



PAYMENTS TO OR FOR THE STATES AND LOCAL GOVERNMENT AUTHORITIES 1975-76

PRESENTED BY
THE HONOURABLE W. G. HAYDEN, M.P.
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FOR THE INFORMATION OF
HONOURABLE MEMBERS ON THE OCCASION
OF THE BUDGET 1975-76

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CHAPTER 1—INTRODUCTION

In the statements attached to the Budget Speech Australian Government outlays are classified, inter alia, in terms of economic type—that is, as to whether they take the form of expenditure on goods and services, cash benefits to persons, payments to other levels of government or transfers to other sectors in the economy. The purpose of this document can be regarded as being to provide details of those outlays included in the economic type category of payments to other levels of government.

In previous years that category has been known as 'grants and net advances to the States' and has consisted of payments to the States. This year the category has been extended to include Australian Government payments made direct to local government authorities and is now known as 'grants and net advances to the States and local government authorities'. It is to be emphasised that, in addition to various Australian Government payments made direct to local government authorities, a considerable amount of Australian Government assistance is provided for local government authorities by way of payments which are made, in the first instance, to the States. Payments of this kind are, of course, included in the totals of payments to the States shown in this document. Details of both forms of assistance for local government authorities are given in Chapter V of this document.

In the statements attached to the Budget Speech outlays are also classified according to function—that is, outlays having like purposes or objectives are brought together under the one functional heading, with certain outlays classified under 'Not Allocated to Function'. One of the main distinctions used in this document is between funds provided to the States for general purposes (that is, 'untied' funds) and those provided for specific purposes (that is, 'tied' funds). All general purpose funds are classified under the 'Not Allocated to Function' heading. Several forms of specific purpose payments are also classified under that heading, but most are classified under specific functional headings. Tables 2, 113 and 114 in this document show a functional classification of outlays included in this document. Details of specific purpose payments provided in this document are, with a few exceptions, grouped and ordered on a functional basis.

Several items not classified previously as payments to the States have been so classified in this and other 1975-76 budget documents. For this reason, the totals of payments to the States shown in this document are not comparable with those shown in earlier issues of this document; the same is true of other documents showing payments to the States. A consistent series of aggregate figures is shown in this document back to 1956-57. It is hoped that it will be possible to publish a consistent series back to at least 1948-49 within the next twelve months.

Reference should be made here to the treatment in this and other budget documents of the State Governments' Loan Council borrowing programs, which are financed by the issue of Australian Government securities and to which that Government itself subscribes from its own revenue sources, as necessary, to fill the programs approved by the Loan Council. The national accounting item 'grants and net advances to the States and local government authorities' used in the statements attached to the Budget Speech and other documents includes these programs. In this document, the term 'payments to the States' does not include these programs; however, totals of payments to the States and their

Loan Council borrowing programs are also given and, subject to the point referred to in the next paragraph, these totals are comparable with the totals of grants and net advances to the States included in other budget documents. The treatment of the States' Loan Council programs in this document is explained in more detail in Chapter III.

As the term implies, the national accounting aggregate 'grants and net advances to the States and local government authorities' includes Australian Government advances (that is, loans) to the States on a net basis—that is, after subtracting repayments by the States and by local government authorities of advances they have received from the Australian Government in earlier years. Most of the tables in this document are on a gross basis—that is, *before* deducting repayments of Australian Government loans. However, figures on a net basis, which are equivalent to the aggregates included in other budget documents, are given in Appendix V. Table 3 in this Chapter also shows payments on a net basis.

Outline of Australian Government Payments to the States and Format of this Document

Since Federation payments of various descriptions have been made to the States. Prior to World War II, these 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 assistance for roads and for debt charges.

Since World War II and the immediate post-war period there has been a marked increase in the amount and scope of assistance to the States. This has reflected, among 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 national Government 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.

In this document payments to the States are classified in two main ways—first, in terms of whether they are for general or specific purposes (that is, whether they are 'untied' or 'tied') and, secondly, in terms of whether they are 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 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.

The financial assistance grants, which replaced the former 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, special assistance has been provided in various ways to supplement the amounts produced by the formula. In addition, special grants are paid to certain States on the recommendation of the Grants Commission.

Chapter III provides information on the general purpose capital funds available to the States and their authorities under the Loan Council arrangements. These comprise borrowings made on behalf of the State Governments (to which the

Australian Government has contributed from its own resources in most years), interest-free grants made 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 wide variety of expenditures.

As noted above, Chapter V brings together information on Australian Government payments to or for local government authorities.

Appendix I provides figures, in detail and in aggregate, of Australian Government payments to the States and the State Governments' Loan Council programs in 1974-75 and 1975-76 (estimated) and gives aggregate figures for the period 1956-57 to 1975-76 (estimated). Appendix V provides information on Australian Government advances to the States and debt charges paid by the States thereon, and Appendix VI gives figures, in detail and in aggregate, of payments to the six States combined and to each individual State for the years 1963-64 to 1975-76 (estimated).

