.61	134.90	144.93	169.53	202.74	121.70
SPECIFIC PURPOSE ASSISTANCE							
<i>Payments of a Revenue Nature</i>							
Payments under Financial Agreement—							
Interest on State Debts	1.26	1.21	1.19	1.19	0.91	1.36	1.20
Sinking Fund on State Debts	1.87	1.81	1.86	2.92	2.45	4.66	2.08
Debt Charges Assistance	1.64	1.58	1.65	2.53	2.12	4.06	1.82
Universities	5.87	5.27	4.55	5.64	4.40	5.37	5.35
Colleges of Advanced Education	0.80	2.08	1.01	1.40	2.80	2.26	1.45
Independent Schools	2.34	2.74	2.42	1.60	1.98	1.68	2.34
Research Grants	0.35	0.33	0.28	0.49	0.29	0.33	0.34
Tuberculosis Hospitals	0.64	0.90	0.83	0.60	0.84	0.86	0.76
Blood Transfusion Services	0.05	0.08	0.10	0.12	0.10	0.08	0.08
Home Care Services	0.03	0.04	0.09	0.01	0.01	0.04	0.04
Senior Citizens' Centres	0.00	..	0.00	0.01	..	..	0.00
Paramedical Services .. .. .	..	..	..	0.00	..	0.01	0.00
Assistance for Deserted Wives	0.27	0.56	0.54	0.39	0.94	0.51	0.47
Housing Grants	0.30	0.28	0.17	0.53	0.44	0.59	0.32
Aboriginal Advancement	0.14	0.03	0.20	0.23	0.21	0.04	0.13
Road Safety Practices	0.01	0.01	0.02	0.02	0.02	0.03	0.01
Non-metropolitan Unemployment Relief	2.24	1.72	2.92	1.37	1.94	3.79	2.14
Natural Disaster Payments .. .. .	..	..	0.64	..	..	..	0.09
Agricultural Extension Services	0.32	0.39	0.68	0.55	0.56	0.89	0.45
Minor Agricultural Research	0.00	0.00	0.02	0.01	0.01	..	0.01
Cattle Tick Control	0.10	..	..	..	..	..	0.04
Bovine Brucellosis and Tuberculosis Eradication	0.17	0.20	0.25	0.15	0.18	0.23	0.19
Coal Mining Industry—Long Service Leave	0.24	..	0.30	..	0.05	0.01	0.14
Total Specific Purposes Revenue Payments ..	18.66	19.22	19.72	19.75	20.26	26.80	19.46
<i>Payments of a Capital Nature—Grants</i>							
Universities	2.09	1.89	1.41	1.54	1.50	1.70	1.82
Colleges of Advanced Education	0.58	1.58	1.31	1.44	1.82	3.53	1.24
Teachers Colleges	0.90	0.78	0.74	0.90	1.08	1.66	0.88
Pre-school Teachers Colleges	0.11	..	..	0.09	..	..	0.05
Science Laboratories	0.80	0.95	0.87	0.70	0.87	1.06	0.86
Technical Training	0.52	0.43	0.67	0.96	0.72	0.97	0.59
School Libraries	0.90	0.71	0.57	0.75	0.73	0.93	0.77
Capital Grants for Government Schools	0.46	0.48	0.45	0.77	0.59	1.20	0.53
Mental Health Institutions	0.29	0.23	0.63	0.21	0.43	0.47	0.33
Tuberculosis Hospitals	0.02	0.03	0.00	0.13	0.08	..	0.03
Senior Citizens' Centres	0.01	0.00	0.05	0.07	0.03	0.03	0.02
Nursing Homes .. .. .	..	..	0.18	..	0.04	0.21	0.04
Dwellings for Aged Pensioners	0.70	0.64	0.36	0.85	0.21	0.59	0.60
Aboriginal Advancement	0.37	0.08	1.44	0.45	2.18	0.11	0.60
Disposal of Ships' Garbage .. .. .	..	0.04	0.03	..	0.10	..	0.02
Natural Disaster Payments .. .. .	..	..	2.90	..	..	0.36	0.46
Bundaberg Irrigation Works .. .. .	..	..	1.76	..	..	..	0.26
Cressy-Longford Irrigation Works .. .. .	..	..	..	..	..	1.15	0.04
Ord River Project .. .. .	..	..	..	..	4.40	..	0.36
Water Resources Investigations/Measurements .. .. .	..	0.12	0.29	0.13	0.64	0.18	0.15
Flood Mitigation	0.20	..	..	..	..	..	0.07
Salinity Reduction .. .. .	..	0.01	..	..	..	..	0.00
Fairbairn Dam .. .. .	..	..	2.99	..	..	..	0.44
Copeton Dam	0.97	..	..	..	..	..	0.36
King River Dam .. .. .	..	0.06	..	..	..	..	0.02
Taillem Bend Pipeline .. .. .	..	..	..	1.27	..	..	0.12
Commonwealth Aid Roads	16.07	14.12	24.55	21.56	37.60	27.60	19.42
Beef Cattle Roads .. .. .	..	..	4.44	0.30	1.53	..	0.80
Eyre and Barkly Highways Maintenance .. .. .	..	..	0.01	0.02	0.02	..	0.01
Railway Projects .. .. .	..	..	..	0.64	0.78	3.25	0.23
Migrant Centres	0.05	..	0.07	0.01	0.02	..	0.03
Total Specific Purpose Capital Grants ..	25.03	22.16	45.71	32.77	55.41	45.01	31.11
<i>Payments of a Capital Nature—Loans</i>							
Natural Disaster Payments .. .. .	..	..	0.19	..	..	..	0.03
Softwood Forestry .. .. .	..	..	0.11	0.08	0.05	0.11	0.03
Brigalow Lands Development Scheme .. .. .	..	..	0.57	..	..	..	0.08
Comprehensive Water Supply .. .. .	..	..	..	..	1.92	..	0.16
Ord River Project .. .. .	..	..	..	..	0.16	..	0.01
Railway Projects .. .. .	..	..	..	0.23	1.12	4.64	0.26
Hydro-electric Scheme .. .. .	..	..	..	..	..	6.38	0.20
Natural Gas .. .. .	..	..	..	1.48	..	..	0.14
Exmouth Township .. .. .	..	..	..	..	0.01	..	0.00
Total Specific Purpose Loans ..	..	..	0.86	1.79	3.26	11.14	0.91
Total Specific Purpose Capital Payments ..	25.03	22.16	46.58	34.56	58.67	56.15	32.02
Total Specific Purpose Payments ..	43.69	41.37	66.30	54.31	78.94	82.95	51.47
TOTAL PAYMENTS ..	151.11	143.99	201.20	199.24	248.47	285.69	173.17

* Estimated mean populations as published in 'Public Authority Finance—Commonwealth Authorities 1971-72, Bulletin No. 10.
(a) See footnote to Table 46.

TABLE 49.—COMMONWEALTH PAYMENTS TO OR FOR THE STATES
\$ PER HEAD OF POPULATION, *ESTIMATES 1972-73

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
GENERAL REVENUE ASSISTANCE							
Financial Assistance Grants	111.50	110.95	143.42	151.89	185.40	201.11	128.75
Special Grants .. .. .	..	..	5.29	17.54	..	19.25	3.01
Total General Revenue Assistance	111.50	110.95	148.71	169.42	185.40	220.36	131.76
SPECIFIC PURPOSE PAYMENTS OF A REVENUE NATURE							
Payments under Financial Agreement—							
Interest on State Debts	1.24	1.19	1.16	1.18	0.88	1.35	1.18
Sinking Fund on State Debts	1.91	1.85	1.89	3.01	2.46	4.77	2.13
Debt Charges Assistance	2.42	2.33	2.42	3.75	3.09	6.04	2.69
Universities	6.34	5.62	5.10	6.14	4.82	5.95	5.80
Colleges of Advanced Education	1.22	2.58	1.43	1.99	3.53	1.75	1.91
Independent Schools	3.19	3.77	3.28	2.09	2.79	2.28	3.20
Research Grants	0.45	0.41	0.32	0.75	0.40	0.59	0.45
Tuberculosis Hospitals	0.72	0.90	0.88	0.63	0.84	0.68	0.80
Blood Transfusion Services	0.06	0.09	0.12	0.13	0.12	0.08	0.09
Home Care Services	0.04	0.09	0.11	0.01	0.01	0.01	0.06
Senior Citizens' Centres	0.00	0.00	0.00	0.01	0.00	..	0.00
Paramedical Services .. .. .	..	..	..	0.02	..	..	0.00
Assistance for Deserted Wives	0.25	0.89	0.79	0.46	1.30	0.46	0.62
Housing Grants	0.49	0.47	0.28	0.91	0.72	0.98	0.53
Aboriginal Advancement	0.24	0.06	0.53	0.51	0.94	0.10	0.31
Road Safety Practices	0.01	0.01	0.01	0.02	0.02	0.03	0.01
Non-metropolitan Unemployment Relief	5.89	4.53	7.62	3.61	5.02	10.03	5.61
Agricultural Extension Services	0.36	0.42	0.73	0.58	0.63	0.96	0.49
Minor Agricultural Research	0.02	0.00	0.02	0.01	..	..	0.01
Cattle Tick Control	0.10	..	..	..	..	..	0.04
Bovine Brucellosis and Tuberculosis Eradication	0.27	0.32	0.47	0.20	0.35	0.25	0.31
Coal Mining Industry—Long Service Leave	0.30	..	0.33	..	0.05	0.01	0.16
Supervision of Apprenticeship Training	0.01	0.02	0.03	0.02	0.02	0.03	0.02
Total Specific Purpose Revenue Payments	25.50	25.56	27.54	26.00	27.99	36.38	26.41
SPECIFIC PURPOSE PAYMENTS OF A CAPITAL NATURE—GRANTS							
Universities	1.82	1.67	1.41	0.60	1.27	3.12	1.60
Colleges of Advanced Education	1.06	1.91	1.28	1.34	1.21	4.56	1.47
Teachers Colleges	1.10	1.54	0.64	2.00	1.73	0.63	1.28
Pre-school Teachers Colleges	0.06	0.05	..	0.04	..	..	0.04
Science Laboratories	0.79	0.94	0.85	0.69	0.85	1.05	0.84
Technical Training	1.06	0.84	0.79	0.94	1.08	0.96	0.95
School Libraries	0.57	0.92	0.76	0.91	0.80	0.89	0.76
Capital Grants for Government Schools	0.90	0.95	0.89	1.52	1.16	2.38	1.04
Mental Health Institutions	0.25	0.29	0.52	0.67	0.70	0.63	0.39
Tuberculosis Hospitals	0.01	0.00	0.02	0.20	0.02	0.10	0.03
Senior Citizens' Centres	0.01	0.04	0.04	0.12	0.07	0.04	0.04
Nursing Homes .. .. .	..	0.20	0.16	0.38	..	0.38	0.12
Dwellings for Aged Pensioners	0.66	0.32	0.69	0.19	0.52	0.41	0.50
Aboriginal Advancement	0.55	0.13	2.01	0.55	2.74	0.13	0.82
Disposal of Ships' Garbage .. .. .	..	0.08	..	0.01	0.03	0.02	0.03
Bundaberg Irrigation Works .. .. .	..	..	2.91	..	..	..	0.43
Cressy-Longford Irrigation Works .. .. .	..	..	..	..	..	0.26	0.01
Ord River Project .. .. .	..	..	..	..	0.69	..	0.06
Water Resources Investigations/Measurements	0.38	0.13	0.30	0.13	0.66	0.18	0.29
Flood Mitigation	0.25	..	..	..	..	..	0.09
Salinity Reduction .. .. .	..	0.01	..	..	..	..	0.00
Fairbairn Dam .. .. .	..	..	1.06	..	..	..	0.16
Copeton Dam	0.85	..	..	..	..	..	0.31
King River Dam .. .. .	..	0.03	..	..	..	..	0.01
Pike Creek Dam	0.09	..	0.22	..	..	..	0.07
Tailem Bend Pipeline .. .. .	..	..	..	0.87	..	..	0.08
Millewa Pipeline .. .. .	..	0.14	..	..	..	..	0.04
Commonwealth Aid Roads	18.18	15.99	27.59	23.38	40.85	30.78	21.72
Beef Cattle Roads .. .. .	..	..	3.66	0.29	1.39	..	0.68
Eyre and Barkly Highways Maintenance .. .. .	..	..	0.01	0.02	0.02	..	0.00
Eyre Highway Sealing .. .. .	..	..	..	0.52	..	..	0.05
Railway Projects .. .. .	..	..	..	0.32	0.48	1.21	0.11
Grassy Harbour .. .. .	..	..	..	..	..	1.47	0.05
W.A.—Darwin Shipping Service .. .. .	..	..	..	..	2.33	..	0.19
Migrant Centres	0.00	..	0.05	..	..	..	0.01
Exmouth Township .. .. .	..	..	..	..	0.01	..	0.00
Total Specific Purpose Capital Grants	28.58	26.17	45.84	35.71	58.60	49.19	34.26
SPECIFIC PURPOSE PAYMENTS OF A CAPITAL NATURE—LOANS							
Softwood Forestry	0.71	0.42	1.02	0.33	0.91	2.76	0.72
Brigalow Lands Development Scheme .. .. .	..	..	0.53	..	..	..	0.08
Comprehensive Water Supply .. .. .	..	..	..	..	0.15	..	0.01
Ord River Project .. .. .	..	..	..	..	0.51	..	0.04
Dartmouth Dam	0.11	0.14	..	0.42	..	..	0.12
Railway Projects .. .. .	..	..	..	0.10	0.68	1.72	0.12
Gladstone Power Station .. .. .	..	..	7.41	..	..	..	1.09
Grassy Harbour .. .. .	..	..	..	..	..	1.47	0.05
Total Specific Purpose Loans	0.81	0.56	8.96	0.85	2.25	5.95	2.22
Total Specific Purpose Capital Payments	29.40	26.73	54.80	36.56	60.85	55.14	36.48
Total Specific Purpose Payments	54.89	52.29	82.34	62.55	88.84	91.52	62.89
TOTAL PAYMENTS	166.39	163.25	231.06	231.98	274.24	311.88	194.64

* Estimated mean populations as published in 'Public Authority Finance—Commonwealth Authorities 1971-72, Bulletin No. 10'.

TABLE 50.—SUMMARY OF COMMONWEALTH PAYMENTS TO OR FOR THE STATES AND LOAN COUNCIL BORROWING PROGRAMMES, 1958-59 TO 1972-73

\$'000

	1958-59	1959-60	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73 (Estimate)
PAYMENTS TO OR FOR THE STATES															
REVENUE—															
Financial Assistance Grants ^(a)	410,000	489,000	539,989	584,280	608,640	635,967	681,349	757,351	826,613	907,539	1,018,193	1,141,319	1,418,518	1,440,878	1,653,600
Special Grants	41,500	16,652	17,236	22,462	22,502	22,900	31,720	41,770	40,072	35,407	17,392	21,900	18,680	23,800	38,600
Other General Revenue .. ..	..	..	..	..	(b)11,346	(b)17,650	..	..	(c)10,750	(c)14,000	(c)14,000	(c)26,000	(c)43,000	(c)72,500	..
General Revenue Assistance	451,500	505,652	557,225	606,742	642,488	676,517	713,069	799,121	877,435	956,946	1,049,585	1,189,219	1,480,198	1,537,178	1,692,200
Specific Purposes	47,616	48,832	52,783	56,501	60,736	65,445	73,357	91,777	100,197	112,834	120,108	145,487	188,953	245,748	339,148
Total Revenue	499,116	554,484	610,008	663,243	703,224	741,962	786,426	890,898	977,632	1,069,776	1,169,693	1,334,706	1,669,151	1,782,926	2,031,348
CAPITAL—															
Additional Assistance Grants ^(d)	..	..	..	20,000	23,654	22,350	..	..	..	..	..	..	..	..	..
Specific Purposes	94,260	107,124	116,935	136,848	154,581	165,631	202,197	238,816	252,067	294,473	303,734	342,163	372,722	404,418	468,578
Total Capital	94,260	107,124	116,935	156,848	178,235	187,981	202,197	238,816	252,067	294,473	303,734	342,163	372,722	404,418	468,578
TOTAL PAYMENTS	593,376	661,608	726,943	820,091	881,459	929,943	988,623	1,129,715	1,229,700	1,364,249	1,473,427	1,676,869	2,041,873	2,187,344	2,499,926
LOAN COUNCIL PROGRAMMES															
WORKS AND HOUSING PRO-															
GRAMMES— ^(e)															
State Borrowings	348,840	367,840	385,600	394,200	412,778	443,700	477,300	488,000	525,000	554,160	584,000	625,770	481,450	672,900	733,461
Advances under Common-	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
wealth-State Housing Agree-	71,620	72,160	74,400	100,800	97,222	100,300	102,700	117,000	120,000	122,840	126,000	132,230	141,550	219,100	248,539
ment .. ..	..	..	..	..	..	..	..	..	..	..	..	..	200,000	..	..
Commonwealth Grants .. ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
TOTAL WORKS AND HOUSING	420,000	440,000	460,000	495,000	510,000	544,000	580,000	605,000	645,000	677,000	710,000	758,000	823,000	892,000	982,000
STATE AUTHORITIES															
BORROWINGS— ^(f)															
Larger Authorities	158,764	173,417	175,024	207,417	222,728	242,341	250,240	246,658	268,294	324,049	357,750	371,191	399,233	438,694	488,000
Smaller Authorities	36,889	33,904	36,588	55,660	52,909	54,587	54,775	65,786	72,460	96,797	102,357	99,869	97,605	107,844	115,000
TOTAL	195,653	207,321	211,612	263,077	275,638	296,928	305,015	312,444	340,754	420,846	460,107	471,060	496,838	546,538	603,000
ALL PROGRAMMES	615,653	647,321	671,612	758,077	785,638	840,928	885,015	917,444	985,754	1,097,846	1,170,107	1,229,060	1,319,838	1,438,538	1,585,000

(a) Comprising tax reimbursement and supplementary grants in 1958-59. See also footnotes to Table 4.
 (b) Additional assistance grant identified in State accounts and budget documents as being used for revenue purposes.
 (c) Special revenue assistance. See Chapter II for explanation of items included.
 (d) Amounts identified in State accounts and budget documents as being used for capital purposes.
 (e) See footnotes to Table 56.
 (f) See footnotes to Table 57.

TABLE 51.—SUMMARY OF COMMONWEALTH PAYMENTS TO OR FOR THE STATES, 1958-59 TO 1972-73

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
GENERAL REVENUE ASSISTANCE							
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	284,794	208,790	128,264	94,346	105,802	55,439	877,435
1967-68	307,817	233,091	141,948	104,465	111,670	57,857	956,946
1968-69	337,383	253,362	157,830	116,117	125,674	59,019	1,049,585
1969-70	378,683	(b)293,643	178,704	127,396	140,380	70,414	(b)1,189,219
1970-71	484,975	361,584	223,275	161,252	168,343	80,768	1,480,198
1971-72	(c)498,017	362,085	249,209	171,420	176,974	79,473	(c)1,537,170
1972-73 (Estimate)	525,000	397,100	280,900	202,900	199,300	87,000	1,692,200
SPECIFIC PURPOSE PAYMENTS—REVENUE							
1958-59	18,859	10,963	6,969	4,834	3,990	2,001	47,616
1959-60	18,731	11,576	6,533	5,752	4,132	2,108	48,832
1960-61	20,484	12,602	7,351	5,643	4,427	2,276	52,783
1961-62	22,326	13,398	7,882	5,993	4,475	2,427	56,501
1962-63	23,826	14,695	8,613	6,362	4,706	2,534	60,736
1963-64	25,470	16,119	9,437	6,723	5,001	2,695	65,445
1964-65	28,222	18,487	10,350	7,689	5,559	3,050	73,357
1965-66	38,840	20,410	15,206	8,226	5,863	3,231	91,777
1966-67	40,034	24,006	15,584	9,195	6,522	4,857	100,197
1967-68	40,172	33,159	16,556	11,131	7,896	3,920	112,834
1968-69	42,798	35,936	16,583	11,898	8,457	4,434	120,109
1969-70	48,350	38,467	28,414	13,513	11,527	5,216	145,487
1970-71	65,120	50,507	33,544	17,458	14,980	7,345	188,953
1971-72	86,496	67,809	36,426	23,361	21,151	10,506	245,748
1972-73 (Estimate)	120,050	91,483	52,029	31,136	30,089	14,361	339,148
SPECIFIC PURPOSE PAYMENTS—CAPITAL							
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	43,548	28,292	52,969	12,175	252,067
1967-68	81,707	54,412	45,455	31,529	58,645	22,725	294,473
1968-69	80,607	55,318	51,308	46,192	53,639	16,671	303,734
1969-70	92,142	62,171	62,497	44,466	58,678	22,210	342,163
1970-71	107,379	72,688	74,378	41,122	59,624	17,531	372,722
1971-72	116,060	78,177	86,043	40,881	61,250	22,010	404,418
1972-73 (Estimate)	138,419	95,679	103,511	43,779	65,419	21,771	468,578
TOTAL SPECIFIC PURPOSE PAYMENTS							
1958-59	43,895	30,566	24,097	15,003	21,455	6,860	141,876
1959-60	46,821	38,127	24,146	16,625	22,837	7,400	155,956
1960-61	50,004	43,803	26,291	16,642	24,960	8,018	169,718
1961-62	56,976	45,774	36,100	18,472	27,857	8,170	193,349
1962-63	60,920	44,462	45,031	22,524	34,001	8,379	215,317
1963-64	64,263	44,016	50,017	24,546	39,015	9,219	231,076
1964-65	83,209	54,087	48,660	31,114	46,560	11,924	275,554
1965-66	110,618	57,294	57,690	34,820	56,676	13,494	330,593
1966-67	112,285	66,838	59,132	37,487	59,491	17,032	352,265
1967-68	121,879	87,571	62,011	42,660	66,541	26,645	407,307
1968-69	123,405	91,254	67,891	58,090	62,096	21,105	423,843
1969-70	140,492	100,638	90,911	57,979	70,205	27,426	487,650
1970-71	172,499	123,195	107,922	58,580	74,604	24,876	561,675
1971-72	202,556	145,986	122,469	64,242	82,401	32,516	650,166
1972-73 (Estimate)	258,469	187,162	155,540	74,915	95,508	36,132	807,726
ADDITIONAL ASSISTANCE GRANTS							
1961-62	4,480	3,600	6,680	1,940	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							
1958-59	196,083	139,731	87,886	63,472	76,004	30,200	593,376
1959-60	213,721	159,377	96,896	74,827	80,761	36,026	661,608
1960-61	233,981	178,546	106,192	78,096	89,532	40,596	726,943
1961-62	259,954	195,403	130,240	86,863	101,660	45,971	820,091
1962-63	276,854	204,183	144,594	96,082	111,629	48,117	881,459
1963-64	292,791	213,778	149,638	102,799	120,520	50,417	929,943
1964-65	313,746	225,837	149,771	109,269	134,178	55,821	988,623
1965-66	365,619	249,216	171,046	121,287	159,188	63,357	1,129,715
1966-67	397,079	275,628	187,396	131,833	165,293	72,471	1,229,700
1967-68	429,796	320,662	203,959	147,125	178,211	84,502	1,364,253
1968-69	460,788	344,816	225,721	174,207	187,770	80,124	1,473,427
1969-70	519,175	394,281	269,615	185,375	210,585	97,840	1,676,869
1970-71	657,474	484,779	331,197	219,832	242,947	105,644	2,041,873
1971-72	700,573	508,071	371,678	235,662	259,375	111,989	2,187,344
1972-73 (Estimate)	783,469	584,262	436,440	277,815	294,808	123,132	2,499,926

(a) Excluding additional assistance grants used for general revenue purposes. See Table 50.

(b) Includes special advance of \$10 million. See page 26.

(c) Includes special advance of \$17.5 million. See page 27.