*Summary of Payments to the States and State Government Loan Council Programs
1972-73 to 1974-75*

The table below summarises funds available to the States from Australian Government payments and Loan Council borrowing programs for the years 1972-73 to 1975-76 (estimated). Further details, including figures for earlier years, are given in subsequent chapters and in appendices.

**TABLE 1—PAYMENTS TO OR FOR THE STATES AND STATE GOVERNMENT
LOAN COUNCIL PROGRAMS 1972-73 TO 1975-76**

	Actual Amount	Actual Percentage Increase	'Adjusted' Percentage Increase(a)
	\$ million	%	%
FUNDS FOR RECURRENT PURPOSES			
<i>General Revenue Assistance—</i>			
1972-73	1,700.9	10.6	17.0
1973-74	1,923.5	13.1	19.7
1974-75	2,513.5	30.7	34.8
1975-76 (estimate)	3,223.4	28.2	30.5
<i>Specific Purpose Payments for Recurrent Purposes—</i>			
1972-73	390.0	56.6	56.6
1973-74	609.9	56.4	27.7
1974-75	1,220.9	100.2	99.0
1975-76 (estimate)	2,156.3	76.6	70.1
<i>Total Funds for Recurrent Purposes—</i>			
1972-73	2,090.9	17.1	22.8
1973-74	2,533.4	21.2	21.2
1974-75	3,734.4	47.4	47.4
1975-76 (estimate)	5,379.7	44.1	44.3
FUNDS FOR CAPITAL PURPOSES			
<i>General Purpose Capital Funds (b)—</i>			
1972-73	982.0	10.1	10.1
1973-74	867.0	-11.7	10.4
1974-75	1,087.4	25.4	28.1
1975-76(c)	1,291.0	18.7	19.8
<i>Specific Purpose Payments for Capital Purposes—</i>			
1972-73	541.5	18.0	18.0
1973-74	960.2	77.3	30.9
1974-75	1,745.6	81.8	81.2
1975-76 (estimate)	1,895.3	8.6	8.6
<i>Total Funds for Capital Purposes—</i>			
1972-73	1,523.5	12.8	12.8
1973-74	1,827.2	19.9	19.9
1974-75	2,833.0	55.0	55.0
1975-76 (estimate)	3,186.3	12.5	12.9
TOTAL FUNDS FOR RECURRENT AND CAPITAL PURPOSES			
<i>General Purpose Funds—</i>			
1972-73	2,682.9	10.4	14.4
1973-74	2,790.5	4.0	16.7
1974-75	3,600.9	29.0	32.7
1975-76 (estimate)	4,514.4	25.4	27.2
<i>Specific Purpose Funds—</i>			
1972-73	931.5	31.6	31.6
1973-74	1,570.1	68.6	29.8
1974-75	2,966.5	88.9	87.4
1975-76 (estimate)	4,051.7	36.6	35.2
<i>Total Funds—</i>			
1972-73	3,614.4	15.2	18.4
1973-74	4,360.6	20.6	20.6
1974-75	6,567.5	50.6	50.6
1975-76 (estimate)	8,566.1	30.4	30.9

- (a) Due to changes in the financial arrangements between the Australian and State Governments in certain respects (for example, related to the transfer of pay-roll tax to the States and changes in the arrangements for financing for housing and tertiary education—see subsequent Chapters for details) actual increases each year in the various forms of payments to the States do not always give a guide to the underlying or 'true' increase in funds available to the States. Adjustments have therefore been made in an attempt to remove some of the main incomparabilities in the figures. Because of the hypothetical nature of these figures and the many other factors affecting year to year movements in the figures these 'adjusted' increases need to be used with considerable caution.
- (b) Comprising the State Governments' Loan Council borrowing programs and capital grants.
- (c) Programs agreed to at the June 1975 Loan Council meeting.

The following table shows totals of payments to the States and their Loan Council programs in 1973-74 and 1974-75 and the estimated amounts for 1975-76 included under each of the relevant functional headings and sub-headings and also the estimated increase in 1975-76 over 1974-75.

TABLE 2—FUNCTIONAL CLASSIFICATION OF PAYMENTS TO OR FOR THE STATES AND STATES' LOAN COUNCIL PROGRAMS

\$ million

Functional Classification	1973-74	1974-75	1975-76 (Estimate)	Increase 1975-76 (Estimate) over 1974-75
Defence	7.8	27.1	41.0	13.9
Education	622.5	1,326.1	1,479.1	153.0
Health	51.7	107.7	932.5	824.8
Social Security and Welfare	29.7	70.0	81.3	11.3
Housing	240.2	410.0	385.7	-24.3
Urban and Regional Development n.e.c. and the Environment	55.8	234.8	285.8	51.0
Culture and Recreation	1.8	12.7	13.2	0.5
Economic Services—				
Transport	328.8	425.4	504.7	79.3
Water Supply and Electricity	26.6	38.8	49.0	10.2
Industry Assistance and Development	75.6	87.7	131.1	43.4
Labour and Employment	2.7	4.1	7.0	2.9
Other Economic Services	0.3	0.1	..	-0.1
Total Economic Services	433.9	556.0	691.9	135.9
General Public Services	8.1	8.6	6.2	-2.4
Outlays not Allocated to Function—				
General Revenue Assistance	1,923.5	2,513.5	3,223.4	709.9
State Government Loan Council Borrowing Programs	588.7	741.5	860.7	119.2
Capital Grants	278.3	345.9	430.3	84.4
Assistance Related to State Debts	90.6	103.6	45.4	-58.2
Assistance for Local Government(a) . . . . .	..	56.7	80.2	23.5
Natural Disaster Relief	28.2	53.2	9.5	-43.7
Total not Allocated to Function	2,909.2	3,814.4	4,649.5	835.1
GRAND TOTAL	4,360.6	6,567.5	8,566.1	1,998.6