TABLE 52.—SUMMARY OF COMMONWEALTH PAYMENTS TO OR FOR THE STATES PER HEAD OF POPULATION,* 1958-59 TO 1972-73

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
	\$	\$	\$	\$	\$	\$	\$
GENERAL REVENUE ASSISTANCE							
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	50.22	49.39	56.81	67.86	95.91	101.43	57.58
1962-63(a)	51.39	50.56	58.26	69.66	96.35	102.46	58.82
1963-64(a)	52.88	51.89	59.45	71.06	97.32	105.81	60.27
1964-65	55.65	54.76	62.15	74.28	107.22	119.82	64.00
1965-66	60.57	60.09	68.28	79.92	122.43	134.91	70.39
1966-67	66.76	64.26	76.04	85.54	122.57	148.51	76.03
1967-68	71.17	70.62	82.80	93.66	124.66	153.30	81.58
1968-69	76.74	75.61	90.42	102.68	134.50	154.34	87.88
1969-70	84.49	(b)85.95	100.54	110.92	144.29	182.28	(b)97.61
1970-71	106.32	104.03	123.42	138.14	166.56	207.47	119.24
1971-72	(b)107.42	102.61	134.90	144.93	169.53	202.74	(b)121.70
1972-73 (estimate)	111.50	110.95	148.71	169.42	185.40	220.36	131.75
SPECIFIC PURPOSE PAYMENTS—REVENUE							
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	5.64	4.53	5.12	6.12	5.92	6.87	5.36
1962-63	5.93	4.88	5.51	6.37	6.05	7.07	5.66
1963-64	6.24	5.24	5.92	6.57	6.26	7.43	5.99
1964-65	6.81	5.89	6.36	7.31	6.80	8.32	6.58
1965-66	9.23	6.39	9.16	7.60	7.00	8.74	8.08
1966-67	9.38	7.39	9.24	8.34	7.56	13.01	8.68
1967-68	9.29	10.05	9.66	9.98	8.82	10.39	9.62
1968-69	9.73	10.72	9.50	10.52	9.05	11.60	10.06
1969-70	10.79	11.26	15.99	11.77	11.85	13.50	11.94
1970-71	14.28	14.53	18.54	14.96	14.83	18.87	15.22
1971-72	18.66	19.22	19.72	19.75	20.26	26.80	19.46
1972-73 (estimate)	25.50	25.56	27.54	26.00	27.99	36.38	26.41
SPECIFIC PURPOSE PAYMENTS—CAPITAL							
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	18.33	12.74	30.94	16.26	12.99
1962-63	9.22	9.88	23.29	16.19	37.68	16.32	14.41
1963-64	9.51	9.07	25.44	17.41	42.58	17.99	15.15
1964-65	13.27	11.35	23.55	22.27	50.18	24.22	18.15
1965-66	17.05	11.55	25.59	24.58	60.69	27.77	21.04
1966-67	16.94	13.18	25.82	25.65	61.36	32.61	21.84
1967-68	18.89	16.49	26.52	28.27	65.47	60.21	25.10
1968-69	18.33	16.49	29.39	40.85	57.40	43.60	25.43
1969-70	20.56	18.20	35.16	38.72	60.31	57.49	28.08
1970-71	23.54	20.91	41.12	35.23	58.99	45.03	30.03
1971-72	25.03	22.16	46.58	34.56	58.67	56.15	32.02
1972-73 (estimate)	29.40	26.73	54.80	36.56	60.85	55.14	36.48
TOTAL SPECIFIC PURPOSE PAYMENTS							
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	14.42	15.48	23.45	18.86	36.86	23.13	18.35
1962-63	15.15	14.76	28.80	22.56	43.74	23.39	20.07
1963-64	15.75	14.32	31.36	23.98	48.84	25.41	21.14
1964-65	20.09	17.25	29.91	29.57	56.98	32.55	24.73
1965-66	26.28	17.94	34.75	32.19	67.69	36.51	29.12
1966-67	26.32	20.57	35.05	33.99	68.92	45.63	30.52
1967-68	28.17	26.53	36.17	38.25	74.28	70.60	34.72
1968-69	28.07	27.21	38.89	51.37	66.46	55.19	35.49
1969-70	31.35	29.46	51.15	50.48	72.16	71.00	40.03
1970-71	37.82	35.44	59.66	50.18	73.82	63.90	45.25
1971-72	43.69	41.37	66.30	54.31	78.94	82.95	51.47
1972-73 (estimate)	54.89	52.29	82.34	62.55	88.84	91.52	62.89
ADDITIONAL ASSISTANCE GRANTS							
1961-62	1.13	1.22	4.34	1.98	1.75	5.61	1.90
1962-63	2.31	2.48	5.42	4.01	3.51	8.49	3.26
1963-64	3.14	3.34	3.01	5.40	4.71	7.76	3.66
TOTAL PAYMENTS							
1958-59	52.58	50.81	60.59	69.88	107.68	89.18	60.04
1959-60	56.29	56.52	65.55	80.15	112.59	104.69	65.58
1960-61	60.37	61.71	70.62	81.59	122.69	115.96	70.51
1961-62	65.77	66.09	84.59	88.70	134.51	130.16	77.83
1962-63	68.86	67.79	92.49	96.23	143.59	134.34	82.15
1963-64	71.78	69.56	93.82	100.44	150.87	138.98	85.06
1964-65	75.74	72.01	92.06	103.86	164.20	152.36	88.73
1965-66	86.85	78.03	103.04	112.11	190.12	171.42	99.52
1966-67	93.09	84.83	111.09	119.52	191.49	194.14	106.55
1967-68	99.34	97.16	118.98	131.90	198.94	223.91	116.31
1968-69	104.81	102.82	129.32	154.04	200.95	209.53	123.37
1969-70	115.84	115.41	151.69	161.41	216.45	253.27	137.64
1970-71	144.14	139.47	183.08	188.33	240.38	271.37	164.49
1971-72	151.11	143.99	201.20	199.24	248.47	285.69	173.17
1972-73 (estimate)	166.39	163.25	231.06	231.98	274.24	311.88	194.64

* Mean populations as published in 'Public Authority Finance—Commonwealth Authorities 1971-72, Bulletin No. 10'. Note that population figures for years prior to 1961-62 do not include Aborigines.

(a) Excluding additional assistance grants used for general revenue purposes. See Table 50.

(b) See footnotes (b) and (c) to Table 51.

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 \$15.17 million 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 \$68.5 million, of which \$67 million was by way of income tax reimbursement grants and \$1.5 million by way of entertainments tax reimbursement grants. The amounts payable to each State in each year are shown in Table 54 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 \$1.1 million in respect of 1945-46 and \$4.3 million in respect of 1946-47. The amounts paid to the States concerned are shown in Table 54 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 million, 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 million 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 million 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 \$84.3 million. 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 million. Details of the amounts paid each year are shown in Table 54 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 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 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 million should be paid to the States in 1959–60. This compared with the sum of \$451.5 million 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 million be determined by rounding up to the nearest whole number the percentage shares of those four States in the sum of \$451.5 million 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 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 emphasized at the outset that it considered that the system of special grants, made upon the recommendation of the 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 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 be denied the right of access to the 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.

The Commonwealth stated 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 million 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 million; 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 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 million to the proposed grants to New South Wales and South Australia, the total grant proposed for 1959-60 became \$489 million. 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 \$145.46 million 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.

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 would 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 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 in *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 between the States, it was agreed to increase Queensland's share of the grants by adding \$2 million to the amount on which Queensland's grant for each year would be calculated. This addition, which had 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 \$1.2 million 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 increase in 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.

These arrangements were embodied in the *States Grants Act 1965*.

AMENDMENTS IN 1967

At a Premiers' Conference in February 1967 it was agreed to reduce the time lag before increases in average wages are reflected in the grants. 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 that for the financial year immediately preceding the year of payment. The other elements of the formula were not altered.

The Commonwealth also agreed at that Conference to pay the States special assistance of \$5 million in 1966–67. This amount was distributed among the States in the same proportions as the grants produced by the formula.

At a Premiers' Conference in June 1967 the Commonwealth agreed that, for purposes of determining the formula grants for 1967-68 and future years, the special assistance of \$5 million in 1966-67 would be treated as part of the formula grant of that year.

These amendments were authorised by the *States Grants Act 1967* and the *States Grants Act (No. 2) 1967*.

THE JUNE 1968 PREMIERS' CONFERENCE

The Commonwealth made it clear at the Premiers' Conference in June 1968 that it regarded State receipts duties on wages and salaries and comparable payments such as superannuation and pensions as an income tax and, as such, in breach of the financial assistance grants arrangements. (Payments of the type mentioned had been made liable to the new form of receipts duty introduced in Western Australia and Victoria in 1966-67 and 1967-68 respectively.) The Commonwealth stated that it adhered firmly to the principle of uniform income taxation and was convinced of the desirability of avoiding multiplication of income taxes. If receipts duty on wages and salaries continued in existence when the grants arrangements were being reviewed in 1970, the Commonwealth would regard that as a decisive factor in determining its attitude on the allocation to a State imposing that form of taxation. In the meantime, should a State that continued the impost on wages and salaries impose it at a higher rate, the Commonwealth would move forthwith to amend its legislation and seek to reduce that State's grant. (The duty as it applied to wages and salaries was subsequently removed by Victoria as from July 1970 and by Western Australia as from January 1971. Receipts duties generally ceased to apply to receipts after the end of September 1970—see Chapter II.)

It was also stated at the Conference that the Commonwealth did not object in principle to modest extensions of State taxation into the general field of business receipts or business turnover, provided it was not carried to a point where it could significantly affect the Commonwealth's ability to carry out national policies or to raise Commonwealth revenue. However, the Commonwealth did not favour the imposition of a pay-roll tax by the States.

It was agreed at the Conference to meet Western Australia's request to withdraw from the special grants system as from 1968-69 but that this move should not disturb the existing formula grants arrangements. It was decided that—

- (a) in lieu of the special grant the Commonwealth would pay Western Australia the sum of \$15.5 million in each of the years 1968-69 and 1969-70 in addition to the State's formula grant;
- (b) the completion payment to be recommended by the Grants Commission in respect of 1966-67 would be paid in the normal way in 1968-69. However, it was agreed that the advance payment of \$15.5 million in respect of 1967-68 would be regarded as the final grant for that year; and
- (c) the sum of Western Australia's formula grant for 1969-70 and the amount of \$15.5 million would be regarded for purposes of the 1970 review of the financial assistance arrangements as constituting Western Australia's financial assistance grant for 1969-70.

The additional financial assistance grants payable to Western Australia in 1968-69 and 1969-70 under these arrangements were authorized by the *States Grants Act 1968*.

THE FEBRUARY 1970 PREMIERS' CONFERENCE

Prior to this Conference the six State Premiers presented a joint Statement to the Prime Minister entitled 'The Financial Relationships of the Commonwealth and the States'. The main argument put forward in this document was that the existing financial assistance grants formula produced an insufficient rate of growth in Commonwealth general revenue assistance to the States when considered in relation to their increasing expenditure commitments, particularly in the areas of debt charges and social services expenditure, and taking into account the restricted revenue fields open to the States.

The proposals advanced by the Premiers, and to which they sought the concurrence of the Commonwealth at the Conference, were summarised at the conclusion of the document as follows—

- (1) That the tax reimbursements grants for a transitional period from 1 July 1970, should be determined by adequately increasing the base total as determined under present arrangements, and adopting a new system of increases upon that base in line with the observed rate of growth in income tax yields.
- (2) That Commonwealth and State Treasury officers be instructed to devise a scheme whereby the States shall have access to income tax broadly along the lines of the system presently operating in Canada, but adapted to Australian circumstances and to the recognised needs of the less populous States.

- (3) Upon re-entry of the States into the field of income taxation appropriate adjustments be made to financial assistance grants to offset the effects of the lower *per capita* yields available to the less populous States from income tax, to preserve the financial equalization provisions presently available to the less populous States, and to provide for escalation of the continuing financial assistance grants in line with the expected yield of income taxation.
- (4) In the course of financial re-arrangements, consideration must be given to permitting participation by the States in such capital and developmental funds as may be secured from revenue sources; to a review of the recent trend to proliferation of Commonwealth "special purpose" grants; and to the possibility of the States securing access to wider revenue fields presently under the control of the Commonwealth, as well as to income tax.'

At the Conference, the Prime Minister said that the Commonwealth did not accept the proposal that the States re-enter the field of income taxation, or that the annual increases in the Commonwealth's general revenue grants to the States should be related to increases in Commonwealth income tax collections. Allowing the States access to income taxation could make the Commonwealth's task of managing the economy more difficult and, if a scheme along the Canadian lines were adopted, it could result in different rates of income tax applying in the various States. This would mean the end of uniform income taxation, which was beneficial and which the Australian people had come to accept. Further, as income tax collections fluctuated markedly from time to time, the adoption of the States' proposals could create difficult budgetary problems for the States in some years. In addition, the fact that the per capita yield of income tax varied markedly between the States would make it difficult to work out 'equalisation' grants satisfactory to the less populous States.

The Prime Minister agreed, however, that there was a need for a significant increase in Commonwealth revenue assistance to the States and outlined, in general terms, four ways in which this might be achieved. He proposed that the burden of State debt charges might be relieved by the Commonwealth taking over part of existing State debt and also by providing portion of future borrowing programmes for State works in the form of interest-free grants. In addition, the Commonwealth was prepared to increase the financial assistance grants by an immediate addition to the base level and also by increasing the betterment factor to provide for a faster rate of growth in the grants. The Prime Minister added that the Commonwealth was willing to join with the States in examining any proposals made by them for an alternative field of growth tax.

The Prime Minister suggested that the precise details of the Commonwealth proposals could be left to be settled at the usual Premiers' Conference in June and that, before then, Commonwealth and State Treasury officers could meet to discuss them. The Premiers accepted this suggestion and, at two subsequent meetings, Commonwealth and State Treasury officers reached tentative agreement on the procedures for the progressive take-over by the Commonwealth of responsibility for \$1,000 million of State debt and for an annual capital grant in lieu of loan raisings.

THE JUNE 1970 PREMIERS' CONFERENCE

At this Conference the Prime Minister gave details of four ways in which the Commonwealth was prepared to increase the revenue assistance to the States.

First, an addition of \$40 million would be made to the 1970-71 grants determined under the existing formula and this amount would be incorporated in the 1970-71 base for purposes of determining the formula grants for 1971-72 and later years. The amount of \$40 million would be distributed between the States in the same proportions as their 1970-71 formula grants.

Secondly, there would be an increase in the betterment factor from 1.2 per cent to 1.8 per cent to apply from 1971-72.

Thirdly, an interest-free capital grant would be made starting at \$200 million in 1970-71 and increasing in future years in proportion to the increase in the total Loan Council works and housing programme. This would relieve the States of debt charges they would otherwise have to pay and would free State funds for other purposes.

Fourthly, grants would be made to meet the debt charges on \$200 million of existing State debt in 1970-71 and an additional \$200 million in each of the subsequent four years so that, as from the commencement of 1974-75, the Commonwealth would have taken over full responsibility for the debt charges on \$1,000 million of State debt, with this amount of debt being formally transferred to the Commonwealth in June 1975.

The Prime Minister also made two proposals in relation to the grants to individual States.

First, there would be a continuation of the \$2 million addition that had been made to the base on which Queensland's grant was calculated in each of the five years of the previous arrangements. The Prime Minister stated that the Government had 'come to the conclusion that in spite of the considerable improvement that has been effected in Queensland's share of the grants over the last five years, the grants being received by that State are still too low compared to other States'.

Secondly, in addition to its formula financial assistance grant and in lieu of the amount of \$15.5 million paid in both 1968-69 and 1969-70, Western Australia would receive amounts starting at \$12.5 million in 1970-71 and reducing by \$3 million per annum in each of the subsequent four years. The Prime Minister said that the Government had 'noted that since 1967-68 there appears to have been a significant improvement in the relative capacity of Western Australia to finance its budget expenditure . . . ' and that 'if the State continued to receive its present share of the revenue grants, including the special amount of \$15.5 million, the situation would become increasingly unfair to the other States and could result in a significant distortion in the allocation of governmental funds between the States'. However, in recognition of the rapid rate of population growth and economic development in the State, the Commonwealth would, in the Loan Council, support increases in Western Australia's share of the borrowing programmes to offset the reductions in the revenue grants.

The Premiers regarded these proposals as inadequate and suggested a minimum increase in the 1970-71 grants of \$90 million and a minimum betterment factor of 3 per cent to apply from 1970-71.

After considering the States' arguments, and in particular the case put by New South Wales and Victoria that the absolute gap between their per capita grants and those of the smaller States was becoming larger year by year, the Prime Minister proposed that a grant of \$2 per capita be paid to New South Wales and Victoria in each of the next five years. This would be additional to the formula grants and would not be included in the base used to determine those grants. In the event that any of the four less populous States considered that the additional per capita grants would adversely affect their ability to provide services of a standard comparable with those in New South Wales and Victoria, the Prime Minister said that it would be open for them to make an application to the Grants Commission for a grant in addition to their share of the financial assistance grants. Under the previous arrangements the Commonwealth had indicated that it expected each of the other four States to remain non-claimant for the period of the arrangements.

The Prime Minister also suggested that it might be helpful for the Grants Commission to be given the additional task of investigating and recommending on the distribution of the general revenue grants between all the States for purposes of the quinquennial reviews of the arrangements.

The Prime Minister said that the new revenue assistance arrangements, including the special arrangements for Queensland and Western Australia, were to apply for the five years 1970-71 to 1974-75. As under the previous arrangements, they were proposed on the basis that there would be no significant changes in the existing division of financial responsibilities between the Commonwealth and the States during the period and on the understanding that the distribution of tax resources would remain unchanged and that the States and their authorities would continue to pay pay-roll tax.

On the question of State tax powers, the Prime Minister said that the Commonwealth would be prepared to have Commonwealth and State Treasury officials examine alternative possibilities for new growth taxes for the States.

At the Conference, figures were circulated showing that, on certain assumptions, the States would, under the new arrangements, receive an estimated \$70 million more financial assistance in 1970-71, and about \$800 million more over the five years as a whole, than they would have if the previous arrangements continued unaltered. These amounts include estimated savings in debt charges from the interest-free capital grant and from the grants to meet debt charges on existing State debt, together with the 'formula' financial assistance grants, the \$40 million addition to the 1970-71 grants and the additional grants for particular States. It was also shown that this section of the Commonwealth's revenue assistance to the States would grow at an average of probably between 2½ to 3 per cent per annum faster than if the previous arrangements had continued unchanged.



APPENDIX II—PART II—TABLES OF GENERAL REVENUE ASSISTANCE

TABLE NO.	SUBJECT
53.	General Revenue Assistance, 1945-46 to 1972-73.
54.	Tax Reimbursements Grants—Formula and Supplementary Grants, 1942-43 to 1958-59.
55.	Special Grants, 1910-11 to 1972-73.

TABLE 53.—GENERAL REVENUE ASSISTANCE, 1945-46 TO 1972-73
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
TAX REIMBURSEMENT GRANTS(a)							
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	107,483
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(d)	255,001	191,922	113,356	86,467	78,474	32,131	757,351
1966-67(d)	276,794	208,790	125,514	94,346	86,396	34,773	826,613
1967-68(d)	302,827	228,254	139,601	102,738	96,152	37,968	907,539
1968-69(d)	333,393	250,563	155,963	112,768	123,796	41,710	1,018,193
1969-70(d)	373,908	280,008	176,522	125,706	138,835	46,340	1,141,319
1970-71(d)	470,835	351,024	216,672	151,602	163,313	65,071	1,418,518
1971-72(d)	462,204	348,464	231,603	158,491	170,960	69,156	1,440,878
1972-73(d) (estimate)	525,000	397,100	270,900	181,900	199,300	79,400	1,653,600
SPECIAL GRANTS(e)							
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	8,150	17,236
1961-62	..	..	..	..	12,312	10,618	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	..	..	..	..	15,518	19,889	35,407
1968-69	..	..	..	..	582	16,810	17,392
1969-70	..	..	..	..	..	21,900	21,900
1970-71	..	..	..	5,000	..	13,680	18,680
1971-72	..	..	..	7,000	..	7,800	23,800
1972-73 (recommended)	..	..	10,000	21,000	..	7,600	38,600
TOTAL GENERAL REVENUE ASSISTANCE							
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(f)	307,917	233,091	141,948	104,465	111,670	57,857	956,946
1968-69(f)	337,383	253,562	157,830	116,117	125,674	59,019	1,049,585
1969-70(f)	378,683	293,643	178,704	127,396	140,380	70,414	1,189,219
1970-71(f)	484,975	361,584	223,275	161,252	168,343	80,768	1,480,198
1971-72(f)	498,017	362,085	249,209	171,420	176,974	79,473	1,537,178
1972-73 (estimate)	525,000	397,100	280,900	202,900	199,300	87,000	1,692,200

(a) In 1945-46 the amount includes 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 54.
 (b) Excluding additional assistance grants used for revenue purposes. See Table 50.
 (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 Part I. (d) See footnotes to Table 4. (e) See footnote (a) to Table 55.
 (f) Includes special revenue assistance. For details, see Tables 74-85.

TABLE 54.—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	43,291
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	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(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 of "Commonwealth Payments to or for the States, 1967-68".

TABLE 55.—SPECIAL GRANTS PAID BY THE COMMONWEALTH TO STATES

1910-11 TO 1972-73

\$'000

	Queensland	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
1931-32	..	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	15,518	19,889	35,407
1968-69	(c) 582	16,810	17,392
1969-70	21,900	21,900
1970-71	..	5,000	..	(d) 13,680	(d) 18,680
1971-72	9,000	7,000	..	7,800	23,800
1972-73 (Recommended)	10,000	21,000	..	7,600	38,600
TOTAL	19,000	179,832	321,278	254,347	774,457

(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 1959-60 are given in Chapter II. Figures for previous years may be found in the Thirty-seventh Report of the Commonwealth Grants Commission, page 119 and in the Thirty-eighth Report, page 128.

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

(c) Completion payment in respect of 1966-67.

(d) Grant recommended by the Commission for Tasmania was \$23,680,000, of which \$10,000,000 transferred to Tasmania's financial assistance grant for 1970-71. See page 24.

APPENDIX III—TABLES OF GENERAL PURPOSE CAPITAL FUNDS

TABLE NO.	SUBJECT
56.	State Works and Housing Programmes, 1949-50 to 1972-73.
57.	Semi-Government and Local Authority Borrowings, 1949-50 to 1972-73.
58.	Semi-Government and Local Authority Borrowings, per Head of Population, 1949-50 to 1972-73.
59.	State Works and Housing Programmes and State Semi-Government and Local Authority Borrowings, 1949-50 to 1972-73.
60.	State Works and Housing Programmes and State Semi-Government and Local Authority Borrowings, per Head of Population, 1949-50 to 1972-73.
61.	The Financing of State Works and Housing Programmes, 1960-61 to 1971-72.

TABLE 56.— STATE WORKS AND HOUSING PROGRAMMES, 1949-50 TO 1972-73

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
STATE WORKS PROGRAMMES—BORROWINGS							
1949-50	58,934	30,262	15,722	19,616	14,436	10,718	149,685
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	124,396	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	172,240	139,700	76,560	71,820	53,230	40,610	554,160
1968-69	182,070	146,620	80,540	77,840	54,810	42,120	584,000
1969-70	194,590	157,870	85,980	82,670	59,290	45,370	625,770
1970-71(c)	148,900	121,670	67,910	60,000	48,400	34,570	481,450
1971-72	214,020	171,670	85,090	92,260	62,840	47,020	672,900
1972-73	233,285	187,115	92,752	100,554	68,503	51,252	733,461
ADVANCES UNDER COMMONWEALTH AND STATE HOUSING AGREEMENTS (d)							
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	43,280
1951-52	17,028	20,122	8,978	..	6,966	(f)	(g) 53,094
1952-53	24,200	22,540	7,460	..	5,800	(f)	60,000
1953-54	24,900	24,000	9,000	..	9,000	(f)	74,400
1954-55	21,600	18,900	3,600	..	7,200	(f)	58,300
1955-56	21,600	(h) 21,600	6,000	..	7,200	(f)	66,400
1956-57	21,600	20,000	5,500	..	7,200	4,000	64,300
1957-58	22,000	20,000	6,320	..	8,000	6,000	66,320
1958-59	24,000	20,600	6,620	..	10,000	6,000	71,620
1959-60	24,700	20,600	6,960	..	10,000	6,000	72,160
1960-61	26,000	20,600	6,200	..	11,600	6,000	74,400
1961-62	34,006	27,054	8,400	..	18,072	7,412	5,856
1962-63	32,600	25,700	7,800	..	18,982	6,940	100,800
1963-64	33,000	26,500	8,600	..	19,400	6,800	97,222
1964-65	35,000	27,000	6,600	..	20,500	7,200	6,940
1965-66	40,271	31,126	8,497	..	21,057	8,601	6,000
1966-67	41,500	32,020	9,060	..	20,750	9,170	6,400
1967-68	43,080	33,000	9,060	..	21,000	10,000	7,448
1968-69	43,750	34,500	9,250	..	19,500	11,500	7,500
1969-70	46,500	35,500	9,880	..	21,250	11,500	6,700
1970-71	48,300	36,500	10,500	..	25,000	12,500	8,750
STATE WORKS PROGRAMMES—CAPITAL GRANTS							
1970-71	63,610	51,020	25,290	..	27,420	18,680	13,980
1971-72	69,690	55,890	27,710	..	30,030	20,470	15,310
1972-73	79,051	63,405	31,429	..	34,074	23,213	17,367
TOTAL WORKS AND HOUSING PROGRAMMES							
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	(e) 322,046
1951-52	145,028	132,122	53,978	52,826	39,966	30,200	(g) 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	(h) 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	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	215,320	172,700	85,620	92,820	63,230	47,310	677,000
1968-69	225,820	181,120	89,790	97,340	66,310	49,620	710,000
1969-70	241,090	193,370	95,860	103,920	70,790	52,970	758,000
1970-71	260,810	209,190	103,700	112,420	79,580	57,300	823,000
1971-72(d)	283,710	227,560	112,800	122,290	83,310	62,330	892,000
1972-73(d)	312,336	250,520	124,181	134,628	91,716	68,619	982,000

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

(b) Includes special allocation of \$4 million.

(c) Includes \$3 million special allocation for Western Australia.

(d) Advances under Commonwealth State Housing Agreements terminated at end of 1970-71. For details of new arrangements see Chapter IV.

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

(f) 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.

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

(h) Includes \$4 million in respect of finance for the Olympic Village.

TABLE 57.—SEMI-GOVERNMENT AND LOCAL AUTHORITY BORROWINGS
1949-50 TO 1972-73
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total States	Commonwealth	Total
BORROWINGS BY LARGER AUTHORITIES(a)									
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	133,277	410	133,687
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(b)	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	102,330	115,084	63,970	17,170	13,135	12,360	324,409	7,229	331,278
1968-69	109,950	121,399	67,490	32,101	13,880	12,930	357,750	1,182	358,932
1969-70	118,640	128,612	71,600	24,083	14,720	13,536	371,191	12,270	383,461
1970-71	131,270	138,128	76,810	21,102	17,790	14,133	399,233	1,077	400,310
1971-72	144,527	147,913	84,225	21,964	25,048	15,016	438,694	1,001	439,695
1972-73(c)	165,900	159,558	91,698	23,696	32,785	14,363	488,000	72,106	560,106
BORROWINGS BY SMALLER AUTHORITIES(a)									
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	20,764	..	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	2,323	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	13,696	10,114	7,549	1,558	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(b)	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	33,609	20,109	21,135	4,913	13,070	3,961	96,797	..	96,797
1968-69	36,093	19,055	22,071	5,266	15,385	4,487	102,357	..	102,357
1969-70	34,629	18,717	21,132	5,028	17,013	3,350	99,869	..	99,869
1970-71	32,420	18,715	21,434	6,085	16,157	2,794	97,605	..	97,605
1971-72	34,033	23,599	24,097	6,649	16,682	2,784	107,844	..	107,844
1972-73 (estimate)	36,300	25,200	25,700	7,100	17,800	3,000	115,000	..	115,000
BORROWINGS BY ALL SEMI-GOVERNMENT AND LOCAL AUTHORITIES									
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	195,635	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	296,928	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	135,939	135,193	85,105	22,083	26,205	16,321	420,846	7,229	428,075
1968-69	146,043	140,454	89,561	37,367	29,265	17,417	460,107	1,182	461,289
1969-70	153,269	147,329	92,732	29,111	31,733	16,886	471,060	12,270	483,330
1970-71	163,690	156,843	98,244	27,187	33,947	16,927	496,838	1,077	497,915
1971-72	178,560	171,512	108,322	28,613	41,730	17,800	546,538	1,001	547,539
1972-73 (estimate)	202,200	184,758	117,398	30,796	50,585	17,363	603,000	72,106	675,106

(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; from 1967-68 to 1971-72 authorities borrowing more than \$300,000 in a financial year; and from 1972-73 authorities borrowing more than \$400,000 in a financial year. From 1962-63 no overall limit has been set by the Loan Council on borrowings by the smaller authorities.

(b) Following a decision of the Loan Council in February 1963, smaller authorities were permitted to borrow in excess of \$200,000 during 1962-63, provided the excess was included in borrowings against the programme for the larger authorities. The excess is in the figures for the larger authorities.

(c) Borrowing programmes approved by the Loan Council in June 1972.

(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.

TABLE 58.—SEMI-GOVERNMENT AND LOCAL AUTHORITY BORROWINGS
1949-50 TO 1972-73, PER HEAD OF POPULATION*

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total States
	\$	\$	\$	\$	\$	\$	\$
BORROWINGS BY LARGER AUTHORITIES(a)							
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	4.27	..	8.93	13.87
1952-53	13.33	32.20	19.67	13.45	11.84	35.43	20.08
1953-54	9.79	22.61	23.71	6.35	6.34	14.11	14.94
1954-55	10.49	25.10	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	8.50	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	26.69	27.38	11.72	9.31	20.10	19.68
1962-63	16.15	27.68	30.08	12.21	9.88	20.95	20.76
1963-64	18.24	28.36	32.59	12.65	10.05	21.62	22.17
1964-65	19.05	28.59	30.71	12.68	12.57	22.07	22.46
1965-66	18.80	27.47	28.94	12.33	12.27	21.87	21.73
1966-67	20.32	29.23	31.30	13.06	12.58	22.90	23.25
1967-68	23.65	34.87	37.32	15.39	14.66	32.75	27.63
1968-69	25.01	36.20	38.67	28.39	14.85	33.81	29.95
1969-70	26.47	37.65	40.28	20.97	15.13	35.04	30.47
1970-71	28.78	39.74	42.46	18.08	17.60	36.30	32.16
1971-72	31.17	41.92	45.59	18.57	23.99	38.31	34.73
1972-73	35.23	44.58	48.55	19.79	30.50	36.38	37.99
BORROWINGS BY SMALLER AUTHORITIES(a)							
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	6.31	3.78	7.58	1.92	5.82	4.51	5.28
1962-63	4.98	3.73	8.41	2.08	6.31	4.31	4.93
1963-64	4.87	3.57	7.73	2.38	8.92	5.07	4.99
1964-65	4.86	2.98	8.15	2.66	9.14	4.83	4.92
1965-66	5.57	3.28	10.83	3.40	10.23	4.48	5.79
1966-67	5.84	3.97	10.56	3.94	10.62	8.87	6.28
1967-68	7.77	6.09	12.33	4.40	14.59	10.50	8.25
1968-69	8.21	5.68	12.64	4.66	16.47	11.73	8.57
1969-70	7.73	5.48	11.89	4.38	17.49	8.67	8.20
1970-71	7.11	5.38	11.85	5.21	15.99	7.18	7.86
1971-72	7.34	6.69	13.04	5.62	15.98	7.10	8.54
1972-73 (estimate)	7.71	7.04	13.61	5.93	16.56	7.60	8.95
BORROWINGS BY ALL SEMI-GOVERNMENT AND LOCAL AUTHORITIES (a)							
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	21.67	30.48	34.96	13.64	15.14	24.61	24.97
1962-63	21.13	31.42	38.49	14.29	16.18	25.26	25.69
1963-64	23.11	31.93	40.32	15.03	18.97	26.69	27.16
1964-65	23.91	31.57	38.86	15.34	21.71	26.89	27.38
1965-66	24.37	30.75	39.77	15.73	22.50	26.36	27.52
1966-67	26.16	33.21	41.86	17.00	23.20	31.77	29.52
1967-68	31.42	40.96	49.64	19.80	29.25	43.25	35.88
1968-69	33.22	41.88	51.31	33.04	31.32	45.55	38.52
1969-70	34.20	43.13	52.17	25.35	32.62	43.71	38.66
1970-71	35.89	45.12	54.31	23.29	33.59	43.48	40.02
1971-72	38.51	48.61	58.64	24.19	39.98	45.41	43.27
1972-73 (estimate)	42.94	51.62	62.15	25.71	47.06	43.98	46.95

* Mean populations as published in 'Public Authority Finance—Commonwealth Authorities 1971-72, Bulletin No. 10. Note that population figures for years prior to 1961-62 do not include Aborigines.

(a) See footnotes to Table 57.

TABLE 59.—STATE WORKS AND HOUSING PROGRAMMES, AND STATE SEMI-GOVERNMENT AND LOCAL AUTHORITY BORROWINGS, 1949-50 TO 1972-73

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total States
STATE WORKS AND HOUSING(a)							
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	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	99,600	44,000	52,300	35,800	26,800	380,000
1956-57	121,500	99,600	44,000	52,300	39,800	26,800	384,000
1957-58	127,900	104,840	46,320	55,600	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	215,320	172,700	85,620	92,820	63,230	47,310	677,000
1968-69	225,820	181,120	89,790	97,340	66,310	49,620	710,000
1969-70	241,090	193,370	95,860	103,920	70,790	52,970	758,000
1970-71	260,810	209,190	103,700	112,420	79,580	57,300	823,000
1971-72	283,710	227,560	112,800	122,290	83,310	62,330	892,000
1972-73	312,336	250,520	124,181	134,628	91,716	68,619	982,000
STATE SEMI-GOVERNMENT AND LOCAL AUTHORITIES(b)							
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	138,029
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	90,113	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	135,939	135,193	85,105	22,083	26,205	16,321	420,846
1968-69	146,043	140,454	89,561	37,367	29,265	17,417	460,107
1969-70	153,269	147,329	92,732	29,111	31,733	16,886	471,060
1970-71	163,690	156,843	98,244	27,187	33,947	16,927	496,838
1971-72	178,560	171,512	108,322	28,613	41,730	17,800	546,538
1972-73 (estimate)	202,200	184,758	117,398	30,796	50,585	17,363	603,000
TOTAL STATE WORKS AND HOUSING, SEMI-GOVERNMENT AND LOCAL AUTHORITIES							
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	525,010
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	46,265	34,438	584,284
1958-59	193,320	182,311	89,860	67,778	46,891	35,404	615,653
1959-60	204,222	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	89,969	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	351,259	307,893	170,725	114,903	89,435	63,631	1,097,846
1968-69	371,863	321,574	179,351	134,707	95,575	67,037	1,170,107
1969-70	394,359	340,699	188,592	133,031	102,523	69,856	1,229,060
1970-71	424,500	366,033	201,944	139,607	113,527	74,227	1,319,838
1971-72	462,270	399,072	221,121	150,903	125,040	80,130	1,438,538
1972-73 (estimate)	514,536	435,278	241,579	165,424	142,301	85,982	1,585,000

(a) See footnotes to Table 56.
(b) See footnotes to Table 57.

TABLE 60.—STATE WORKS AND HOUSING PROGRAMMES, AND STATE SEMI-GOVERNMENT AND LOCAL AUTHORITY BORROWINGS, PER HEAD OF POPULATION*, 1949-50 TO 1972-73

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total States
	\$	\$	\$	\$	\$	\$	\$
STATE WORKS AND HOUSING(a)							
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	38.97
1951-52	43.79	57.32	43.54	71.07	67.75	102.95	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	38.96	32.33	62.67	53.68	84.19	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	40.13	43.02	38.58	69.82	60.87	98.68	46.98
1962-63	40.64	43.52	39.15	70.55	61.72	100.25	47.53
1963-64	42.42	45.15	43.13	72.88	63.60	104.81	49.76
1964-65	44.53	47.17	45.09	75.58	66.29	110.64	52.06
1965-66	45.71	48.32	46.09	76.67	67.48	114.40	53.29
1966-67	48.09	50.64	48.35	80.17	69.79	120.76	55.89
1967-68	49.77	52.33	49.94	83.22	70.58	125.36	57.72
1968-69	51.36	54.01	51.44	86.07	70.97	129.76	59.45
1969-70	53.79	56.60	53.93	90.48	72.76	137.12	62.22
1970-71	57.18	60.18	57.32	96.31	78.74	147.19	66.30
1971-72	61.19	64.49	61.06	103.39	79.81	159.01	70.62
1972-73	66.33	70.00	65.74	112.41	85.32	173.81	76.46
STATE SEMI-GOVERNMENT AND LOCAL AUTHORITIES(b)							
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	21.67	30.48	34.96	13.64	15.14	24.61	24.97
1962-63	21.13	31.42	38.49	14.29	16.18	25.26	25.69
1963-64	23.11	31.93	40.32	15.03	18.97	26.69	27.16
1964-65	23.91	31.57	38.86	15.34	21.71	26.89	27.38
1965-66	24.37	30.75	39.77	15.73	22.50	26.36	27.52
1966-67	26.16	33.21	41.86	17.00	23.20	31.77	29.52
1967-68	31.42	40.96	49.64	19.80	29.25	43.25	35.88
1968-69	33.22	41.88	51.31	33.04	31.32	45.55	38.52
1969-70	34.20	43.13	52.17	25.35	32.62	43.71	38.66
1970-71	35.89	45.12	54.31	23.29	33.59	43.48	40.02
1971-72	38.51	48.61	58.64	24.19	39.98	45.41	43.27
1972-73 (estimate)	42.94	51.62	62.15	25.71	47.06	43.98	46.95
TOTAL STATE WORKS AND HOUSING, SEMI-GOVERNMENT AND LOCAL AUTHORITIES							
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	61.80	73.50	73.54	83.46	76.76	123.29	71.95
1962-63	61.77	74.93	77.63	84.83	77.91	125.51	73.22
1963-64	65.53	77.08	83.45	87.91	82.57	131.50	76.92
1964-65	68.44	78.74	83.94	90.92	88.00	137.54	79.43
1965-66	70.08	79.07	85.86	92.40	89.99	140.75	80.81
1966-67	74.26	83.85	90.21	97.17	92.99	152.53	85.41
1967-68	81.19	93.29	99.59	103.02	99.84	168.60	93.60
1968-69	84.58	95.89	102.75	119.11	102.28	175.31	97.97
1969-70	87.99	99.73	106.11	115.83	105.38	180.83	100.88
1970-71	93.06	105.31	111.63	119.60	112.33	190.67	106.32
1971-72	99.71	113.10	119.70	127.58	119.78	204.41	113.89
1972-73 (estimate)	109.28	121.62	127.89	138.13	132.37	217.79	123.40

* Mean populations as published in 'Public Authority Finance—Commonwealth Authorities 1971-72, Bulletin No. 10'. Note that population figures for years prior to 1961-62 do not include Aborigines.

(a) See footnotes to Table 56.

(b) See footnotes to Table 57.

TABLE 61.—THE FINANCING OF STATE WORKS AND HOUSING PROGRAMMES, 1960-61 TO 1971-72

\$'000

	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72
SPECIAL LOANS APPLIED TO PROGRAMMES												
Commonwealth Subscriptions to Special Loans	179,338	13,985	..	..	133,800	168,760	89,922	224,550	112,000	355,000	294,908	61,670
Less—												
Amounts used by Commonwealth (chiefly for War Service Land Settlement)	-2,609	..	..	..	..	..	..	..	-557	..	..	..
Redemptions of maturing debt	..	..	..	..	..	..	..	-32,000	..	..	-95,000	-30,000
Special Loans applied to Programmes (A)	176,729	13,985	..	..	133,800	168,760	89,922	192,550	111,443	355,000	199,908	31,670
LOAN RAISINGS APPLIED TO PROGRAMMES												
Public Loans raised in Australia—												
Cash loans	213,932	404,859	413,243	508,107	413,519	463,803	553,382	491,852	521,335	547,056	513,282	753,013
Special Bonds	38,195	54,725	(a)78,164	(a)101,559	87,466	80,426	84,252	78,690	73,387	(b)134,034	(b)253,867	139,178
State Domestic Raisings	8,720	5,759	11,764	21,490	20,644	5,930	19,658	17,707	13,362	16,126	14,975	24,484
Overseas Loans applied direct to Programmes	52,012	31,635	103,707	49,398	22,108	22,369	53,945	76,795	(c)146,301	(c)55,919	14,795	26,158
Total Loan Raisings	312,859	496,978	606,878	680,553	543,737	572,528	711,237	665,044	754,384	753,135	796,919	942,834
Less Amounts Used—												
for redemptions	-25,156	-15,194	-79,698	-61,247	-88,711	-131,219	-149,033	-174,403	-133,130	-327,743	(b)-372,269	-112,325
by Commonwealth (chiefly for defence purposes including War Service Land Settlement)	-4,432	-769	-7,180	-75,306	-8,826	-5,069	-7,127	-6,191	-2,394	-1,621	-1,558	-6,961
for capital grant for government schools	..	..	..	..	..	..	..	..	..	..	..	-6,660
for capital grant for works programme	..	..	..	..	..	..	..	..	..	..	..	-175,658
Less—Amounts carried forward	..	..	(a)-10,000	..	..	..	..	..	(c)-20,303	(b)-20,771	..	..
Loan Raisings applied to Programmes (B)	283,271	481,015	510,000	544,000	446,200	436,240	555,077	484,450	598,558	403,000	423,092	641,230
CAPITAL GRANTS												
Capital Grants—												
Financed from proceeds of Treasury Note issue	..	..	..	..	..	..	..	..	..	..	83,335	43,442
Financed from other loan proceeds	..	..	..	..	..	..	..	..	..	..	116,665	175,658
Financed from revenue	..	..	..	..	..	..	..	..	..	..	..	..
Grants applied to Programmes (C)	..	..	..	..	..	..	..	..	..	..	200,000	219,100
TOTAL PROGRAMMES												
TOTAL PROGRAMMES (A + B + C)	460,000	495,000	510,000	544,000	580,000	605,000	645,000	677,000	710,000	758,000	823,000	892,000

(a) Includes \$10 million set aside from Special Bond raisings 1962-63 to finance advances to the States for housing in 1963-64.

(b) Includes \$20,771,000 set aside from Special Bond raisings in 1969-70 and applied to redemptions in 1970-71.

(c) Includes \$20,303,000 proceeds of February 1969 public loan in Germany which were retained in Loan Fund for the purpose of financing the Commonwealth's share of the 1969-70 works and housing programme.

APPENDIX IV—PART I—HISTORY OF SPECIFIC PURPOSE PAYMENTS

Chapter IV outlines the payments currently being made to the States for specific purposes of a revenue and a capital nature. Tables 62 and 63 following this Appendix show specific purpose payments according, respectively, to the nature of the payment and the type of State expenditure it is intended to assist. Table 62 also includes details of debt charges paid by the States in respect of loans for specific purposes from 1956–57 to 1972–73 (estimated). The sections which follow outline in more detail the history of some of the specific purpose payments, including payments for projects that 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 1965–66 are given below. The basis of payments made since 1967 is outlined in Chapter IV.

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 \$4.6 million 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 authorised payments to the States for universities up to \$42.8 million 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 \$43.9 million.

1961–63 Triennium

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 authorised total payments by the Commonwealth of \$84.6 million for the three calendar years 1961 to 1963. Subsequent amendments to that Act in 1962, 1963 and 1964 increased the maximum Commonwealth assistance to \$89.9 million. 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.

1964–66 Triennium

For the three calendar years 1964 to 1966 Commonwealth grants to the States were based largely on the recommendations contained in the Second Report of the Australian Universities Commission presented in August 1963. These were incorporated in the *Universities (Financial Assistance) Act 1963* which provided for grants totalling \$116.8 million during the triennium—\$76.8 million for recurrent expenditure and \$40 million capital. Subsequent amendments to that Act in 1965 and 1966 following acceptance of proposals in the Reports of three other committees had the effect of increasing the grants for the triennium. 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; and

- (c) Second Report of the Committee on Teaching Costs of Medical Hospitals presented in May 1965 arising from which it was decided to pay for the first time grants for certain recurrent expenditures of teaching hospitals and additional grants towards specific university projects of a capital nature in those hospitals.

In addition, it was also agreed that the recurrent grant for the Townsville University College be increased by \$38,000 in the last year of the triennium.

Overall, the effect of these various amendments was to increase recurrent grants to \$86.6 million and capital grants to \$47.6 million, a total of \$134.2 million.

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 \$4.3 million. This undertaking was written into the *States Grants (Encouragement of Meat Production) Act 1949-1954*.

Annual figures of the payments to each State from 1960-61 are given in the tables in Appendix V.

Recharging of Cattle Dips

Special payments of \$96,000 to New South Wales and \$10,000 to Queensland were made by the Commonwealth in 1962-63 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

Ord River Irrigation Project

Under the *Western Australia Grant (Northern Development) Act 1958-1959*, grants totalling \$10 million were made available for development of the northern part of the State. The bulk of this assistance (\$8.1 million) was spent on the Ord River diversion dam and main irrigation channel (Stage 1). The remainder was spent on harbour works (*see* below under 'Harbour and Port Facilities'). Annual figures of grants paid under this Act from 1960-61 for the Ord project are shown in Table 82 in Appendix V. Figures for previous years are given in earlier editions of this document.

Under the *Western Australia (Northern Development) Agreement Act 1963* an amount of \$7 million was made available to Western Australia primarily for the construction of a new deep-water jetty at Broome and for the construction of further irrigation works within the first stage of the Ord irrigation project. Grants of \$4 million were provided for the Ord project, the final payment of \$1.1 million being made in 1965-66. (*See* below under 'Harbour and Port Facilities' for details of assistance for the Broome Jetty.) Annual figures of grants paid under this Act for the Ord project from 1960-61 are shown in Table 82 in Appendix V. Figures for previous years are given in earlier editions of 'Commonwealth Payments to or for the States'.

For details of assistance under current legislation *see* Chapter IV.

Western Australia Water Supply

Under the *Western Australia Grant (Water Supply) Act 1948-1957* the Commonwealth provided \$10 million by way of non-repayable grants 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 million 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. The final payment was made by the Commonwealth in 1961-62. Payments in the years 1960-61 and 1961-62 are shown in Table 82 in Appendix V. Figures for previous years are given in earlier editions of 'Commonwealth Payments to or for the States'.

For details of assistance under current legislation *see* Chapter IV.

Blowering Reservoir

The *Blowering Water Storage Works Agreement Act 1963* gave effect to an arrangement with 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. The reservoir commenced storing water in May 1968. The bulk of the work involved was undertaken by the Snowy Mountains Hydro-electric Authority at the expense of New South Wales. Under the Agreement, however, the Commonwealth financed half of the total expenditure incurred by the State, by means of interest-bearing loans. Repayment of each loan will commence ten years from the date on which it was made and will be spread over a further period of ten years.

Payments by the Commonwealth amounted to \$20.5 million. Annual figures of payments and debt charges from 1964-65 are shown in Table 75 in Appendix V. Figures for previous years are given in earlier editions of 'Commonwealth Payments to or for the States'.

Flood Mitigation

The *New South Wales Grant (Flood Mitigation) Act 1964-1968* authorised the Commonwealth to provide grants of up to \$8 million to New South Wales, over the six-year period to 30 June 1969, to match the State's assistance to local government authorities for approved flood mitigation works on the Macleay, Clarence, Richmond, Tweed, Shoalhaven and Hunter Rivers.

Commonwealth payments amounted to \$8 million. Annual payments are given in Table 74 in Appendix V. For details of assistance under current legislation see Chapter 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 1968-69 are given below. Payments under current legislation are dealt with in Chapter IV.

The *Main Roads Development Act 1923* provided for payment to the States of a single lump sum of \$1 million, 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 5 per cent to Tasmania and the remainder divided on the basis of 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 million in 1924 and then by a further \$1.5 million in 1925.

Under the *Federal Aid Roads Act 1926* annual allocations of \$4 million were provided and were distributed amongst the States on the explicitly stated formula of 5 per cent to Tasmania and the remainder divided on the basis of two-fifths area, three-fifths population. 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 (1½d.) 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 million per annum to be spent on rural roads. By subsequent amendments to the Act in 1948 and 1949, this sum was raised to \$4 million and then to \$6 million. An amount of \$1 million 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 \$1.2 million 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 million per annum. From the total allocation, \$1.8 million per annum was reserved to the Commonwealth. This was raised to \$1.9 million 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 million 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 million to the States for roads, or almost \$200 million more than was provided during the five years of the previous legislation. This amount comprised basic grants totalling \$440 million and additional grants totalling \$60 million 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 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, which operated for the five year period 1964–65 to 1968–69 inclusive. Under this Act, the main features of which were agreed at a special Premiers' Conference held in March 1964, payments totalling \$750 million were made to the States for roads. This amount was made up of a basic grant of \$660 million and an additional grant of \$90 million. As in the 1959 Act, the additional grants were payable 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 were the sums 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 1959 Act. The distribution of the grants among the States was on the same basis as under the 1959 Act outlined above.

Several provisions contained in both the 1954 and the 1959 Aid Roads Acts were repeated in the 1964 legislation. These included 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 and trunk roads. The States were also permitted to spend between them up to \$2 million each year out of the road grants on works, other than the construction of roads, connected with transport by road or water. The 1964 Act extended the provision in the 1959 legislation permitting the States to make payments for, or in connection with, research relating to the construction, maintenance or repair of roads so as to include research relating to the planning and design of roads.

The 1964 Act expired on 30 June 1969 and was replaced by the *Commonwealth Aid Roads Act* 1969 which will operate over the five year period 1969–70 to 1973–74, inclusive.

Table 68 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 69.

Beef Cattle Roads

(a) Queensland

The *Queensland Grant (Beef Cattle Roads) Act* 1961 provided for financial assistance to Queensland of \$10 million 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 \$6.6 million to an amount not exceeding \$16.6 million in order to include the cost of bitumen sealing the roads. For amounts of Commonwealth assistance in excess of \$3.4 million, half was paid by way of grant and half by way of interest-bearing loans each repayable over 15 years. 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 \$3.9 million, one half by way of grant and the other half by way of interest-bearing loans each repayable over 15 years.

(b) Western Australia

Under the Western Australia Grant (Beef Cattle Roads) Acts 1961 and 1962, grants were made to Western Australia of \$1 million in 1961-62, \$1.4 million in 1962-63 and \$1.5 million 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 this legislation, the Commonwealth provided a further grant of \$1.5 million in 1966-67 on the same terms as applied in previous years.

Payments by the Commonwealth under these Acts to Queensland and Western Australia for beef roads from 1961-62 until 1966-67 are shown in Table 43. For details of assistance under current legislation see Chapter IV.

Gordon River Road

Under the *Tasmania Grant (Gordon River Road) Act* 1964-1967 the Commonwealth provided financial assistance to Tasmania by way of a non-repayable grant of \$5 million to assist in financing the construction of a road, approximately fifty miles in length, into the Gordon River region of south-west Tasmania. The primary purpose of the road was to enable detailed investigation and development of a further stage of the Tasmanian hydro-electric system. The final payment of \$200,000 to Tasmania was made in 1967-68. Annual figures of payments prior to 1967-68 are given in Table 84 in Appendix V.

RAILWAYS

The Commonwealth has given assistance to the States for a number of railway projects that have now been completed. Details of this assistance are outlined below and Table 70 which follows this Appendix gives annual figures of payments to the States for the years 1951-52 to 1972-73 (Estimate). Details of payments made by the States for interest and repayment of loans (except debt charges in respect of loans for the Grafton-South Brisbane railway) are given in Table 71.

(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 million and was opened for traffic in 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 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 \$31.9 million for the construction of the standard gauge rail link between Albury and Melbourne. 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 \$2.6 million 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.

(d) *Queensland*

The Commonwealth provided advances totalling \$35.1 million to Queensland under the *Railway Agreement (Queensland) Acts 1961 and 1968* for the reconstruction of the Mount Isa-Townsville-Collinsville railway. The State is repaying these advances with interest over twenty years.

(e) *Parkes-Broken Hill Railway*

Under the *Railway Agreement (New South Wales) Act 1968* the Commonwealth made a grant of \$10 million to New South Wales towards the cost of upgrading the railway line between Parkes and Broken Hill.

HARBOUR 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 financial assistance of \$5.3 million available to the State, on a \$1 for \$1 basis, 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 to 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 million was made available by way of grant from the Coal Industry Fund of the Joint Coal Board. The remaining amount of \$3.3 million was provided in the form of interest-bearing loans each repayable over ten years.

Annual figures of payments to New South Wales for coal loading facilities, and of debt charges paid by the State from 1964-65 are given in Tables 74 and 75 in Appendix V. Debt charges for previous years are given in earlier editions of 'Commonwealth Payments to or for the States'.

(b) *Queensland*

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

Of the total Commonwealth assistance of \$400,000 half was by way of grant and half by way of interest-bearing loans each repayable over fifteen years.

Annual figures of payments to Queensland for coal loading facilities, and of debt charges paid by the State, are given in Tables 78 and 79 in Appendix V.

Weipa Harbour Works

Under the *Weipa Development Agreement Act 1965* the Commonwealth provided \$3.3 million to Queensland during 1965-66 and 1966-67 to enable the State to finance the construction of harbour works at Weipa in north Queensland where large bauxite deposits are being exploited. The assistance was made available in the form of an interest-bearing loan repayable over thirty years commencing July 1967.

Annual figures of payments to the State and of debt charges paid by the State are shown in Tables 78 and 79 in Appendix V.

Western Australia Northern Harbours

Under the *Western Australia Grant (Northern Development) Act 1958-1959*, grants totalling \$10 million were made for development of the northern part of the State. While the bulk of this assistance (\$8.1 million) 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 \$1.9 million was spent on harbour works, mainly the Wyndham Jetty. Annual figures of grants paid under this Act from 1960-61 for harbour works are shown under the heading 'Northern Harbours' in Table 82 in Appendix V. Figures for previous years are given in earlier editions of this document.

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

In the case of the Broome jetty a total of \$2.95 million was provided, 50 per cent by way of grant and 50 per cent by way of interest-bearing loans each repayable over fifteen years. The final payment of \$1.15 million was made in 1965-66. (Details of assistance for the Ord project are given above under 'Development and Control of Water Resources'.) Annual figures of loans and debt charges from 1964-65 for the Broome Jetty are shown under the heading 'Northern Harbours' in Table 83 in Appendix V. Figures for previous years are given in earlier editions of 'Commonwealth Payments to or for the States'.

Replacement of Derby Jetty

Under the *Derby Jetty Agreement Act* 1962 financial assistance of \$1.6 million was made available to Western Australia towards the cost of constructing a new jetty with improved facilities at Derby. Half of the assistance was provided by way of grant, the other half by way of interest-bearing loans each repayable over fifteen years. Annual figures of payments and debt charges from 1964-65 are given in Tables 82 and 83 respectively in Appendix V. Figures for previous years are given in earlier editions of 'Commonwealth Payments to or for the States'.

APPENDIX IV—PART II—TABLES OF SPECIFIC PURPOSE PAYMENTS

TABLE NO.	SUBJECT
62.	Total Specific Purpose Payments, 1956-57 to 1972-73.
63.	Specific Purpose Payments by Function, 1958-59 to 1972-73.
64.	Interest and Sinking Fund Payments under the Financial Agreement, 1927-28 to 1972-73.
65.	Universities, Grants for, 1951-52 to 1972-73.
66.	Tuberculosis Hospitals, Grants for, 1949-50 to 1972-73.
67.	Natural Disasters, Payments in respect of, 1950-51 to 1972-73.
68.	Roads, Payments to States for, under Aid Roads Acts and Comparable Legislation, 1923-24 to 1972-73.
69.	Roads, Allocations for, under Aid Roads Acts and Comparable Legislation, 1923-24 to 1958-59.
70.	Railway Projects, Payments for, 1951-52 to 1972-73.
71.	Railway Projects, Debt Charges on Loans for, 1952-53 to 1972-73.

TABLE 62.—SPECIFIC PURPOSE PAYMENTS, 1956-57 TO 1972-73

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
PAYMENTS OF A REVENUE NATURE							
1956-57	16,803	10,020	6,620	4,076	3,397	1,761	42,577
1957-58	17,670	10,326	6,241	4,360	3,536	1,875	44,008
1958-59	18,859	10,963	6,969	4,834	3,990	2,001	47,616
1959-60	18,731	11,576	6,533	5,752	4,132	2,108	48,832
1960-61	20,484	12,602	7,351	5,643	4,427	2,276	52,783
1961-62	22,326	13,398	7,882	5,993	4,475	2,427	56,501
1962-63	23,826	14,695	8,613	6,362	4,706	2,534	60,736
1963-64	25,470	16,119	9,437	6,723	5,001	2,695	65,445
1964-65	28,222	18,487	10,350	7,689	5,559	3,050	73,357
1965-66	38,840	20,410	15,206	8,226	5,863	3,231	91,777
1966-67	40,034	24,006	15,584	9,195	6,522	4,857	100,197
1967-68	40,172	33,159	16,556	11,131	7,896	3,920	112,834
1968-69	42,798	35,937	16,583	11,898	8,456	4,434	120,108
1969-70	48,350	38,467	28,414	13,513	11,527	5,216	145,487
1970-71	65,120	50,507	33,544	17,458	14,980	7,345	188,953
1971-72	86,496	67,809	36,426	23,361	21,151	10,506	245,748
1972-73 (estimate)	120,050	91,483	52,029	31,136	30,089	14,361	339,148
PAYMENTS OF A CAPITAL NATURE—GRANTS							
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	29,520	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	22,092	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	36,582	26,141	41,133	11,673	218,393
1967-68	72,886	51,403	42,028	29,084	45,249	14,069	254,875
1968-69	73,647	51,817	48,449	32,053	46,170	11,788	263,924
1969-70	90,342	61,598	55,169	40,486	51,172	12,037	310,803
1970-71	105,856	71,873	68,242	37,992	54,188	13,604	351,756
1971-72	116,060	78,177	84,447	38,766	57,846	17,645	392,939
1972-73 (estimate)	134,591	93,680	86,591	42,765	62,998	19,422	440,047
PAYMENTS OF A CAPITAL NATURE—LOANS							
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	..	..	2,832
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	8,821	3,009	3,427	2,445	13,396	8,656	40,518
1968-69	6,960	3,500	2,859	14,139	7,469	4,883	39,810
1969-70	1,800	573	7,328	3,980	7,565	10,173	31,419
1970-71	1,523	815	6,136	3,130	5,705	3,927	21,235
1971-72	..	1,596	2,115	3,404	4,365	11,479	23,851
1972-73 (estimate)	3,828	1,999	16,920	1,014	2,421	2,349	28,531
TOTAL SPECIFIC PURPOSE PAYMENTS							
1956-57	36,418	22,613	20,110	12,929	17,553	4,984	114,607
1957-58	38,634	25,546	21,392	14,650	19,738	5,559	125,519
1958-59	43,895	30,566	24,097	15,003	21,455	6,860	141,876
1959-60	46,821	38,127	24,146	16,625	22,837	7,400	155,956
1960-61	50,004	43,803	26,291	16,642	24,960	8,018	169,718
1961-62	56,976	45,774	36,100	18,472	27,857	8,170	193,349
1962-63	60,920	44,462	45,031	22,524	34,001	8,379	215,317
1963-64	64,263	44,016	50,017	24,546	39,015	9,219	231,076
1964-65	83,209	54,087	48,660	31,114	46,560	11,924	275,554
1965-66	110,618	57,294	57,690	34,820	56,676	13,494	330,593
1966-67	112,285	66,838	59,132	37,487	59,491	17,032	352,265
1967-68	121,879	87,571	62,011	42,660	66,541	26,645	407,307
1968-69	123,405	91,254	67,891	58,090	62,095	21,105	423,842
1969-70	140,492	100,638	90,911	57,979	70,205	27,426	487,650
1970-71	172,499	123,195	107,922	58,560	74,604	24,876	561,675
1971-72	202,556	145,986	122,469	64,242	82,401	32,516	650,166
1972-73 (estimate)	258,469	187,162	155,540	79,915	95,508	36,132	807,726
DEBT CHARGES PAID BY THE STATES ON LOANS FOR SPECIFIC PURPOSES(a)							
1956-57	..	..	..	134	..	..	134
1957-58	..	..	..	148	..	..	148
1958-59	10	10	..	170	..	..	190
1959-60	44	44	..	176	..	..	264
1960-61	120	121	..	177	..	..	418
1961-62	223	223	129	172	..	..	747
1962-63	391	304	721	170	2	..	1,588
1963-64	566	330	1,373	222	205	..	2,696
1964-65	615	326	2,449	276	552	..	4,218
1965-66	913	321	3,148	365	974	..	5,721
1966-67	1,336	316	3,237	495	1,817	..	7,201
1967-68	1,667	311	4,577	632	2,437	..	9,624
1968-69	3,623	306	5,640	1,060	3,038	286	13,953
1969-70	3,632	1,026	5,589	1,623	4,471	519	16,860
1970-71	4,667	1,021	5,939	1,970	4,965	1,103	19,665
1971-72	4,644	1,016	6,110	2,162	5,495	1,674	21,101
1972-73 (estimate)	4,578	1,023	7,258	4,104	5,666	4,964	27,594

(a) Payments of interest and repayments of capital. For details see Appendix V.

TABLE 63.—SPECIFIC PURPOSE PAYMENTS BY FUNCTION,* 1958-59 TO 1972-73
\$'000

	1958-59	1959-60	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73 (Estimate)
PAYMENTS OF A REVENUE NATURE															
Debt Charges	25,943	27,054	27,718	28,648	29,667	30,861	31,816	32,931	34,121	35,557	36,788	38,441	51,224	64,501	76,994
Education	8,178	9,728	13,354	16,236	18,546	21,081	28,529	32,929	38,772	48,339	52,695	76,716	103,044	119,903	145,899
Health, Welfare and Public Safety .. .	9,998	9,083	8,792	9,100	10,230	10,982	10,679	13,974	12,074	12,238	13,794	14,608	16,404	49,785	103,035
Natural Disasters	2	115	65	267	130	120	79	9,746	12,160	12,862	11,699	9,280	10,003	1,188	
Development of Rural Industries .. .	2,150	1,884	2,097	1,670	1,598	1,811	1,659	1,578	2,451	3,218	4,267	5,282	6,862	8,635	10,920
Miscellaneous	1,350	968	759	579	562	589	598	619	620	620	865	1,160	1,416	1,737	2,300
Total Revenue	47,616	48,832	52,783	56,501	60,736	65,445	73,357	91,777	100,197	112,834	120,108	145,487	188,953	245,748	339,148
PAYMENTS OF A CAPITAL NATURE															
Education	5,659	5,527	9,100	12,086	12,872	12,779	32,650	32,074	40,092	53,958	54,721	70,505	73,363	85,102	102,404
Health and Welfare	5,065	3,857	2,275	2,421	2,574	2,193	3,200	5,235	5,501	5,062	8,860	11,981	16,316	20,818	24,831
Natural Disasters	508	212	580	375				11,994	8,926	13,937	10,434	5,249	9,920	5,844	
Development of Rural Industries .. .	32	12	14	10	1,307	1,600	1,400	1,600	2,499	5,256	4,972	5,914	5,084	1,439	10,215
Water Resources	1,135	1,248	2,894	3,402	2,864	2,806	7,103	10,816	9,952	9,539	15,046	19,246	27,519	25,010	22,000
Roads	77,839	87,883	92,083	102,392	111,484	121,927	137,258	147,404	157,665	165,664	176,065	199,332	227,049	255,464	288,449
Railways	3,765	7,446	9,432	15,464	21,818	22,601	17,757	24,258	24,925	34,914	18,990	20,112	7,284	6,106	2,906
Harbour and Port Facilities	254	938	556	698	1,596	1,676	2,447	4,684	553						1,158
Power and Fuel					66	48	382	750	1,954	5,300	14,200	9,700	5,461	4,250	14,000
Miscellaneous	4									843	446	124	726	384	2,614
Total Capital	94,260	107,124	116,935	136,848	154,581	165,631	202,197	238,816	252,067	294,473	303,734	342,163	372,722	404,418	468,578
TOTAL SPECIFIC PURPOSE PAYMENTS															
Debt Charges	25,943	27,054	27,718	28,648	29,667	30,861	31,816	32,931	34,121	35,557	36,788	38,441	51,224	64,500	76,994
Education	13,837	15,255	22,454	28,322	31,418	33,860	61,179	65,003	78,864	102,297	107,416	147,221	176,407	205,005	248,303
Health, Welfare and Public Safety .. .	15,063	12,940	11,067	11,521	12,804	13,175	13,879	19,209	17,575	17,300	22,654	26,589	32,720	70,603	127,866
Natural Disasters	510	327	645	642	130	120	79	21,740	21,086	26,799	22,133	14,529	19,923	7,032	
Development of Rural Industries .. .	2,182	1,896	2,111	1,680	2,905	3,411	3,059	3,178	4,950	8,474	9,239	11,196	11,946	10,074	21,135
Water Resources	1,135	1,248	2,894	3,402	2,864	2,806	7,103	10,816	9,952	9,539	15,046	19,246	27,519	25,010	22,000
Roads	77,839	87,883	92,083	102,392	111,484	121,927	137,258	147,404	157,665	165,664	176,065	199,332	227,049	255,464	288,449
Railways	3,765	7,446	9,432	15,464	21,818	22,601	17,757	24,258	24,925	34,914	18,990	20,112	7,284	6,106	2,906
Harbour and Port Facilities	254	938	556	698	1,596	1,676	2,447	4,684	553						1,158
Power and Fuel					66	48	382	750	1,954	5,300	14,200	9,700	5,461	4,250	14,000
Miscellaneous	1,354	968	759	579	628	637	980	1,369	2,574	1,463	1,311	1,284	2,142	2,121	5,164
Total Specific Purpose Payments .. .	141,876	155,956	169,718	193,349	215,317	231,076	275,554	330,593	352,265	407,307	423,842	487,650	561,675	650,166	807,726

* The functional classification followed in this table is the same as that employed in Chapter IV of this paper.

TABLE 64.—INTEREST AND SINKING FUND PAYMENTS UNDER THE FINANCIAL AGREEMENT, 1927-28 TO 1972-73*

\$'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	17,155
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	19,178
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	6,826	4,885	2,619	2,673	1,986	1,398	20,387	15,170	35,557
1968-69	7,214	5,189	2,790	2,835	2,105	1,485	21,619	15,170	36,789
1969-70	7,723	5,600	3,039	3,053	2,258	1,598	23,271	15,170	38,441
1970-71	8,124	5,926	3,195	3,226	2,384	1,694	24,550	15,170	39,720
1971-72	8,673	6,378	3,431	3,458	2,557	1,825	26,323	15,170	41,493
1972-73 (Estimate)	8,978	6,626	3,567	3,607	2,649	1,885	27,312	15,170	42,482

* For description of these payments, see Chapter IV.

(a) For distribution of the interest payments as between States, see table 8 in Chapter IV.

TABLE 65.—GRANTS FOR UNIVERSITIES, 1951-52 TO 1972-73

\$'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	15,816	10,991	5,146	4,107	2,652	1,200	39,912
1968-69	17,378	12,108	5,549	4,351	2,833	1,315	43,534
1969-70	20,218	13,960	6,508	4,964	3,281	1,504	50,455
1970-71	23,594	16,238	7,517	5,811	3,900	1,818	58,878
1971-72	27,223	18,586	8,412	6,676	4,594	2,105	67,596
1972-73 (Estimate)	29,844	20,105	9,642	7,349	5,184	2,350	74,474
Total Recurrent	219,396	141,488	68,551	57,006	37,756	17,245	541,442
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	5,472	6,173	1,826	1,664	567	627	16,329
1968-69	7,569	7,072	1,744	1,076	734	902	19,097
1969-70	6,512	4,495	1,916	1,506	2,048	757	17,234
1970-71	4,050	5,990	3,124	2,369	384	429	16,346
1971-72	9,682	6,669	2,597	1,818	1,571	665	23,002
1972-73 (Estimate)	8,552	5,962	2,671	718	1,368	1,231	20,502
Total Capital	79,076	68,454	24,352	19,520	14,287	9,332	215,021
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	21,288	17,164	6,972	5,771	3,219	1,827	56,241
1968-69	24,947	19,180	7,293	5,427	3,567	2,217	62,631
1969-70	26,730	18,455	8,424	6,470	5,329	2,261	67,669
1970-71	27,644	22,228	10,641	8,180	4,284	2,247	75,224
1971-72	36,905	25,255	11,009	8,494	6,165	2,770	90,598
1972-73 (Estimate)	38,396	26,067	12,313	8,067	6,552	3,581	94,976
Total Grants	298,472	209,942	92,903	76,526	52,043	26,577	756,463

(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 in 1957-58.

TABLE 66.—GRANTS FOR TUBERCULOSIS HOSPITALS 1949-50 TO 1972-73

\$'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	3,813	3,306	2,416	620	807	304	11,266
1968-69	4,304	3,288	2,344	571	602	351	11,460
1969-70	3,952	3,176	1,754	551	789	333	10,555
1970-71	4,166	3,039	1,730	545	770	347	10,597
1971-72	2,971	3,170	1,528	715	875	337	9,595
1972-73 (Estimate)	3,400	3,220	1,660	757	904	270	10,211
Total	73,549	58,485	35,134	14,702	18,338	7,514	207,720
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	514	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	591	10	135	31	10	3	780
1968-69	571	175	39	60	..	2	847
1969-70	191	327	6	69	..	..	593
1970-71	143	151	55	108	12	..	469
1971-72	70	119	6	155	88	..	438
1972-73 (Estimate)	41	13	29	243	25	41	392
Total	12,978	4,886	11,511	2,230	4,733	710	37,048
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	3,783	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	4,404	3,316	2,551	651	817	307	12,046
1968-69	4,875	3,463	2,383	631	602	353	12,307
1969-70	4,143	3,503	1,760	620	789	333	11,148
1970-71	4,309	3,190	1,785	653	782	347	11,066
1971-72	3,041	3,289	1,534	870	963	337	10,033
1972-73 (Estimate)	3,441	3,233	1,689	1,000	929	311	10,603
Total	86,527	63,371	46,645	16,931	23,072	8,224	244,768

TABLE 67.—PAYMENTS FOR NATURAL DISASTERS, 1950-51 TO 1972-73(a)

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
PAYMENTS OF A CURRENT NATURE							
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	..	65
1961-62	100	100	..	..	67	..	267
1962-63	130	..	..	..	..	..	130
1963-64	120	..	..	..	..	..	120
1964-65	(b) 39	20	..	20	..	..	79
1965-66	5,532	40	4,174	..	..	..	9,746
1966-67	(c) 7,613	..	3,197	..	..	..	12,160
1967-68	(c) 4,348	5,291	2,483	..	..	1,350	12,862
1968-69	3,469	6,000	1,210	(e) 970	..	(d) 15	11,699
1969-70	21	277	8,940	..	50	..	9,280
1970-71	980	43	8,921	..	42	..	9,944
1971-72	..	..	1,188	..	..	..	1,188
1972-73 (Estimate)	..	..	..	..	..	..	..
Total	24,065	11,952	30,195	1,990	244	(d) 1,365	69,810
PAYMENTS OF A CAPITAL NATURE							
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(f)	..	500	1	723	..	..	1,224
1957-58(f)	..	420	..	701	..	..	1,121
1958-59(f)	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	..	2,316	..	..	1,150	8,926
1967-68	3,300	2,709	1,123	275	..	(d) 6,530	13,937
1968-69	5,160	3,000	805	274	..	1,195	10,434
1969-70	..	93	4,953	..	130	73	5,249
1970-71	4,220	..	5,444	..	31	284	9,979
1971-72	..	..	5,701	..	..	143	5,844
1972-73 (Estimate)	..	..	..	..	..	..	..
Total	28,194	6,798	24,251	2,238	481	9,836	71,800
TOTAL							
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	12	14	100	..	..	790
1956-57(f)	30	580	1	823	..	..	1,434
1957-58(f)	40	420	16	701	..	..	1,177
1958-59(f)	5	76	162	266	..	..	509
1959-60	..	..	256	70	..	..	327
1960-61	..	..	129	..	65	451	645
1961-62	100	100	44	..	387	10	641
1962-63	130	..	..	..	..	..	130
1963-64	120	..	..	..	..	..	120
1964-65	(b) 39	20	..	20	..	..	79
1965-66	14,200	40	7,500	..	..	..	21,740
1966-67	(c) 13,073	..	5,513	..	..	2,500	21,086
1967-68	(c) 7,648	8,000	3,606	1,000	..	(d) 6,545	26,799
1968-69	8,629	9,000	2,015	(e) 1,244	..	1,195	22,133
1969-70	21	370	13,893	..	50	73	14,529
1970-71	5,200	43	14,365	..	31	284	19,923
1971-72	..	..	6,889	..	..	143	7,032
1972-73 (Estimate)	..	..	..	..	..	..	..
Total	52,259	18,750	54,446	4,228	725	11,201	141,610

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

(b) Excludes overpayment of \$21,000 for bushfire relief refunded in 1966-67.

(c) Excludes overpayment of \$58,000 for flood relief refunded in 1968-69.

(d) Excludes overpayment of \$1,105,000 for bushfire relief refunded over the period 1969-70 to 1971-72.

(e) Excludes overpayment of \$56,000 for drought relief refunded in 1969-70.

(f) 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 68.—PAYMENTS TO STATES FOR ROADS UNDER AID ROADS ACTS AND COMPARABLE LEGISLATION, 1923-24 TO 1972-73(a)(b)

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total	Act
1923-24	40	88	48	20	68	..	264	Main Roads Development Act 1923-1925
1924-25	190	154	214	154	306	24	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	44,467	31,286	29,266	18,384	28,597	8,000	160,000	
1968-69	47,319	33,113	31,098	19,433	30,537	8,500	170,000	
1969-70	57,060	38,160	34,740	21,000	32,940	9,100	193,000	Commonwealth Aid Roads Act 1969
1970-71	64,980	43,460	39,560	23,500	36,270	10,230	218,000	
1971-72	74,500	49,820	45,360	25,500	39,250	10,820	245,250	
1972-73	85,590	57,240	52,110	28,000	43,910	12,150	279,000	

(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 69.

(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 69.—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		} Federal Aid Roads and Works Act 1937
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 68.
- (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 70.—PAYMENTS FOR RAILWAY PROJECTS, 1951-52 TO 1972-73

\$'000

	New South Wales			Victoria			Queensland			South Australia			Western Australia			Tasmania			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	Grants	Loans	Total Payments
1951-52..	1,504	644	2,148	..	..	..	..	..	..	1,504	644	2,148
1952-53..	1,393	595	1,988	..	..	..	..	..	..	1,393	595	1,988
1953-54..	1,041	442	1,483	..	..	..	..	..	..	1,041	442	1,483
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	..	..	..	79	23	102	..	..	..	..	..	..	5,220	2,226	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	—18	—18	—36	..	..	..	..	..	..	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	7,340	10,487	17,827	..	..	..	11,855	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..	8,250	..	8,250	..	..	..	..	578	578	4,663	1,965	6,628	8,012	11,446	19,458	..	..	..	20,925	13,989	34,914
1968-69..	1,750	..	1,750	..	..	..	..	..	..	6,243	2,635	8,878	3,443	4,919	8,362	..	..	..	11,436	7,554	18,990
1969-70..	8,582	3,630	12,212	3,253	4,647	7,900	..	..	..	11,835	8,277	20,112
1970-71..	1,468	580	(f)2,048	2,156	3,080	5,236	..	..	..	3,624	3,660	7,284
1971-72..	752	272	1,024	819	1,169	1,988	1,274	1,820	3,094	2,845	3,261	6,106
1972-73 (Estimate)	386	114	500	515	735	1,250	476	680	1,156	1,377	1,529	2,906
Total ..	10,242	104	10,346	22,148	9,480	31,628	..	35,111	35,111	45,723	19,162	64,885	42,055	60,078	102,133	1,750	2,500	4,250	121,918	126,435	248,353

(a) No grants for railways made to Queensland.

(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.

(f) Expenditure less repayment of \$322,500 in 1971-72 by South Australia.

TABLE 71.—DEBT CHARGES PAID BY STATES ON LOANS MADE FOR RAILWAY PROJECTS, 1952-53 TO 1972-73(a)
\$'000

	New South Wales(b)			Victoria			Queensland(b)			South Australia			Western Australia			Tasmania			Total		
	Interest	Capital	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	215	96	311	215	96	311	1,742	1,150	2,892	454	178	632	1,813	204	2,017	..	..	..	4,439	1,724	6,163
1968-69	210	96	306	210	96	306	1,710	1,208	2,918	549	213	762	2,263	273	2,536	..	..	..	4,942	1,886	6,828
1969-70	205	96	301	205	96	301	1,642	1,276	2,918	680	262	942	2,584	1,281	3,865	..	..	..	5,316	3,011	8,327
1970-71	200	96	296	200	96	296	1,571	1,347	2,918	920	333	1,253	2,874	1,360	4,234	..	..	..	5,765	3,232	8,997
1971-72	195	96	291	195	96	291	1,496	1,422	2,918	943	344	1,287	2,971	1,628	4,599	1	..	1	5,801	3,586	9,387
1972-73 (Estimate)	191	96	287	191	96	287	1,417	1,501	2,918	941	350	1,291	2,934	1,746	4,680	131	73	204	5,805	3,862	9,667
Total	2,627	1,160	3,787	2,627	1,160	3,787	17,226	10,484	27,710	6,470	2,531	9,001	18,038	6,768	24,806	132	73	205	47,120	22,176	69,296

(a) For description of repayment provisions for these loans, see Chapter IV and Appendix IV.

(b) Excludes debt charges for loans made for Grafton-South Brisbane railway.



APPENDIX V—TABLES OF COMMONWEALTH PAYMENTS TO EACH STATE

TABLE NO.	SUBJECT
72	Six States—Commonwealth Payments to or for, 1960–61 to 1972–73.
73	Six States—Specific Purpose Capital Payments—Grants, Loans and Debt Charges on Loans, 1964–65 to 1972–73.
74	New South Wales—Commonwealth Payments to or for, 1960–61 to 1972–73.
75	New South Wales—Specific Purpose Capital Payments—Grants, Loans and Debt Charges on Loans, 1964–65 to 1972–73.
76	Victoria—Commonwealth Payments to or for, 1960–61 to 1972–73.
77	Victoria—Specific Purpose Capital Payments—Grants, Loans and Debt Charges on Loans, 1964–65 to 1972–73.
78	Queensland—Commonwealth Payments to or for, 1960–61 to 1972–73.
79	Queensland—Specific Purpose Capital Payments—Grants, Loans and Debt Charges on Loans, 1964–65 to 1972–73.
80	South Australia—Commonwealth Payments to or for, 1960–61 to 1972–73.
81	South Australia—Specific Purpose Capital Payments—Grants, Loans and Debt Charges on Loans, 1964–65 to 1972–73.
82	Western Australia—Commonwealth Payments to or for, 1960–61 to 1972–73.
83	Western Australia—Specific Purpose Capital Payments—Grants, Loans and Debt Charges on Loans, 1964–65 to 1972–73.
84	Tasmania—Commonwealth Payments to or for, 1960–61 to 1972–73.
85	Tasmania—Specific Purpose Capital Payments—Grants, Loans and Debt Charges on Loans, 1964–65 to 1972–73.

TABLE 72.—COMMONWEALTH PAYMENTS TO OR FOR THE SIX STATES 1960-61 TO 1972-73
\$'000

	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73 (Est.)
GENERAL REVENUE ASSISTANCE													
Financial Assistance Grants(a)	539,989	584,280	608,640	635,967	681,349	757,351	826,613	907,539	1,018,193	1,141,319	1,418,518	1,440,878	1,655,611
Special Grants	17,236	22,462	22,502	22,900	31,720	41,770	40,072	35,407	17,392	21,900	18,680	23,800	38,611
Special Revenue Assistance .. .. .	..	..	..	..	..	..	10,750	14,000	14,000	(b)26,000	43,000	(c)72,500	..
Total	557,225	606,742	631,142	658,867	713,069	799,121	877,435	956,946	1,049,585	1,189,219	1,480,198	1,537,178	1,694,221
Additional Assistance Grants (d)	..	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	12,548	13,478	14,497	15,691	16,646	17,761	18,951	20,387	21,619	23,271	24,550	26,323	27,311
Debt Charges Assistance .. .. .	..	..	..	..	..	..	..	..	..	..	..	..	..
Universities	13,354	16,236	18,546	21,081	28,529	31,551	34,262	39,912	43,534	50,435	58,878	67,596	74,471
Colleges of Advanced Education .. .. .	..	..	..	..	..	..	2,472	5,273	6,282	10,658	15,743	18,372	24,581
Independent Schools .. .. .	..	..	..	..	..	1,378	2,038	3,154	2,879	3,446	4,170	4,341	5,775
Research Grants .. .. .	..	..	..	..	..	..	..	..	..	..	..	..	..
Tuberculosis Hospitals	8,314	8,628	9,738	10,463	10,129	13,370	10,974	11,266	11,460	10,555	10,597	9,595	10,211
Blood Transfusion Services	315	349	369	396	428	482	961	632	743	725	845	990	1,170
Housekeeper Services	23	23	23	23	22	22	23	23	23	..	..	..	..
Home Care Services .. .. .	..	..	..	..	..	..	..	..	..	31	318	491	739
Senior Citizens' Centres .. .. .	..	..	..	..	..	..	..	..	..	..	3	12	25
Paramedical Services .. .. .	..	..	..	..	..	..	..	..	..	..	..	7	19
Assistance for Deserted Wives .. .. .	..	..	..	..	..	..	..	201	1,149	1,882	3,691	5,876	8,000
Housing Grants .. .. .	..	..	..	..	..	..	..	..	..	..	..	..	..
Aboriginal Advancement .. .. .	..	..	..	..	..	..	..	..	303	1,299	801	1,665	3,980
Road Safety Practices	140	100	100	100	100	100	116	116	116	116	150	150	150
Non-metropolitan Unemployment Relief .. .. .	..	..	..	..	..	..	..	..	..	..	..	..	..
Natural Disaster Payments	65	267	130	120	79	9,746	12,160	12,862	11,699	9,280	10,003	1,188	26,999
Agricultural Extension Services	1,014	1,010	1,014	1,198	1,212	1,202	2,176	2,900	3,900	4,599	4,985	5,679	6,300
Minor Agricultural Research	n.a.	n.a.	n.a.	46	34	28	23	30	57	98	68	102	134
Tobacco Extension Services .. .. .	..	..	48	48	..	..	..	..	..	..	..	..	..
Cattle Tick Control	1,083	660	536	518	414	348	252	288	310	382	388	450	486
Bovine Brucellosis and T.B. Eradication .. .. .	..	..	..	..	..	..	..	..	..	..	..	..	..
Coal Mining—Long Service Leave	759	579	562	589	598	619	620	620	865	203	1,421	2,404	(e)4,000
Supervision of Apprenticeship Training .. .. .	..	..	..	..	..	..	..	..	..	..	..	..	218
Total Specific Revenue	52,783	56,501	60,736	65,445	73,357	91,777	100,197	112,834	120,109	145,487	188,953	245,748	339,148

TABLE 72.—COMMONWEALTH PAYMENTS TO OR FOR THE SIX STATES
1960-61 TO 1972-73—continued
\$'000

	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73 (Est.)
SPECIFIC PURPOSE PAYMENTS OF A CAPITAL NATURE													
Universities	9,100	12,086	12,872	12,779	12,745	15,227	16,354	16,329	19,097	17,234	16,346	23,002	20,502
Colleges of Advanced Education						982	3,681	6,647	8,080	9,486	14,837	15,641	18,943
Teachers Colleges								4,518	6,322	13,160	2,470	11,153	16,378
Pre-school Teachers Colleges										170	309	856	631
Science Laboratories					9,905	9,635	10,163	12,587	11,762	12,898	13,062	10,824	10,824
Technical Training					10,000	6,230	9,893	13,877	7,587	9,878	12,535	7,411	12,176
School Libraries									1,703	7,540	13,257	9,780	9,707
Capital Grants for Government Schools												6,660	13,340
Mental Health Institutions	1,454	1,648	1,590	1,595	2,504	4,539	4,973	4,243	4,655	5,501	4,199	4,207	5,000
Tuberculosis Hospitals	821	773	984	598	696	696	499	780	847	593	469	438	392
Senior Citizens' Centres										16	84	269	500
Nursing Homes											337	460	1,600
Dwellings for Aged Pensioners										925	4,981	7,622	6,471
Aboriginal Advancement									3,347	4,461	6,199	7,535	10,520
Disposal of Ships' Garbage							29	39	11	485	46	288	348
Natural Disaster Payments						11,994	8,926	13,937	10,434	5,249	9,920	5,844	
Softwood Forestry							291	3,456	3,872	4,814	4,784	389	9,215
Meat Production	14	10					8						
Brigalow Lands Development			1,200	1,600	1,400	1,600	2,200	1,800	1,100	1,100	300	1,050	1,000
Recharging Cattle Dips			106										
Bundaberg Irrigation											1,900	3,250	5,500
Cressy—Longford Irrigation											200	449	101
Ord River Project	1,859	3,280	2,865	1,466	1,468	1,112	971	100	5,100	5,850	5,847	4,760	1,293
Water Resources Investigations					687	861	1,309	1,500	1,601	2,622	1,864	3,736	
Comprehensive Water Supply	1,034	122				1,250	1,250	2,050	2,000	1,792	2,000	158	
Blowering Reservoir				840	3,492	5,581	6,233	3,800	600				
Chowilla Reservoir				100	156	472	528	221					
Salinity Reduction								600	800	170	25	22	38
Flood Mitigation				400	1,300	1,540	970	1,309	2,481		1,098	923	1,200
Fairbairn Dam								700	2,500	3,122	4,785	5,530	2,000
Copeton Dam										3,618	5,750	4,500	4,000
King River Dam									15	1,385	2,000	212	92
Pike Creek Dam													842
Tallem Bend Pipeline										1,500	1,500	1,500	1,040
Millewa Pipeline													500
Dartmouth Dam													1,500
Commonwealth Aid Roads	92,000	100,000	108,000	116,000	130,000	140,000	150,000	160,000	170,000	193,000	218,000	245,250	279,000
Beef Cattle Roads		2,300	3,400	5,595	6,100	5,500	6,005	5,400	6,001	6,268	8,985	10,150	8,760
Gordon River Road				270	1,094	1,840	1,596	200					
Eyre and Barkly Highways Maintenance	83	92	84	64	64	64	64	64	64	64	64	64	64
Eyre Highway Sealing													625
Railway Projects	9,432	15,464	21,818	22,601	17,757	24,258	24,925	34,914	18,990	20,112	7,284	6,106	2,906
Coal Loading Facilities		568	996	276	1,047	813							
Northern Harbours		130		700	1,100	1,154							
Weipa Development	556					2,717	553						
Derby Jetty			600	700	300								
Grassy Harbour													1,158
Gladstone Power													14,000
Hydro-electricity								5,300	3,200	9,700	3,211	2,500	
Natural Gas									11,000		2,250	1,750	
W.A.—Darwin Shipping Service													2,500
Migrant Centres			66	48	2	750	2	426	446	65	142	372	106
Exmouth Township					380		1,952	417		59	584	12	8
Total Specific Capital	116,935	136,848	154,581	165,631	202,197	238,816	252,067	294,473	303,734	342,163	372,722	404,418	468,578
Total Specific Payments	169,718	193,349	215,317	231,076	275,554	330,593	352,265	407,307	423,843	487,650	561,675	650,166	807,726
TOTAL PAYMENTS	726,943	820,091	881,459	929,943	988,623	1,129,715	1,229,700	1,364,253	1,473,427	1,676,869	2,041,873	2,187,344	2,499,926

(a) See footnotes to Table 4.
million to New South Wales. See page 27.

(b) Includes special advance of \$10 million to Victoria. See page 26.
(d) For details see table 50

(c) Includes special advance of \$17.5 million to Victoria. See page 26.
(e) See page 73.

TABLE 73.—TOTAL SPECIFIC PURPOSE CAPITAL PAYMENTS—GRANTS,
LOANS AND DEBT CHARGES ON LOANS

\$'000

	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73 (Estimate)
PAYMENTS OF A CAPITAL NATURE—GRANTS									
Universities	12,745	15,227	16,354	16,329	19,097	17,234	16,346	23,002	20,502
Colleges of Advanced Education .. .. .	..	982	3,681	6,647	8,080	9,486	14,837	15,641	18,943
Teachers Colleges .. .. .	..	..	..	4,518	6,322	13,160	2,470	11,153	16,378
Pre-school Teachers Colleges .. .. .	..	..	..	..	170	309	856	631	534
Science Laboratories	9,905	9,635	10,163	12,587	11,762	12,898	13,062	10,824	10,824
Technical Training	10,000	6,230	9,893	13,877	7,587	9,878	12,535	7,411	12,176
School Libraries .. .. .	..	..	..	..	1,703	7,540	13,257	9,780	9,707
Capital Grants for Government Schools .. .. .	..	..	..	..	..	..	..	6,660	13,340
Mental Health Institutions	2,504	4,539	4,973	4,243	4,655	5,501	4,199	4,207	5,000
Tuberculosis Hospitals	696	696	499	780	847	593	469	438	392
Senior Citizens' Centres .. .. .	..	..	..	..	..	16	84	269	500
Nursing Homes .. .. .	..	..	..	..	..	..	337	460	1,600
Dwellings for Aged Pensioners .. .. .	..	..	..	..	..	925	4,981	7,622	6,471
Aboriginal Advancement .. .. .	..	..	..	..	3,347	4,111	6,199	7,535	10,520
Disposal of Ships' Garbage .. .. .	..	..	29	39	11	485	46	288	348
Natural Disaster Payments .. .. .	..	..	1,206	4,405	..	130	5,091	5,494	..
Encouragement of Meat Production .. .. .	..	..	8	..	..	..	..	..	..
Bundaberg Irrigation .. .. .	..	..	..	..	..	..	1,900	3,250	5,500
Cressy-Longford Irrigation .. .. .	..	..	..	..	..	..	200	449	101
Ord River Project	1,468	1,112	..	100	5,100	5,850	5,707	4,593	743
Fairbairn Dam .. .. .	..	..	..	700	2,500	3,122	4,785	5,530	2,000
Salinity Reduction .. .. .	..	..	..	600	800	170	25	22	38
Water Resources Investigations	687	861	971	1,309	1,500	1,601	2,622	1,864	3,736
Flood Mitigation	1,300	1,540	970	1,309	2,481	..	1,098	923	1,200
Copeton Dam .. .. .	..	..	..	..	..	3,618	5,750	4,500	4,000
King River Dam .. .. .	..	..	..	..	15	1,385	2,000	212	92
Pike Creek Dam .. .. .	..	..	..	..	..	..	..	..	842
Taillem Bend Pipeline .. .. .	..	..	..	..	..	1,500	1,500	1,500	1,040
Millewa Pipeline .. .. .	..	..	..	..	..	..	..	..	500
Commonwealth Aid Roads	130,000	140,000	150,000	160,000	170,000	193,000	218,000	245,250	279,000
Beef Cattle Roads	3,800	3,500	3,753	5,400	6,001	6,268	8,985	10,150	8,760
Eyre and Barkly Highways Maintenance	64	64	64	64	64	64	64	64	64
Eyre Highway Sealing .. .. .	..	..	..	..	..	..	..	..	625
Gordon River Road	1,094	1,840	1,596	200	..	..	..	..	..
Railway Projects	7,370	11,855	12,278	20,925	11,436	11,835	3,624	2,845	1,377
Coal Loading Facilities	120	..	..	..	..	..	..	..	..
Northern Harbours	550	577	..	..	..	..	..	..	..
Derby Jetty	150	..	..	..	..	..	..	..	..
Grassy Harbour .. .. .	..	..	..	..	..	..	..	..	579
W.A.—Darwin Shipping Service .. .. .	..	..	..	..	..	..	..	..	2,500
Exmouth Township	380	750	1,952	417	..	..	315	..	8
Migrant Centres	2	..	2	426	446	65	142	372	106
TOTAL GRANTS	182,835	199,409	218,392	254,875	263,924	310,744	351,487	392,939	440,047
PAYMENTS OF A CAPITAL NATURE—LOANS									
Aboriginal Advancement—Bamaga Project .. .. .	..	..	..	..	..	350	..	..	..
Natural Disasters .. .. .	..	11,994	7,720	10,452	10,434	5,119	4,829	350	..
Softwood Forestry .. .. .	..	..	291	3,456	3,872	4,814	4,784	389	9,215
Brigalow Development	1,400	1,600	2,200	1,800	1,100	1,100	300	1,050	1,000
Comprehensive Water Supply .. .. .	..	1,250	1,250	1,500	2,050	2,000	1,792	2,000	158
Blowering Reservoir	3,492	5,581	6,233	3,800	600	..	..	..	..
Chowilla Reservoir	156	472	528	221	..	..	..	..	..
Ord River Project .. .. .	..	..	..	..	..	..	140	167	550
Dartmouth Dam .. .. .	..	..	..	..	..	..	..	..	1,500
Gladstone Power .. .. .	..	..	..	..	..	..	..	..	14,000
Beef Cattle Roads	2,300	2,000	2,252	..	..	..	..	..	..
Railway Projects	10,387	12,403	12,647	13,989	7,554	8,277	3,660	3,261	1,529
Coal Loading Facilities	927	813	..	..	..	..	..	..	..
Weipa Development .. .. .	..	2,717	553	..	..	..	..	..	..
Northern Harbours	550	577	..	..	..	..	..	..	..
Derby Jetty	150	..	..	..	..	..	..	..	..
Grassy Harbour .. .. .	..	..	..	..	..	..	..	..	579
Hydro-electricity .. .. .	..	..	..	5,300	3,200	9,700	3,211	2,500	..
Natural Gas .. .. .	..	..	..	..	11,000	..	2,250	1,750	..
Exmouth Township .. .. .	..	..	..	..	..	59	269	12	..
TOTAL LOANS	19,362	39,407	33,674	40,518	39,810	31,419	21,235	11,479	28,531
TOTAL SPECIFIC PURPOSE CAPITAL PAYMENTS	202,197	238,816	252,066	295,393	303,734	342,163	372,722	404,418	468,578

TABLE 73.—TOTAL SPECIFIC PURPOSE CAPITAL PAYMENTS—GRANTS,
LOANS AND DEBT CHARGES ON LOANS—*continued*

\$'000

	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73 (Estimate)
DEBT CHARGES PAID BY SIX STATES ON LOANS FOR SPECIFIC PURPOSES									
<i>Interest Payments</i>									
Brigalow Development				225	432	410	510	601	566
Water Supply		21	101	172	262	374	500	618	705
Blowering Reservoir	39	220	513	840	1,040	1,072	1,072	1,072	1,072
Chowilla Reservoir	5	13	38	65	77	77	77	77	77
Ord River Project							6	17	33
Dartmouth Dam									34
Beef Cattle Roads	133	258	348	422	394	365	337	308	279
Railway Projects	2,839	3,292	3,915	4,439	4,942	5,316	5,765	5,801	5,805
Coal Loading Facilities	82	119	148	129	111	93	74	56	38
Northern Harbours	30	60	72	67	62	57	52	47	43
Weipa Development				176	175	172	169	166	163
Derby Jetty	36	35	32	30	27	24	22	19	17
Hydro-electricity					286	519	1,103	1,338	1,452
Natural Gas					298	612	648	806	858
Exmouth Township								29	23
TOTAL INTEREST	3,164	4,018	5,167	6,565	8,106	9,091	10,335	10,955	11,165
<i>Capital Payments</i>									
Natural Disasters					2,402	3,196	4,425	4,760	5,958
Brigalow Development				222	444	444	553	661	661
Beef Cattle Roads				570	570	570	570	570	570
Railway Projects	825	1,387	1,540	1,724	1,886	3,011	3,232	3,586	3,862
Coal Loading Facilities	176	263	343	343	343	343	343	343	287
Northern Harbours			98	98	98	98	98	98	98
Weipa Development				49	51	54	56	59	63
Derby Jetty	53	53	53	53	53	53	53	53	53
Hydro-electricity									2,989
Natural Gas									1,875
Exmouth Township								13	14
TOTAL CAPITAL PAYMENTS	1,054	1,703	2,034	3,059	5,847	7,769	9,330	10,143	16,430
<i>Total Debt Charges</i>									
Natural Disasters					2,402	3,196	4,425	4,760	5,958
Brigalow Development				447	876	854	1,063	1,262	1,227
Water Supply		21	101	172	262	374	500	618	705
Blowering Reservoir	39	220	513	840	1,040	1,072	1,072	1,072	1,072
Chowilla Reservoir	5	13	38	65	77	77	77	77	77
Ord River Project							6	17	33
Dartmouth Dam									34
Beef Cattle Roads	133	258	348	992	964	935	907	878	849
Railway Projects	3,664	4,679	5,455	6,163	6,828	8,327	8,997	9,387	9,667
Coal Loading Facilities	258	382	491	472	454	436	417	399	325
Northern Harbours	30	60	170	165	160	155	150	146	141
Weipa Development				225	226	226	225	226	226
Derby Jetty	89	88	85	83	80	77	75	73	70
Hydro-electricity					286	519	1,103	1,338	4,440
Natural Gas					298	612	648	806	2,733
Exmouth Township								42	37
TOTAL DEBT CHARGES	4,218	5,721	7,201	9,624	13,953	16,860	19,665	21,101	27,594

TABLE 74.—TOTAL COMMONWEALTH PAYMENTS TO OR FOR NEW SOUTH WALES
\$'000

	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73 (Est.)
GENERAL REVENUE ASSISTANCE													
Financial Assistance Grant(a) ..	183,977	198,498	206,642	215,712	230,537	255,001	276,794	302,827	333,393	373,908	470,835	462,204	525,000
Special Revenue Assistance ..	..	..	..	..	..	..	8,000	5,090	3,990	4,775	14,140	35,813	..
Total ..	183,977	198,498	206,642	215,712	230,537	255,001	284,794	307,917	337,383	378,683	484,975	498,017	525,000
Additional Assistance Grants(c) ..	..	4,480	9,292	12,816	..	..	..	..	..	..	..	..	..
SPECIFIC PURPOSE PAYMENTS OF A REVENUE NATURE													
Payments under Financial Agreement—													
Interest on State Debts ..	5,835	5,835	5,835	5,835	5,835	5,835	5,835	5,835	5,835	5,835	5,835	5,835	5,835
Sinking Fund on State Debts ..	4,363	4,659	4,983	5,366	5,662	5,991	6,368	6,826	7,214	7,723	8,124	8,673	8,978
Debt Charges Assistance ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Universities ..	5,620	7,216	7,990	8,941	11,663	13,075	13,773	15,816	17,378	20,218	23,594	27,223	29,844
Colleges of Advanced Education ..	..	..	..	..	..	..	276	608	697	834	3,478	3,713	5,740
Independent Schools ..	..	..	..	..	..	..	..	..	..	4,488	9,017	10,854	15,000
Research Grants ..	..	..	..	..	..	500	656	1,044	899	1,161	1,565	1,638	2,140
Tuberculosis Hospitals ..	2,556	2,990	3,492	3,750	3,650	6,585	3,956	3,813	4,304	3,952	4,166	2,971	3,400
Blood Transfusion Services ..	84	95	96	101	110	117	231	168	196	166	197	254	285
Housekeeper Services ..	12	12	12	12	12	12	12	12	12	..	..	..	..
Home Care Services ..	..	..	..	..	..	..	..	..	..	..	234	161	170
Senior Citizens' Centres ..	..	..	..	..	..	..	..	..	..	..	..	2	3
Deserted Wives ..	..	..	..	..	..	..	..	140	570	726	909	1,258	1,170
Housing Grants ..	..	..	..	..	..	..	..	..	..	..	..	1,368	2,292
Aboriginal Advancement ..	..	..	..	..	..	..	..	..	..	194	468	185	668
Road Safety Practices ..	..	..	..	..	..	..	..	..	..	29	29	37	37
Non-metropolitan													
Unemployment Relief ..	..	..	..	..	..	..	..	..	..	..	..	10,395	27,720
Natural Disaster Payments ..	..	100	130	120	39	5,532	7,613	4,348	3,469	21	980	..	..
Agricultural Extension Services ..	280	278	282	328	328	328	535	760	1,019	1,427	1,188	1,475	1,680
Minor Agricultural Research ..	n.a.	n.a.	n.a.	8	9	9	6	7	14	38	21	19	73
Tobacco Extension Services ..	..	..	6	6	..	..	..	..	..	..	..	..	..
Cattle Tick Control ..	1,083	660	536	518	414	348	252	288	310	382	388	450	486
Bovine Brucellosis and T.B. Eradication ..	..	..	..	..	..	..	..	..	..	..	32	450	786 (d)
Coal Mining—Long Service Leave ..	616	456	439	459	475	483	492	478	658	850	953	1,116	1,395
Supervision of Apprenticeship Training ..	..	..	..	..	..	..	..	..	..	..	..	..	33
Total Specific Purpose Revenue ..	20,484	22,326	23,826	25,470	28,222	38,840	40,034	40,172	42,798	48,350	65,120	86,496	120,050
SPECIFIC PURPOSE PAYMENTS OF A CAPITAL NATURE													
Universities ..	2,661	5,068	4,341	3,759	4,507	5,267	6,502	5,472	7,569	6,512	4,050	9,682	8,552
Colleges of Advanced Education ..	..	..	..	..	..	750	560	1,335	1,717	2,937	4,068	2,666	4,970
Teachers Colleges ..	..	..	..	..	..	..	..	253	1,210	6,037	546	4,194	5,160
Pre-school Teachers Colleges ..	..	..	..	..	..	..	..	..	..	26	25	521	303
Science Laboratories ..	..	..	..	..	3,709	3,709	3,709	4,708	4,663	4,663	4,663	3,703	3,703
Technical Training ..	..	..	..	..	3,744	3,492	3,760	3,980	2,998	3,282	4,846	2,416	5,000
School Libraries ..	..	..	..	..	..	..	..	..	450	2,136	5,990	4,195	2,688
Capital Grants for Government Schools ..	..	..	..	..	..	..	..	..	..	..	..	2,120	4,246
Mental Health Institutions ..	866	1,297	1,295	982	659	1,717	2,217	2,095	1,925	2,305	1,409	1,325	1,170
Tuberculosis Hospitals ..	252	95	140	153	135	390	356	591	571	191	143	70	41
Senior Citizens' Centres ..	..	..	..	..	..	..	..	..	..	..	34	39	57
Dwellings for Aged Pensioners ..	..	..	..	..	..	..	..	..	..	..	465	1,774	3,260
Aboriginal Advancement ..	..	..	..	..	..	..	..	..	..	..	711	1,516	1,732
Natural Disaster Payments ..	..	..	..	..	..	8,668	5,460	3,300	5,160	..	4,220	..	..
Softwood Forestry ..	..	..	..	..	..	..	..	1,500	1,200	1,800	1,401	..	3,328
Recharging Cattle Dips ..	..	..	96	..	..	..	..	..	..	..	..	..	..
Blowing Reservoir ..	..	..	..	840	3,492	5,581	6,233	3,800	600	..	..	..	..
Chowilla Reservoir ..	..	..	..	100	156	472	528	221	..	..	..	..	..
Flood Mitigation ..	..	..	..	400	1,300	1,540	970	1,309	2,481	..	1,098	923	1,200
Water Resources Investigations ..	..	..	..	..	133	188	212	359	377	..	394	863	1,779
Copeton Dam ..	..	..	..	..	..	..	..	..	..	3,618	5,750	4,500	4,000
Pike Creek Dam ..	..	..	..	..	..	..	..	..	..	..	..	..	421
Dartmouth Dam ..	..	..	..	..	..	..	..	..	..	..	..	..	500
Commonwealth Aid Roads ..	25,741	27,622	29,880	32,443	36,345	39,191	41,744	44,467	47,319	57,060	64,980	74,500	85,590
Railway Projects ..	..	..	346	..	..	..	..	8,250	1,750	..	..	..	..
Coal Loading Facilities(e) ..	..	568	996	116	807	813	..	..	..	..	..	..	..
Migrant Centres ..	..	..	..	..	..	..	..	67	35	5	2	214	10
Total Specific Purpose Capital ..	29,520	34,650	37,094	38,793	54,987	71,778	72,251	81,707	80,607	92,142	107,379	116,060	138,419
Total Specific Purpose Payments ..	50,004	56,976	60,920	64,263	83,209	110,618	112,285	121,879	123,405	140,492	172,499	202,556	258,469
TOTAL PAYMENTS ..	233,981	259,954	276,854	292,791	313,746	365,619	397,079	429,796	460,788	519,175	657,474	700,573	783,469

(a) See footnotes to Table 4. (b) Includes special advance of \$17.5 million. See page 27. (c) For details see Table 50. (d) See page 73. (e) 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.

TABLE 75.—NEW SOUTH WALES—SPECIFIC PURPOSE CAPITAL PAYMENTS
GRANTS, LOANS AND DEBT CHARGES ON LOANS

\$'000

	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73 (Est.)
PAYMENTS OF A CAPITAL NATURE—GRANTS									
Universities	4,507	5,267	6,502	5,472	7,569	6,512	4,050	9,682	8,552
Colleges of Advanced Education .. .. .	..	750	560	1,335	1,717	2,937	4,068	2,666	4,970
Teachers Colleges .. .. .	..	..	..	253	1,210	6,037	546	4,194	5,160
Pre-school Teachers Colleges .. .. .	..	..	..	..	..	26	25	521	303
Science Laboratories	3,709	3,709	3,709	4,708	4,663	4,663	4,663	3,703	3,703
Technical Training	3,744	3,492	3,760	3,980	2,999	3,282	4,846	2,416	5,000
School Libraries .. .. .	..	..	..	..	450	2,136	5,990	4,195	2,688
Capital Grants for Government Schools .. .. .	..	..	..	..	..	..	..	2,120	4,246
Mental Health Institutions	659	1,717	2,217	2,095	1,925	2,305	1,409	1,325	1,170
Tuberculosis Hospitals	135	390	356	591	571	191	143	70	41
Senior Citizens' Centres .. .. .	..	..	..	..	..	..	34	39	57
Dwellings for Aged Pensioners .. .. .	..	..	..	..	..	465	1,774	3,260	3,101
Aboriginal Advancement .. .. .	..	..	..	..	581	711	1,516	1,732	2,600
Natural Disaster Payments .. .. .	..	..	..	..	..	..	4,098	..	..
Flood Mitigation	1,300	1,540	970	1,309	2,481	..	1,098	923	1,200
Water Resources Investigations	133	188	212	359	377	394	863	..	1,779
Copeton Dam .. .. .	..	..	..	..	..	3,618	5,750	4,500	4,000
Pike Creek Dam .. .. .	..	..	..	..	..	..	..	..	421
Commonwealth Aid Roads	36,345	39,191	41,744	44,467	47,319	57,060	64,980	74,500	85,590
Railway Projects .. .. .	..	..	..	8,250	1,750	..	..	..	..
Migrant Centres .. .. .	..	..	..	67	35	5	2	214	10
Total Specific Purposes Capital Grants	50,532	56,244	60,030	72,886	73,647	90,342	105,856	116,060	134,591

PAYMENTS OF A CAPITAL NATURE—LOANS									
Natural Disaster Payments .. .. .	..	8,668	5,460	3,300	5,160	..	122	..	..
Softwood Forestry .. .. .	..	..	..	1,500	1,200	1,800	1,401	..	3,328
Chowilla Reservoir	156	472	528	221	..	..	..	..	..
Blowering Reservoir	3,492	5,581	6,233	3,800	600	..	..	..	..
Dartmouth Dam .. .. .	..	..	..	..	..	..	..	..	500
Coal Loading Facilities	807	813	..	..	..	..	..	..	..
Total Specific Purpose Loans	4,455	15,534	12,221	8,821	6,960	1,800	1,523	..	3,828
TOTAL SPECIFIC PURPOSE CAPITAL PAYMENTS	54,987	71,778	72,251	81,707	80,607	92,142	107,379	116,060	138,419

DEBT CHARGES PAID BY NEW SOUTH WALES ON LOANS FOR SPECIFIC PURPOSES

Interest Payments

Chowilla Reservoir	5	13	38	65	77	77	77	77	77
Blowering Reservoir	39	220	513	840	1,040	1,072	1,072	1,072	1,072
Dartmouth Dam .. .. .	..	..	..	..	..	..	..	..	11
Railway Projects(a)	230	225	220	215	210	205	200	195	191
Coal Loading Facilities	77	110	139	121	104	86	68	50	33
Total Interest Payments	351	568	910	1,241	1,431	1,440	1,417	1,394	1,384

Capital Payments

Natural Disasters .. .. .	..	..	..	..	1,766	1,766	2,824	2,824	2,824
Railway Projects(a)	96	96	96	96	96	96	96	96	96
Coal Loadings Facilities	168	249	330	330	330	330	330	330	273
Total Capital Payments	264	345	426	426	2,192	2,192	3,250	3,250	3,193

Total Debt Charges

Natural Disasters .. .. .	..	..	..	..	1,766	1,766	2,824	2,824	2,824
Chowilla Reservoir	5	13	38	65	77	77	77	77	77
Blowering Reservoir	39	220	513	840	1,040	1,072	1,072	1,072	1,072
Dartmouth Dam .. .. .	..	..	..	..	..	..	..	..	11
Railway Projects(a)	326	321	316	311	306	301	296	291	287
Coal Loading Facilities	245	359	469	451	434	416	398	380	307
TOTAL DEBT CHARGES	615	913	1,336	1,667	3,623	3,632	4,667	4,644	4,578

(a) Figures prior to 1964-65 are given in Table 71.

TABLE 76.—TOTAL COMMONWEALTH PAYMENTS TO OR FOR VICTORIA

\$'000

	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73 (Est.)
GENERAL REVENUE ASSISTANCE													
Financial Assistance Grants(a)	134,743	146,029	152,267	159,482	171,750	191,922	208,790	228,254	250,563	280,008	351,024	348,464	397,100
Special Revenue Assistance ..	..	..	..	..	..	..	..	4,837	2,999	13,635	10,560	13,621	..
Total ..	134,743	146,029	152,267	159,482	171,750	191,922	208,790	233,091	253,562	293,643	361,584	362,085	397,100
Additional Assistance Grants(c)	..	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	2,893	3,132	3,389	3,700	3,937	4,225	4,524	4,885	5,189	5,600	5,926	6,378	6,626
Debt Charges Assistance	..	..	..	..	..	..	..	..	..	..	2,783	5,566	8,348
Universities	2,907	3,308	4,104	4,916	7,098	8,071	9,211	10,991	12,108	13,960	16,238	18,586	20,105
Colleges of Advanced Education	..	..	..	..	..	..	..	..	..	..	6,191	7,341	9,240
Independent Schools	..	..	..	..	..	..	..	..	..	..	3,952	7,832	9,655
Research Grants	..	..	..	..	..	331	607	770	675	864	954	1,177	1,470
Tuberculosis Hospitals	2,148	2,221	2,542	2,772	2,700	3,019	3,293	3,306	3,288	3,176	3,039	3,170	3,220
Blood Transfusion Services	100	105	112	121	129	144	276	176	193	225	251	269	337
Housekeeper Services	8	8	8	8	8	8	8	8	8	8	8	8	8
Home Care Services	..	..	..	..	..	..	..	..	..	..	..	137	337
Senior Citizens' Centres	..	..	..	..	..	..	..	..	..	..	..	..	6
Deserted Wives	..	..	..	..	..	..	..	..	..	101	1,112	1,970	3,200
Housing Grants	..	..	..	..	..	..	..	..	..	..	..	1,005	1,679
Aboriginal Advancement	..	..	..	..	..	..	..	..	..	18	121	81	116
Road Safety Practices	..	..	..	..	..	..	..	..	..	..	..	..	200
Non-metropolitan Unemployment Relief	28	20	20	20	20	20	23	23	23	23	30	30	30
Natural Disaster Payments	..	100	..	..	20	40	..	5,291	6,000	277	43	6,075	16,200
Agricultural Extension Services	264	250	250	298	310	298	508	667	986	1,027	1,194	1,364	1,490
Minor Agricultural Research	n.a.	n.a.	n.a.	14	11	..	..	..	..	..	13	16	16
Bovine Brucellosis and T.B. Eradication	..	..	..	..	..	..	..	..	..	..	37	577	700
Tobacco Extension Services	..	..	16	16	..	..	..	..	..	..	..	..	(d)1,150
Supervision of Apprenticeship Training	..	..	..	..	..	..	..	..	..	..	..	..	75
Total Specific Purpose Revenue	12,602	13,398	14,695	16,119	18,487	20,410	24,006	33,159	35,937	38,467	50,507	67,809	91,483
SPECIFIC PURPOSE PAYMENTS OF A CAPITAL NATURE													
Universities	3,138	4,101	5,207	5,009	3,288	4,425	5,250	6,173	7,072	4,495	5,990	3,669	5,962
College of Advanced Education	..	..	..	..	..	..	911	2,677	2,350	2,891	4,902	5,580	6,853
Teachers Colleges	..	..	..	..	..	..	..	500	1,600	3,250	1,250	2,750	5,500
Pre-school Teachers Colleges	..	..	..	..	..	..	..	..	21	2	1	..	186
Science Laboratories	..	..	..	..	2,799	2,799	2,799	3,553	4,037	3,055	4,037	3,546	3,368
Technical Training	..	..	..	..	2,826	336	3,050	5,091	1,550	3,000	3,912	1,500	3,000
School Libraries	..	..	..	..	..	..	..	..	500	2,225	3,199	2,519	3,282
Capital Grants for Government Schools	..	..	..	..	..	..	..	..	..	..	..	1,700	3,405
Mental Health Institutions	168	..	..	..	711	1,567	1,192	1,382	1,200	947	798	828	1,050
Tuberculosis Hospitals	96	116	110	50	308	169	110	10	175	327	151	119	13
Senior Citizens' Centres	..	..	..	..	..	..	..	..	..	..	..	11	140
Nursing Homes	..	..	..	..	..	..	..	..	..	..	..	..	700
Dwellings for Aged Pensioners	..	..	..	..	..	..	..	..	..	200	1,929	2,243	1,128
Aboriginal Advancement	..	..	..	..	..	..	..	..	..	207	226	286	470
Disposal of Ships' Garbage	..	..	..	..	..	..	..	..	..	..	120	4	300
Natural Disaster Payments	..	..	..	..	..	..	..	2,709	3,000	93	..	..	..
Softwood Forestry	..	..	..	..	..	..	..	300	500	480	815	..	1,499
Water Resources Investigations	..	..	..	..	90	80	77	131	159	163	420	422	453
King River Dam	..	..	..	..	..	..	..	..	15	1,385	2,000	212	92
Millewa Pipeline	..	..	..	..	..	..	..	..	..	..	..	..	500
Dartmouth Dam	..	..	..	..	..	..	..	..	..	..	..	..	500
Salinity Reduction	..	..	..	..	..	..	..	600	800	170	25	22	38
Commonwealth Aid Roads	18,367	20,159	21,754	22,824	25,576	27,508	29,443	31,286	33,113	38,160	43,460	49,820	57,240
Railway Projects	9,432	8,000	2,630	..	..	..	..	..	..	..	..	..	..
Migrant Centres	..	..	66	14	2	..	..	..	..	..	..	..	..
Total Specific Purpose Capital	31,201	32,376	29,767	27,897	35,600	36,884	42,832	54,412	55,317	62,171	72,688	78,177	95,679
Total Specific Purpose Payments	43,803	45,774	44,462	44,016	54,087	57,294	66,838	87,571	91,254	100,638	123,195	145,986	187,162
TOTAL PAYMENTS	178,546	195,403	204,183	213,778	225,837	249,216	275,628	320,662	344,816	394,281	484,779	508,571	584,262

(a) See footnotes to Table 4.

(b) Includes special advance of \$10 million. See page 26.

(c) For details see Table 50.

(d) See page 73

TABLE 77.—VICTORIA—SPECIFIC PURPOSE CAPITAL PAYMENTS
GRANTS, LOANS AND DEBT CHARGES ON LOANS

\$'000

	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73 (Est.)
PAYMENTS OF A CAPITAL NATURE—GRANTS									
Universities	3,288	4,425	5,250	6,173	7,072	4,495	5,990	6,669	5,962
Colleges of Advanced Education .. .. .	..	..	911	2,677	2,350	2,891	4,902	5,580	6,853
Teachers Colleges .. .. .	..	..	..	500	1,600	3,250	1,250	2,750	5,500
Pre-school Teachers Colleges .. .. .	..	..	..	..	21	2	1	..	186
Science Laboratories	2,799	2,799	2,799	3,553	3,055	4,037	3,546	3,368	3,368
Technical Training	2,826	336	3,050	5,091	1,550	3,000	3,912	1,500	3,000
School Libraries .. .. .	..	..	..	..	500	2,225	3,199	2,519	3,282
Capital Grants for Government Schools .. .. .	..	..	..	..	..	..	..	1,700	3,405
Mental Health Institutions	711	1,567	1,192	1,382	1,200	947	798	828	1,050
Tuberculosis Hospitals	308	169	110	10	175	327	151	119	13
Senior Citizens' Centres .. .. .	..	..	..	..	..	..	..	11	140
Nursing Homes .. .. .	..	..	..	..	..	..	..	..	700
Dwellings for Aged Pensioners .. .. .	..	..	..	..	..	200	1,929	2,243	1,128
Aboriginal Advancement .. .. .	..	..	..	..	207	226	286	284	470
Disposal of Ships' Garbage .. .. .	..	..	..	..	..	120	4	130	300
Water Resources Investigations	90	80	77	131	159	163	420	422	453
Salinity Reduction .. .. .	..	..	..	600	800	170	25	22	38
King River Dam .. .. .	..	..	..	..	15	1,385	2,000	212	92
Millewa Pipeline .. .. .	..	..	..	..	..	..	..	..	500
Commonwealth Aid Roads	25,576	27,508	29,443	31,286	33,113	38,160	43,460	49,820	57,240
Migrant Centres	2	..	..	..	..	..	..	..	..
Total Specific Purpose Capital Grants	35,600	36,884	42,832	51,403	51,817	61,598	71,873	78,177	93,680
PAYMENTS OF A CAPITAL NATURE—LOANS									
Natural Disasters .. .. .	..	..	..	2,709	3,000	93	..	..	..
Softwood Forestry .. .. .	..	..	..	300	500	480	815	..	1,499
Dartmouth Dam .. .. .	..	..	..	..	..	..	..	..	500
Total Specific Purpose Loans .. .. .	..	..	..	3,009	3,500	573	815	..	1,999
TOTAL SPECIFIC PURPOSE CAPITAL PAYMENTS	35,600	36,884	42,832	54,412	55,317	62,171	72,688	78,177	95,679
DEBT CHARGES PAID BY VICTORIA ON LOANS FOR SPECIFIC PURPOSES									
<i>Interest Payments</i>									
Railway Projects(a)	230	225	220	215	210	205	200	195	191
Dartmouth Dam .. .. .	..	..	..	..	..	..	..	..	11
Total Interest Payments	230	225	220	215	210	205	200	195	202
<i>Capital Payments</i>									
Natural Disasters .. .. .	..	..	..	..	..	725	725	725	725
Railway Projects(a)	96	96	96	96	96	96	96	96	96
Total Capital Payments	96	96	96	96	96	821	821	821	821
<i>Total Debt Charges</i>									
Natural Disasters .. .. .	..	..	..	..	..	725	725	725	725
Railway Projects(a)	326	321	316	311	306	301	296	291	287
Dartmouth Dam .. .. .	..	..	..	..	..	..	..	..	11
TOTAL DEBT CHARGES	326	321	316	311	306	1,026	1,021	1,016	1,023

(a) Figures prior to 1964-65 are given in Table 71.

TABLE 78.—TOTAL COMMONWEALTH PAYMENTS TO OR FOR QUEENSLAND

\$'000

	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73 (Est.)
GENERAL REVENUE ASSISTANCE													
Financial Assistance Grants(a)	79,901	87,460	91,083	94,821	101,111	113,356	123,514	139,601	155,963	176,522	216,672	231,603	270,900
Special Grants	..	..	..	..	..	..	..	..	..	..	..	9,000	10,000
Special Revenue Assistance	..	..	..	..	..	..	2,750	2,347	1,867	2,182	6,603	8,606	..
Total	79,901	87,460	91,083	94,821	101,111	113,356	128,264	141,948	157,830	178,704	223,275	249,209	280,900
Additional Assistance Grants(b)	..	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	1,571	1,688	1,826	1,968	2,109	2,272	2,439	2,619	2,790	3,039	3,195	3,431	3,567
Debt Charges Assistance	..	..	..	..	..	..	..	..	..	..	1,525	3,051	4,576
Universities	1,678	2,019	2,359	2,621	3,512	3,863	4,276	5,146	5,549	6,508	7,517	8,412	9,642
Colleges of Advanced Education	..	..	..	..	..	..	197	409	633	1,300	1,567	1,860	2,710
Independent Schools	..	..	..	..	..	..	..	..	..	1,830	3,640	4,472	6,200
Research Grants	..	..	..	..	..	105	205	365	373	365	395	511	613
Tuberculosis Hospitals	1,484	1,565	1,789	2,118	2,036	2,068	2,189	2,416	2,344	1,754	1,730	1,528	1,660
Blood Transfusion Services	56	67	74	82	90	103	215	119	139	154	170	192	230
Home Care Services	..	..	..	..	..	..	..	..	..	31	80	158	202
Senior Citizens' Centres	..	..	..	..	..	..	..	..	..	..	..	1	3
Deserted Wives	..	..	..	..	..	..	..	..	158	426	645	1,002	1,500
Housing Grants	..	..	..	..	..	..	..	..	..	..	..	315	527
Aboriginal Advancement	..	..	..	..	..	..	..	..	..	84	597	215	371
Road Safety Practices	26	18	19	18	19	18	21	21	21	21	21	28	28
Non-metropolitan Unemployment Relief	..	..	..	..	..	..	..	..	..	..	..	..	5,400
Natural Disasters	..	..	..	..	..	4,174	3,197	2,483	1,210	8,940	8,979	1,188	14,400
Agricultural Extension Services	244	248	244	294	294	294	545	664	900	966	1,153	1,251	1,380
Minor Agricultural Research	n.a.	n.a.	n.a.	25	12	19	15	23	31	32	30	42	33
Bovine Brucellosis and T.B. Eradication	..	..	..	..	..	..	..	..	..	..	..	80	458
Tobacco Extension Services	..	..	26	26	..	..	..	..	..	..	..	..	(c)885
Coal Mining Long Service Leave	100	85	84	93	86	98	93	99	159	259	403	563	629
Supervision of Apprenticeship Training	..	..	..	..	..	..	..	..	..	..	..	..	52
Total Specific Purpose Revenue	7,351	7,882	8,613	9,437	10,350	15,206	15,584	16,556	16,583	28,414	33,544	36,426	52,029

SPECIFIC PURPOSE PAYMENTS OF A CAPITAL NATURE													
Universities	1,396	599	960	1,151	1,784	1,836	1,641	1,826	1,744	1,916	3,124	2,597	2,671
Colleges of Advanced Education	..	..	..	..	..	..	1,137	566	1,787	890	1,097	2,412	2,410
Teachers Colleges	..	..	..	..	..	..	..	1,086	1,293	1,401	431	1,364	1,206
Pre-School Teachers Colleges	..	..	..	..	..	..	..	..	..	..	350	..	..
Science Laboratories	..	..	..	1,435	1,435	1,435	1,821	1,512	1,818	2,167	1,599	1,599	1,599
Technical Training	..	..	..	1,449	1,449	1,448	1,448	1,456	1,456	1,457	1,238	1,500	1,500
School Libraries	..	..	..	..	..	..	..	300	1,816	1,466	1,044	1,044	1,427
Capital Grants for Government Schools	..	..	..	..	..	..	..	..	..	..	..	840	1,683
Mental Health Institutions	195	141	75	108	225	146	288	196	323	602	464	1,169	980
Tuberculosis Hospitals	351	401	630	283	223	110	28	135	39	6	55	6	29
Senior Citizens' Centres	..	..	..	..	..	..	..	..	..	..	17	91	72
Nursing Homes	..	..	..	..	..	..	..	..	..	..	..	332	300
Dwellings for Aged Pensioners	..	..	..	..	..	..	..	..	..	..	109	661	1,300
Aboriginal Advancement	..	..	..	..	..	..	..	..	1,366	1,808	2,323	2,667	3,790
Disposal of Ships' Garbage	..	..	..	..	..	..	..	..	..	308	28	55	..
Natural Disaster Payments	129	44	..	..	..	3,326	2,316	1,123	805	4,953	5,386	5,701	..
Softwood Forestry	..	..	..	..	..	..	201	481	954	925	1,144	196	1,920
Meat Production	10	4	1	..	..	..	..	..	..	..	..	..	..
Brigalow Lands Development	..	..	1,200	1,600	1,400	1,600	2,200	1,800	1,100	1,100	300	1,050	1,000
Recharging Cattle Dips	..	..	10	..	..	..	..	..	..	..	..	..	..
Fairbairn Dam	..	..	..	..	..	..	..	700	2,500	3,122	4,785	5,530	2,000
Pike Creek Dam	..	..	..	..	..	..	..	..	..	..	..	..	421
Bundaberg Irrigation	..	..	..	..	..	..	..	..	..	..	1,900	3,250	5,500
Water Resources Investigation	..	..	..	..	256	313	366	414	467	522	516	544	563
Commonwealth Aid Roads	16,855	18,187	19,591	21,070	23,669	25,538	27,415	29,266	31,098	34,740	39,560	45,360	52,110
Beef Cattle Roads	..	1,300	2,000	4,095	4,600	4,000	4,505	4,000	4,550	5,100	7,685	8,200	6,920
Barkly Highway Maintenance	4	42	34	14	14	14	14	14	14	14	14	14	14
Railway Projects	..	7,500	11,917	12,100	3,016	..	..	578	..	..	..	..	..
Coal Loading Facilities	..	..	..	160	240	..	..	..	..	..	..	..	..
Weipa Development	..	..	..	..	..	2,717	553	..	..	..	..	..	..
Gladstone Power	..	..	..	..	..	..	..	..	..	..	..	..	14,000
Migrant Centres	..	..	..	..	..	..	..	..	..	..	..	123	96
Total Specific Purpose Capital	18,940	28,218	36,418	40,581	38,310	42,484	43,547	45,454	51,308	62,497	74,378	86,043	103,511
Total Specific Purpose Payments	26,291	36,100	45,031	50,018	48,660	57,690	59,131	62,010	67,891	90,911	107,922	122,469	155,540
TOTAL PAYMENTS	106,192	130,240	144,594	149,639	149,771	171,046	187,395	203,958	225,721	269,615	331,197	371,678	436,440

(a) See footnotes to Table 4. (b) For details see Table 50. (c) See page 73.

TABLE 79.—QUEENSLAND—SPECIFIC PURPOSE CAPITAL PAYMENTS
GRANTS, LOANS AND DEBT CHARGES ON LOANS
\$'000

	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73 (Est.)
PAYMENTS OF A CAPITAL NATURE—GRANTS									
Universities	1,784	1,836	1,641	1,826	1,744	1,916	3,124	2,597	2,671
Colleges of Advanced Education .. .. .	..	..	1,137	566	1,787	890	1,097	2,412	2,410
Teachers Colleges .. .. .	..	..	..	1,086	1,293	1,401	431	1,364	1,206
Pre-school Teachers Colleges .. .. .	..	..	..	..	..	..	350	..	..
Science Laboratories	1,435	1,435	1,435	1,821	1,512	1,818	2,167	1,599	1,599
Technical Training	1,449	1,449	1,448	1,448	1,456	1,456	1,457	1,238	1,500
School Libraries .. .. .	..	..	..	..	300	1,816	1,466	1,044	1,427
Capital Grants for Government Schools .. .. .	..	..	..	..	..	..	..	840	1,683
Mental Health Institutions	225	146	288	196	323	602	464	1,169	980
Tuberculosis Hospitals	223	110	28	135	39	6	55	6	29
Senior Citizens' Centres .. .. .	..	..	..	..	..	..	17	91	72
Nursing Homes .. .. .	..	..	..	..	..	..	..	332	300
Dwellings for Aged Pensioners .. .. .	..	..	..	..	..	..	109	661	1,300
Aboriginal Advancement .. .. .	..	..	..	..	1,366	1,458	2,323	2,667	3,790
Disposal of Ships' Garbage .. .. .	..	..	..	..	..	308	28	55	..
Natural Disasters .. .. .	..	..	556	555	..	..	694	5,351	..
Fairbairn Dam .. .. .	..	..	..	700	2,500	3,122	4,785	5,530	2,000
Pike Creek Dam .. .. .	..	..	..	..	..	..	..	..	421
Bundaberg Irrigation .. .. .	..	..	..	..	..	..	1,900	3,250	5,500
Water Resources Investigations	256	313	366	414	467	522	516	544	563
Commonwealth Aid Roads	23,669	25,538	27,415	29,266	31,098	34,740	39,560	45,360	52,110
Beef Cattle Roads	2,300	2,000	2,253	4,000	4,550	5,100	7,685	8,200	6,920
Barkly Highway Maintenance	14	14	14	14	14	14	14	14	14
Coal Loading Facilities	120	..	..	..	..	..	..	123	96
Migrant Centres .. .. .	..	..	..	..	..	..	..	..	..
Total Specific Purpose Capital Grants	31,474	32,841	36,581	42,027	48,449	55,169	68,242	84,447	86,591
PAYMENTS OF A CAPITAL NATURE—LOANS									
Aboriginal Advancement — Bamaga Project .. .. .	..	..	..	..	..	350	..	..	..
Natural Disasters .. .. .	..	3,326	1,760	568	805	4,953	4,692	350	..
Brigalow Lands Development	1,400	1,600	2,200	1,800	1,100	1,100	300	1,050	1,000
Softwood Forestry .. .. .	..	..	201	481	954	925	1,144	196	1,920
Beef Cattle Roads	2,300	2,000	2,252	..	..	..	..	..	..
Railway Projects(a)	3,016	..	..	578	..	..	..	..	..
Coal Loading Facilities	120	..	..	..	..	..	..	..	..
Weipa Development .. .. .	..	2,717	553	..	..	..	..	..	..
Gladstone Power .. .. .	..	..	..	..	..	..	..	..	14,000
Total Specific Purpose Loans ..	6,836	9,643	6,966	3,427	2,859	7,328	6,136	1,596	16,920
TOTAL SPECIFIC PURPOSE CAPITAL PAYMENTS ..	38,310	42,484	43,548	45,455	51,308	62,497	74,378	86,043	103,511
DEBT CHARGES PAID BY QUEENSLAND ON LOANS FOR SPECIFIC PURPOSES									
<i>Interest Payments</i>									
Beef Cattle Roads	133	258	348	422	394	365	337	308	279
Railway Projects(b)	1,797	1,858	1,802	1,742	1,710	1,642	1,571	1,496	1,417
Coal Loading Facilities	5	9	9	8	7	7	6	5	5
Weipa Development .. .. .	..	..	..	176	175	172	169	166	163
Brigalow Lands Development .. .. .	..	..	..	225	432	410	510	601	566
Total Interest Payments ..	1,935	2,125	2,159	2,573	2,718	2,596	2,593	2,576	2,430
<i>Capital Payments</i>									
Natural Disasters .. .. .	..	..	..	..	636	636	807	807	2,020
Beef Cattle Roads .. .. .	..	..	..	570	570	570	570	570	570
Railway Projects	506	1,009	1,065	1,150	1,208	1,276	1,347	1,422	1,501
Coal Loading Facilities	8	14	13	13	13	13	13	13	13
Weipa Development .. .. .	..	..	..	49	51	54	56	59	63
Brigalow Lands Development .. .. .	..	..	..	222	444	444	553	661	661
Total Capital Payments ..	514	1,023	1,078	2,004	2,922	2,993	3,346	3,532	4,828
<i>Total Debt Charges</i>									
Natural Disasters .. .. .	..	..	..	..	636	636	807	807	2,020
Beef Cattle Roads	133	258	348	992	964	935	907	878	849
Railway Projects(b)	2,303	2,867	2,867	2,892	2,918	2,918	2,918	2,918	2,918
Coal Loading Facilities	13	23	22	21	20	20	19	19	18
Weipa Development .. .. .	..	..	..	225	226	226	225	226	226
Brigalow Lands Development .. .. .	..	..	..	447	876	854	1,063	1,262	1,227
TOTAL DEBT CHARGES ..	2,449	3,148	3,237	4,577	5,640	5,589	5,939	6,110	7,258

(a) Figures prior to 1964-65 are given in Table 70.

(b) Figures prior to 1964-65 are given in Table 71.

TABLE 80.—TOTAL COMMONWEALTH PAYMENTS TO OR FOR SOUTH AUSTRALIA

\$'000

	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73 (Est.)
GENERAL REVENUE ASSISTANCE													
Financial Assistance Grants ..	61,454	66,451	69,552	72,729	78,155	86,467	94,346	102,738	112,768	125,706	151,602	158,491	181,500
Special Grants ..	..	..	..	..	..	..	..	..	..	..	5,000	7,000	21,000
Special Revenue Assistance ..	..	..	..	..	..	..	..	1,727	3,350	1,690	4,650	5,929	..
Total ..	61,454	66,451	69,552	72,729	78,155	86,467	94,346	104,465	116,117	127,396	161,252	171,420	202,500
Additional Assistance Grants(a)	..	1,950	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 ..	1,674	1,798	1,925	2,077	2,193	2,335	2,482	2,673	2,835	3,053	3,226	3,458	3,607
Debt Charges Assistance ..	..	..	..	..	..	..	..	..	..	..	1,496	2,991	4,487
Universities ..	1,617	1,955	2,133	2,367	3,266	3,420	3,668	4,107	4,351	4,964	5,811	6,676	7,349
Colleges of Advanced Education ..	..	..	..	..	..	..	275	554	623	1,361	1,420	1,651	2,380
Independent Schools ..	..	..	..	..	..	..	..	..	..	759	1,526	1,889	2,500
Research Grants ..	..	..	..	..	..	223	352	560	462	551	759	577	893
Tuberculosis Hospitals ..	804	691	752	710	638	662	652	620	571	551	545	715	757
Blood Transfusion Service ..	35	38	42	44	47	61	123	76	115	83	124	139	161
Home Care Services ..	..	..	..	..	..	..	..	..	..	..	..	9	10
Senior Citizens' Centres ..	..	..	..	..	..	..	..	..	..	..	3	4	19
Paramedical Centres ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Deserted Wives ..	..	..	..	..	..	..	..	25	139	210	294	464	550
Housing Grants ..	..	..	..	..	..	..	..	..	..	7	..	623	1,093
Aboriginal Advancement ..	..	..	..	..	..	..	..	..	7	47	161	270	610
Road Safety Practices ..	17	13	12	13	12	13	15	15	15	15	19	19	19
Non-Metropolitan Unemployment Relief ..	..	..	..	..	..	..	..	..	..	..	..	1,620	4,320
Natural Disaster Payments ..	..	..	..	..	20	..	..	725	970	..	..	..	..
Agricultural Extension Services ..	88	90	90	104	104	104	217	368	391	460	538	651	690
Minor Agricultural Research ..	n.a.	n.a.	n.a.	1	..	..	3	..	11	15	15	11	12
Bovine Brucellosis and T.B. Eradication ..	..	..	..	..	..	..	..	..	..	36	113	177	(b)235
Supervision of Apprenticeship Training ..	..	..	..	..	..	..	..	..	..	..	..	..	26
Total Specific Purpose Revenue ..	5,643	5,993	6,362	6,723	7,689	8,226	9,195	11,131	11,898	13,513	17,458	23,361	31,136
SPECIFIC PURPOSE PAYMENTS OF A CAPITAL NATURE													
Universities ..	564	837	1,006	1,284	1,814	2,597	1,407	1,664	1,076	1,506	2,369	1,818	718
Colleges of Advanced Education ..	..	..	..	..	..	..	616	713	1,283	1,041	2,353	1,699	1,610
Teachers Colleges ..	..	..	..	..	..	..	..	502	677	2,021	140	1,063	2,397
Pre-school Teachers Colleges ..	..	..	..	..	..	..	..	..	35	..	480	110	45
Science Laboratories ..	..	..	..	..	924	859	990	1,173	1,202	1,203	1,202	828	828
Technical Training ..	..	..	..	..	933	350	750	1,700	870	807	1,191	1,130	1,130
School Libraries ..	..	..	..	..	..	..	..	..	213	627	1,343	891	1,094
Capital Grants for Government Schools ..	..	..	..	..	..	..	..	..	..	..	..	910	1,823
Mental Health Institutions ..	91	56	104	173	265	242	193	64	433	1,299	909	246	800
Tuberculosis Hospitals ..	61	92	27	30	13	14	5	31	60	69	108	155	243
Senior Citizens' Centres ..	..	..	..	..	..	..	..	..	..	16	32	87	143
Nursing Homes ..	..	..	..	..	..	..	..	..	..	..	..	..	450
Dwellings for Aged Pensioners ..	..	..	..	..	..	..	..	..	..	160	311	1,002	227
Aboriginal Advancement ..	..	..	..	..	..	..	..	..	..	488	499	530	660
Disposal of Ships' Garbage ..	..	..	..	..	..	..	..	..	..	..	..	..	10
Natural Disaster Payments ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Softwood Forestry ..	..	..	..	..	..	..	90	275	274	..	..	..	..
Water Resources Investigations ..	..	..	..	..	72	53	63	205	230	350	300	93	400
Tailem Bend Pipeline ..	..	..	..	..	..	..	..	125	150	142	187	158	161
Dartmouth Dam ..	..	..	..	..	..	..	..	..	..	1,500	1,500	1,500	1,040
Commonwealth Aid Roads ..	10,256	11,505	12,400	13,337	14,903	16,024	17,222	18,384	19,433	21,000	23,500	25,500	28,000
Beef Cattle Roads ..	..	..	..	..	..	..	..	..	..	..	300	350	350
Eyre Highway Maintenance ..	27	25	25	25	25	25	25	25	25	25	25	25	25
Eyre Highway Sealing ..	..	..	..	..	..	..	..	..	..	..	..	..	625
Railway Projects ..	..	Cr. 36	2,600	2,975	4,476	6,431	6,929	6,628	8,878	12,212	(c) 2,048	1,024	500
Natural Gas ..	..	..	..	..	..	..	..	..	11,000	..	2,250	1,750	..
Migrant Centres ..	..	..	..	..	..	..	2	2	..	..	75	12	..
Total Specific Purpose Capital ..	10,999	12,479	16,162	17,823	23,425	26,595	28,292	31,529	46,192	44,466	41,122	40,811	43,779
Total Specific Purpose Payments ..	16,642	18,472	22,524	24,546	31,114	34,821	37,487	42,660	58,090	57,979	58,580	64,242	74,915
TOTAL PAYMENTS ..	78,096	86,863	96,082	102,799	109,269	121,288	131,833	147,125	174,207	185,375	219,832	235,662	277,815

(a) For details see Table 50.

(b) See page 73.

(c) See Table 70.

TABLE 81.—SOUTH AUSTRALIA—SPECIFIC PURPOSE CAPITAL PAYMENTS
GRANTS, LOANS AND DEBT CHARGES ON LOANS

\$'000

	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73 (Est.)
PAYMENTS OF A CAPITAL NATURE—GRANTS									
Universities	1,814	2,597	1,407	1,664	1,076	1,506	2,369	1,818	718
Colleges of Advanced Education .. .. .	..	..	616	713	1,283	1,041	2,353	1,699	1,610
Teachers Colleges .. .. .	..	..	..	502	677	2,021	140	1,063	2,397
Pre-school Teachers Colleges .. .. .	..	..	..	..	35	..	480	110	45
Science Laboratories	924	859	990	1,173	1,202	1,203	1,202	828	828
Technical Training	933	350	750	1,700	870	807	1,191	1,130	1,130
School Libraries .. .. .	..	..	..	..	213	627	1,343	891	1,094
Capital Grants for Government Schools .. .. .	..	..	..	..	..	..	..	910	1,823
Mental Health Institutions	265	242	193	64	433	1,299	909	246	800
Senior Citizens' Centres .. .. .	..	..	..	..	..	16	32	87	143
Nursing Homes .. .. .	..	..	..	..	..	..	..	..	450
Dwellings for Aged Pensioners .. .. .	..	..	..	..	..	160	311	1,002	227
Aboriginal Advancement .. .. .	..	..	..	..	343	488	499	530	660
Tuberculosis Hospitals	13	14	5	31	60	69	108	155	243
Disposal of Ships' Garbage .. .. .	..	..	..	38	10	..	..	..	10
Water Resources Investigations	72	53	63	125	150	142	187	158	161
Tailum Bend Pipeline .. .. .	..	..	..	..	..	1,500	1,500	1,500	1,040
Commonwealth Aid Roads	14,903	16,024	17,222	18,384	19,433	21,000	23,500	25,500	28,000
Beef Cattle Roads .. .. .	..	..	..	..	..	..	300	350	350
Eyre Highway Maintenance	25	25	25	25	25	25	25	25	25
Eyre Highway Sealing .. .. .	..	..	..	..	..	..	..	..	625
Railway Projects(a)	3,143	4,515	4,868	4,663	6,243	8,582	1,468	752	386
Migrant Centres .. .. .	..	..	2	2	..	..	75	12	..
Total Specific Purpose Capital Grants	22,092	24,679	26,141	29,084	32,053	40,486	7,992	38,766	42,765

PAYMENTS OF A CAPITAL NATURE—LOANS									
Natural Disasters .. .. .	..	..	..	275	274	..	..	..	400
Softwood Forestry .. .. .	..	..	90	205	230	350	300	93	500
Dartmouth Dam .. .. .	..	..	..	..	..	..	580	272	114
Railway Projects(a)	1,333	1,916	2,061	1,965	2,635	3,630	2,250	1,750	..
Natural Gas .. .. .	..	..	..	..	11,000	..	..	..	..
Total Specific Purpose Loans	1,333	1,916	2,151	2,445	14,139	3,980	3,130	2,115	1,014
TOTAL SPECIFIC PURPOSE CAPITAL PAYMENTS	23,425	26,595	28,292	31,529	46,192	44,466	41,122	40,881	43,779

DEBT CHARGES PAID BY SOUTH AUSTRALIA ON LOANS FOR SPECIFIC PURPOSES

Interest Payments

Railway Projects (b)	191	257	353	454	549	680	920	943	941
Dartmouth Dam .. .. .	..	..	..	..	..	..	..	..	11
Natural Gas .. .. .	..	..	..	..	298	612	648	806	858
Total Interest Payments	191	257	353	454	847	1,292	1,568	1,749	1,810

Capital Payments

Natural Disasters .. .. .	..	..	..	..	..	69	69	69	69
Railway Projects(b)	85	108	142	178	213	262	333	344	350
Natural Gas .. .. .	..	..	..	..	..	..	..	..	1,875
Total Capital Payments	85	108	142	178	213	331	402	413	2,294

Total Debt Charges

Natural Disasters .. .. .	..	..	..	..	..	69	69	69	69
Dartmouth Dam .. .. .	..	..	..	..	..	..	..	..	11
Railway Projects(b)	276	365	495	632	762	942	1,253	1,287	1,291
Natural Gas .. .. .	..	..	..	..	298	612	648	806	2,733
TOTAL DEBT CHARGES	276	365	495	632	1,060	1,623	1,970	2,162	4,104

(a) Figures prior to 1964-65 are given in Table 70.
(b) Figures prior to 1964-65 are given in Table 71.

TABLE 82.—COMMONWEALTH PAYMENTS TO OR FOR WESTERN AUSTRALIA
\$'000

	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73 (Est.)
GENERAL REVENUE ASSISTANCE													
Financial Assistance Grants(a)	55,954	60,171	62,480	65,597	70,498	78,474	86,396	96,152	123,796	138,835	163,313	170,960	199,306
Special Grants	8,618	12,312	12,420	12,144	17,120	24,038	19,406	15,518	582	1,545	5,030	6,014	..
Special Revenue Assistance	..	..	..	..	..	..	..	..	1,296	..	..	..	..
Total	64,572	72,483	74,900	77,741	87,618	102,512	105,802	111,670	125,674	140,380	168,343	176,974	199,306
Additional Assistance Grants(b)	..	1,320	2,728	3,764	..	..	..	..	..	..	..	..	..
SPECIFIC PURPOSE PAYMENTS OF A REVENUE NATURE													
Payments Under Financial Agreement—													
Interest on State Debts	947	947	947	947	947	947	947	947	947	947	947	947	947
Sinking Fund on State Debts	1,218	1,306	1,403	1,519	1,616	1,726	1,844	1,986	2,105	2,258	2,384	2,557	2,649
Debt Charges Assistance	..	..	..	..	..	..	..	..	..	..	1,106	2,211	3,317
Universities	1,034	1,194	1,377	1,595	2,060	2,152	2,306	2,652	2,833	3,281	3,900	4,594	5,184
Colleges of Advanced Education	..	..	..	..	..	..	363	776	912	1,929	2,333	2,920	3,790
Independent Schools	..	..	..	..	..	..	..	..	..	862	1,682	2,064	3,000
Research Grants	..	..	..	..	..	142	155	257	276	323	296	307	427
Tuberculosis Hospitals	997	793	800	751	742	697	547	807	602	789	770	875	904
Blood Transfusion Services	29	32	35	37	42	44	92	80	75	76	79	106	124
Housekeeper Services	2	2	2	2	1	1	2	2	2	..	..	..	..
Home Care Services	..	..	..	..	..	..	..	..	..	..	..	..	..
Senior Citizens' Centres	..	..	..	..	..	..	..	..	..	..	4	..	6
Deserted Wives	..	..	..	..	..	..	..	36	215	342	..	981	1,400
Housing Grants	..	..	..	..	..	..	..	..	..	..	544	457	771
Aboriginal Advancement	..	..	..	..	..	..	..	..	..	..	55	140	223
Road Safety Practices	23	16	17	16	17	16	19	19	19	19	25	25	1,010
Non-metropolitan Unemployment Relief	..	..	..	..	..	..	..	..	..	..	..	25	25
Natural Disaster Payments	..	..	..	..	..	..	..	..	..	..	..	2,024	5,400
Agricultural Extension Services	65	67	..	..	..	..	..	..	..	50	42	..	..
Minor Agricultural Research	80	88	94	104	102	104	213	294	375	493	598	589	680
Bovine Brucellosis and T.B. Eradication	..	..	..	..	..	..	..	..	..	..	..	14	..
Coal Mining Long Service Leave Supervision of Apprenticeship Training	32	30	31	30	32	34	34	40	45	47	64	119	380
												53	53
Total Specific Purpose Revenue	4,427	4,475	4,706	5,001	5,559	5,863	6,522	7,896	8,456	11,527	14,980	21,151	30,089
SPECIFIC PURPOSE PAYMENTS OF A CAPITAL NATURE													
Universities	772	794	923	1,161	940	901	1,160	567	734	2,048	384	1,571	1,368
Colleges of Advanced Education	..	..	..	..	..	..	232	457	874	1,050	1,903	1,899	1,300
Teachers Colleges	..	..	..	..	..	..	..	1,817	582	201	3	1,132	1,865
Pre-school Teachers Colleges	..	..	..	..	..	..	..	..	14	161	..	..	..
Science Laboratories	..	..	..	..	707	502	899	912	921	921	921	911	911
Technical Training	..	..	..	..	714	269	551	1,323	437	957	804	747	1,166
School Libraries	..	..	..	..	..	..	..	..	168	596	779	765	864
Capital Grants for Government Schools	..	..	..	..	..	..	..	..	..	..	..	620	1,242
Mental Health Institutions	31	154	116	332	447	338	260	148	375	241	395	454	750
Tuberculosis Hospitals	43	24	67	44	11	2	..	10	..	..	12	88	25
Senior Citizens' Centres	..	..	..	..	..	..	..	..	..	..	..	30	71
Nursing Homes	..	..	..	..	..	..	..	..	..	..	..	337	44
Dwellings for Aged Pensioners	..	..	..	..	..	..	..	..	..	..	..	700	224
Aboriginal Advancement	..	..	..	..	..	..	..	..	825	1,200	1,540	2,277	2,950
Disposal of Ship's Garbage	..	..	..	..	..	..	..	..	..	..	..	104	30
Natural Disaster Payments	..	320	..	..	..	..	..	..	..	130	31	..	..
Softwood Forestry	..	..	..	..	..	..	..	450	500	859	424	..	978
Meat Production	..	6	..	..	..	..	8	..	..	..	..	..	..
Ord Project	4	..	..	..	..	..	..	..	..	..	..	..	..
Water Supply	1,859	3,280	2,865	1,466	1,468	1,112	100	5,100	5,850	5,847	4,760	1,293	
Water Resources Investigation	1,034	122	..	..	..	1,250	1,250	1,500	2,050	2,000	1,792	2,000	158
Commonwealth Aid Roads	..	..	..	136	211	235	260	273	312	572	670	710	..
Beef Cattle Roads	16,181	17,527	18,975	20,526	23,007	24,739	26,676	28,597	30,537	32,940	36,270	39,250	43,910
Eyre Highway Maintenance	..	1,000	1,400	1,500	1,500	1,500	1,500	1,400	1,451	1,168	1,000	1,600	1,490
Railway Projects	52	25	25	25	25	25	25	25	25	25	25	25	25
Northern Harbours	..	..	4,325	7,526	10,265	17,827	17,996	19,458	8,362	7,900	5,236	1,988	1,250
Derby Jetty	..	..	..	700	1,100	1,154	..	..	..	..	..	..	..
W.A.—Darwin, Shipping Service	556	130	..	700	1,100	1,154	..	..	..	..	..	..	..
Exmouth Township	..	..	600	700	300	..	..	..	..	..	..	..	2,500
Migrant Centres	..	..	..	34	..	..	..	357	411	60	65	23	..
Total Specific Purpose Capital	20,533	23,382	29,295	34,014	41,001	50,813	52,969	58,645	53,639	58,678	59,624	61,250	65,419
Total Specific Purpose Payments	24,960	27,857	34,001	39,015	46,560	56,676	59,491	66,541	62,095	70,205	74,604	82,401	95,508
TOTAL PAYMENTS	89,532	101,660	111,629	120,520	134,178	159,188	165,293	178,211	187,769	210,585	242,947	259,375	294,808

(a) See footnotes to Table 4. (b) For details see Table 50. (c) See page 73.

TABLE 83.—WESTERN AUSTRALIA—SPECIFIC PURPOSE CAPITAL PAYMENTS
GRANTS, LOANS AND DEBT CHARGES ON LOANS—\$'000

	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73 (Est.)
PAYMENTS OF A CAPITAL NATURE—GRANTS									
Universities	940	901	1,160	567	734	2,048	384	1,571	1,368
Colleges of Advanced Education .. .. .	..	232	457	1,304	874	1,050	1,903	1,899	1,300
Teachers Colleges .. .. .	..	..	..	1,817	582	201	3	1,132	1,865
Pre-school Teachers Colleges .. .. .	..	..	..	..	14	161	..	..	..
Science Laboratories	707	502	899	912	921	921	921	911	911
Technical Training	714	269	551	1,323	437	957	804	747	1,166
School Libraries .. .. .	..	..	..	..	168	596	779	765	864
Capital Grants for Government Schools .. .. .	..	..	..	..	..	..	..	620	1,242
Mental Health Institutions	447	338	260	148	375	241	395	454	750
Tuberculosis Hospitals	11	2	..	10	..	..	12	88	25
Senior Citizens' Centres .. .. .	..	..	..	..	..	..	..	30	71
Nursing Homes .. .. .	..	..	..	..	..	..	337	44	..
Dwellings for Aged Pensioners .. .. .	..	..	..	..	..	..	700	224	555
Aboriginal Advancement .. .. .	..	..	..	..	825	1,200	1,540	2,277	2,950
Disposal of Ships' Garbage .. .. .	..	..	..	..	..	..	..	104	30
Natural Disaster Payments .. .. .	..	..	..	..	..	130	31	..	..
Encouragement of Meat Production Ord River Project	1,468	1,112	8	100	5,100	5,850	5,707	4,593	743
Water Resources Investigations	136	211	235	260	273	312	572	670	710
Commonwealth Aid Roads	23,007	24,739	26,676	28,597	30,537	32,940	36,270	39,250	43,910
Beef Cattle Roads	1,500	1,500	1,500	1,400	1,451	1,168	1,000	1,600	1,490
Eyre Highway Maintenance	25	25	25	25	25	25	25	25	25
Railway Projects(a)	4,227	7,340	7,410	8,012	3,443	3,253	2,156	819	515
Northern Harbours	550	577	..	..	..	..	..	..	..
Derby Jetty	150	..	..	..	..	..	..	..	..
W.A.—Darwin Shipping Service .. .. .	..	..	..	..	..	..	..	..	2,500
Exmouth Township	380	750	1,952	417	..	..	315	..	8
Migrant Centres .. .. .	..	..	..	357	411	60	65	23	..
Total Specific Purpose Capital Grants	34,263	38,449	41,133	45,249	46,170	51,113	53,919	57,846	62,998
PAYMENTS OF A CAPITAL NATURE—LOANS									
Softwood Forestry .. .. .	..	..	..	450	500	859	424	56	978
Water Supply .. .. .	..	1,250	1,250	1,500	2,050	2,000	1,792	2,000	158
Ord Project .. .. .	..	..	..	..	..	..	140	167	550
Railway Projects(a)	6,038	10,487	10,586	11,446	4,919	4,647	3,080	1,169	735
Northern Harbours	550	577	..	..	..	..	..	..	..
Derby Jetty	150	..	..	..	..	..	..	..	..
Exmouth Township .. .. .	..	..	..	..	..	59	269	12	..
Total Specific Purpose Loans ..	6,738	12,314	11,836	13,396	7,469	7,565	5,705	3,404	2,421
TOTAL SPECIFIC PURPOSE CAPITAL PAYMENTS ..	41,001	50,813	52,969	58,645	53,639	58,678	59,624	61,250	65,419
DEBT CHARGES PAID BY WESTERN AUSTRALIA ON LOANS FOR SPECIFIC PURPOSES									
<i>Interest Payments</i>									
Water Supply .. .. .	..	21	101	172	262	374	500	618	705
Ord Project .. .. .	..	..	..	..	..	..	6	17	33
Railway Projects(b)	391	727	1,320	1,813	2,263	2,584	2,874	2,971	2,934
Northern Harbours	30	60	72	67	62	57	52	47	43
Derby Jetty	36	35	32	30	27	24	22	19	17
Exmouth Township .. .. .	..	..	..	..	..	..	..	29	23
Total Interest Payments ..	457	843	1,525	2,082	2,614	3,039	3,454	3,701	3,755
<i>Capital Payments</i>									
Railway Projects(b)	42	78	141	204	273	1,281	1,360	1,628	1,746
Northern Harbours .. .. .	..	..	98	98	98	98	98	98	98
Derby Jetty	53	53	53	53	53	53	53	53	53
Exmouth Township .. .. .	..	..	..	..	..	..	..	13	14
Total Capital Payments ..	95	131	292	355	424	1,432	1,511	1,792	1,911
<i>Total Debt Charges</i>									
Water Supply .. .. .	..	21	101	172	262	374	500	618	705
Ord Project .. .. .	..	..	..	..	..	..	6	17	33
Railway Projects(b)	433	805	1,461	2,017	2,536	3,865	4,234	4,599	4,680
Northern Harbours	30	60	70	165	160	155	150	146	141
Derby Jetty	89	88	85	83	80	77	75	73	70
Exmouth Township .. .. .	..	..	..	..	..	..	..	42	37
TOTAL DEBT CHARGES ..	552	974	1,817	2,437	3,038	4,471	4,965	5,495	5,666

(a) Figures for years prior to 1964-65 are given in Table 70.
(b) Figures for years prior to 1964-65 are given in Table 71.

TABLE 84.—COMMONWEALTH PAYMENTS TO OR FOR TASMANIA

\$'000

	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73 (Est.)
GENERAL REVENUE ASSISTANCE													
Financial Assistance Grants ..	23,960	25,671	26,616	27,626	29,297	32,131	34,773	37,968	41,710	46,340	65,071	69,156	79,400
Special Grants ..	8,618	10,150	10,082	10,756	14,600	17,732	20,666	19,889	16,810	21,900	13,680	7,800	7,660
Special Revenue Assistance ..	..	..	..	..	..	..	..	..	499	2,174	2,017	2,517	..
Total ..	32,578	35,821	36,698	38,382	43,897	49,863	55,439	57,857	59,019	70,414	80,768	79,473	87,000
Additional Assistance Grants(a)	..	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	829	896	972	1,062	1,129	1,212	1,293	1,398	1,485	1,598	1,694	1,825	1,885
Debt Charges Assistance	..	..	..	..	..	..	..	..	..	..	..	..	..
Universities	498	544	583	641	930	970	1,028	1,200	1,315	1,504	1,818	2,105	2,350
Colleges of Advanced Education	..	..	..	..	..	..	59	138	222	397	754	887	690
Independent Schools	..	..	..	..	..	..	..	..	..	286	556	660	900
Research Grants	..	..	..	..	..	77	63	158	194	182	202	131	232
Tuberculosis Hospitals	324	368	363	363	361	338	337	304	351	333	347	337	270
Blood Transfusion Services	11	12	11	11	11	13	24	13	25	21	24	30	33
Road Safety Practices	11	8	7	8	7	8	9	9	9	9	11	11	11
Housekeeper Services	1	1	1	1	..	..	..	..	..	..	..	..	..
Home Care Services	..	..	..	..	..	..	..	..	..	..	..	..	..
Paramedical Services	..	..	..	..	..	..	..	..	..	..	..	..	..
Deserted Wives	..	..	..	..	..	..	..	..	67	77	188	201	180
Housing Grants	..	..	..	..	..	..	..	..	..	..	..	..	..
Aboriginal Advancement	..	..	..	..	..	..	..	..	..	11	19	17	40
Non-metropolitan Unemployment Relief	..	..	..	..	..	..	..	..	..	..	..	..	1,485
Natural Disaster Payments	..	..	..	..	..	..	..	..	..	..	..	..	3,960
Agricultural Extension Services	..	..	..	..	..	..	..	..	..	..	..	..	..
Bovine Brucellosis and T.B. Eradication	58	56	54	70	74	74	158	147	228	226	314	349	380
Coal Mining—Long Service Leave	..	..	..	..	..	..	..	..	..	..	34	82	91
Supervision of Apprenticeship Training	11	8	8	5	4	4	1	3	3	4	7	3	5
Total Specific Purpose Revenue	2,276	2,427	2,534	2,695	3,050	3,231	4,857	3,920	4,434	5,216	7,345	10,506	14,361
SPECIFIC PURPOSE PAYMENTS OF A CAPITAL NATURE													
Universities	569	687	435	415	412	201	394	627	902	757	429	665	1,231
Colleges of Advanced Education	..	..	..	..	..	..	..	52	69	677	514	1,385	1,800
Teachers Colleges	..	..	..	..	..	..	..	360	960	250	100	650	250
Pre-school Teachers Colleges	..	..	..	..	..	..	..	..	100	120	..	..	..
Science Laboratories	..	..	..	..	331	331	331	420	409	256	563	415	415
Technical Training	..	..	..	..	334	334	334	335	275	376	325	380	380
School Libraries	..	..	..	..	..	..	..	..	72	140	480	366	352
Capital Grants for Government Schools	..	..	..	..	..	..	..	..	..	..	..	..	470
Mental Health Institutions	104	..	..	..	197	529	823	358	399	108	224	185	250
Tuberculosis Hospitals	18	46	10	39	6	12	..	3	2	..	..	..	41
Senior Citizens' Centres	..	..	..	..	..	..	..	..	..	..	..	..	11
Nursing Homes	..	..	..	..	..	..	..	..	..	..	..	..	84
Dwellings for Aged Pensioners	..	..	..	..	..	..	..	..	..	100	158	232	160
Aboriginal Advancement	..	..	..	..	..	..	..	..	25	28	35	45	50
Disposal of Ships' Garbage	..	..	..	..	..	..	..	..	..	..	..	..	8
Natural Disaster Payments	451	10	..	..	..	..	29	1	1	57	14	..	..
Softwood Forestry	..	..	..	..	..	..	..	1,150	6,530	1,195	73	284	143
Water Resources Investigations	..	..	..	..	..	..	..	..	520	488	400	700	45
Cressy-Longford Irrigation	..	..	..	..	..	16	18	20	74	68	64	71	71
Commonwealth Aid Roads	4,600	5,000	5,400	5,800	6,500	7,000	7,500	8,000	8,500	9,100	10,230	10,820	12,150
Gordon River Road	..	..	..	270	1,094	1,840	1,596	200	..	..	..	..	..
Bell Bay Railway	..	..	..	..	..	..	..	..	..	..	..	..	3,094
Hydro-electricity	..	..	..	..	..	..	..	5,300	3,200	9,700	3,211	2,500	1,158
Grassy Harbour	..	..	..	..	..	..	..	..	..	..	..	..	..
Total Specific Purpose Capital	5,742	5,743	5,845	6,524	8,874	10,263	12,175	22,725	16,671	22,210	17,531	22,010	21,771
Total Specific Purpose Payments	8,018	8,170	8,379	9,219	11,924	13,494	17,032	26,645	21,105	27,426	24,876	32,516	36,132
TOTAL PAYMENTS	40,596	45,971	48,117	50,417	55,821	63,357	72,471	84,502	80,124	97,840	105,644	111,989	123,132

(a) For details See Table 50. (b) See page 73.

TABLE 85.—TASMANIA—SPECIAL PURPOSE CAPITAL PAYMENTS
GRANTS, LOANS AND DEBT CHARGES ON LOANS

\$'000

	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73 (Est.)
PAYMENTS OF A CAPITAL NATURE—GRANTS									
Universities	412	201	394	627	902	757	429	665	1,231
Colleges of Advanced Education .. .. .	..	..	..	52	69	677	514	1,385	1,800
Teachers Colleges .. .. .	..	..	..	360	960	250	100	650	250
Pre-school Teachers Colleges .. .. .	..	..	..	..	100	120	..	..	..
Science Laboratories	331	331	331	420	409	256	563	415	415
Technical Training	334	334	334	335	275	376	325	380	380
School Libraries .. .. .	..	..	..	..	72	140	480	366	352
Capital Grants for Government Schools .. .. .	..	..	..	..	..	..	..	470	941
Mental Health Institutions	197	529	823	358	399	108	224	185	250
Tuberculosis Hospitals	6	12	..	3	2	..	..	..	41
Senior Citizens' Centres .. .. .	..	..	..	..	..	..	..	11	17
Nursing Homes .. .. .	..	..	..	..	..	..	..	84	150
Dwellings for Aged Pensioners .. .. .	..	..	..	..	..	100	158	232	160
Aboriginal Advancement .. .. .	..	..	..	..	25	28	35	45	50
Disposal of Ships' Garbage .. .. .	..	..	29	1	1	57	14	..	8
Natural Disaster Payments .. .. .	..	..	650	3,694	..	..	268	143	..
Water Resources Investigations .. .. .	..	16	18	20	74	68	64	71	71
Commonwealth Aid Roads	6,500	7,000	7,500	8,000	8,500	9,100	10,230	10,820	12,150
Gordon River Road	1,094	1,840	1,596	200	..	..	..	..	..
Cressy-Longford .. .. .	..	..	..	..	..	..	200	449	101
Bell Bay Railway .. .. .	..	..	..	..	..	..	..	1,274	476
Grassy Harbour .. .. .	..	..	..	..	..	..	..	..	579
Total	8,874	10,263	11,675	14,070	11,788	12,037	13,604	17,645	19,422

PAYMENTS OF A CAPITAL NATURE—LOANS									
Natural Disasters .. .. .	..	..	500	2,836	1,195	73	16	..	..
Softwood Forestry .. .. .	..	..	..	520	488	400	700	45	1,090
Bell Bay Railway .. .. .	..	..	..	..	..	..	..	1,820	680
Hydro-electricity .. .. .	..	..	..	5,300	3,200	9,700	3,211	2,500	..
Grassy Harbour .. .. .	..	..	..	..	..	..	..	..	579
Total .. .. .	..	..	500	8,656	4,883	10,173	3,927	4,365	2,349
TOTAL SPECIFIC PURPOSE CAPITAL PAYMENTS ..	8,874	10,263	12,175	22,725	16,671	22,210	17,531	22,010	21,771

DEBT CHARGES PAID BY TASMANIA ON LOANS FOR SPECIFIC PURPOSES

Interest Payments

Bell Bay Railway .. .. .	..	..	..	..	286	519	1,103	1,338	131
Hydro-electricity .. .. .	..	..	..	..	..	..	..	..	1,452
Total Interest Payments ..	..	..	..	..	286	519	1,103	1,339	1,583

Capital Payments

Natural Disasters .. .. .	..	..	..	..	..	..	..	335	320
Bell Bay Railway .. .. .	..	..	..	..	..	..	..	..	73
Hydro-electricity .. .. .	..	..	..	..	..	..	..	..	2,989
Total Capital Payments ..	..	..	..	..	..	..	..	335	3,382

Total Debt Charges

Natural Disasters .. .. .	..	..	..	..	..	..	..	335	320
Bell Bay Railway .. .. .	..	..	..	..	..	..	..	1	204
Hydro-electricity	286	519	1,103	1,338	4,440
TOTAL DEBT CHARGES	286	519	1,103	1,674	4,964

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