(a) Comprising grants to the States to reduce financial inequalities between local government authorities (recommended by Grants Commission) and for regional organisations of local government.

The following table shows a reconciliation between the figures shown in Tables 1 and 2 above and those shown in the statements attached to the Budget Speech for the years 1973-74 to 1975-76 (estimated).

TABLE 3—RECONCILIATION WITH FIGURES SHOWN IN STATEMENTS
ATTACHED TO THE BUDGET SPEECH

\$ million

	1973-74	1974-75	1975-76 (estimates)
Total Payments to the States and State Government Loan Council Programs as Given in this Document(a) . . .	4,360.6	6,567.5	8,566.1
Plus Australian Government Payments Direct to Local Govern- ment Authorities(a)(b)	5.9	55.2	111.0
Less Repayments of Advances to the States(c)	180.1	198.2	204.8
Adjustments for Classification Differences . . . . .	..	(d) -15.0	(e) -2.0
Giving Total Grants and Net Advances to the States and Local Government Authorities, as Shown in Statements Attached to the Budget Speech(f)	4,186	6,409	8,470

(a) Gross basis—that is, before deducting repayments of advances.

(b) See Chapter V for details.

(c) See Appendix V for details. Repayments of loans made direct to local government authorities less than \$100,000 (see footnote to Table 171).

(d) Relates to payments in connection with railway transfers—see page 23.

(e) Net effect of a number of relatively minor items.

(f) Rounded to nearest \$1 million.

CHAPTER II—GENERAL REVENUE ASSISTANCE TO THE STATES

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 Australian Government 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 all States. Secondly, there are the special grants paid on the recommendation of the 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.

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 would be 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.

It was also decided that there would be an addition of \$2 million each year to the base on which Queensland's grant was calculated, mainly in recognition

of that State's large area and relatively small population. 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 discussions 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 to 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 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 REVENUE ASSISTANCE ARRANGEMENTS 1970-71 TO 1974-75

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 Australian 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'. Summaries of the discussions at the Conferences are given in Appendix II.

At these Conferences the Prime Minister indicated that, while the Australian Government 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 Australian Government offered improvements estimated to make the rate of growth in such assistance between 2½ 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, 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, 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 totalled \$172.56 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:—

- (a) Queensland would continue to receive an annual addition of \$2 million to the base on which its formula grant was calculated;
- (b) Western Australia would receive grants which started at \$12.5 million in 1970-71, reducing by \$3 million 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 Grants Commission (the progressive reduction was made because of the relative improvement in the State's revenue position following its withdrawal from claimancy); and
- (c) 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 Australian Government agreed to transfer \$10 million of Tasmania's special grant to the State's financial assistance grant.

The foregoing arrangements were agreed to by the Australian Government on the basis that there were no significant changes in the existing division of financial responsibilities between the Australian Government 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 were several developments affecting the arrangements. Some of the main developments are summarised below. Other developments are referred to in Appendix II.

Application of Pay-roll Tax to State Governments

In October 1970 the Victorian Government challenged in the High Court the Constitutional validity of the *Pay-roll Tax Assessment Act 1941-1969* as it applied to the State Government, and was subsequently supported in this action by the South Australian Government. In May 1971 the High Court unanimously ruled that the Act was valid in its application to State Governments. (See Appendix II for further details.)

Cessation of Receipts Duty

In response to requests by the States, following decisions of the High Court invalidating State receipts duty in certain cases, the Australian Government agreed to reimburse the States, by additions to their financial assistance grants, for revenue forgone by them. Payments for this purpose were made in 1970-71, and in 1971-72 appropriate amounts were added to the base for determining the financial assistance grants payable under the grants formula in 1971-72 and subsequent years. (See Appendix II for further details.)

Transfer of Pay-roll Tax

The Australian Government agreed at the June 1971 Premiers' Conference to transfer pay-roll tax to the States on the basis that off-setting deductions would be made from the financial assistance grants. (See Appendix II for further details.)

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

Additional Grants Agreed to at the June 1972 Premiers' Conference

At the June 1972 Premiers' Conference the Australian Government and the States agreed, inter alia, to the following 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 would 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 increased the grants payable to New South Wales and Victoria in 1972-73 by \$7.0 million and \$5.4 million respectively).

*June 1974 Premiers' Conference and Withdrawal
of Tasmania from Special Grants System*

No alterations to the financial assistance grant arrangements were agreed to at the June 1974 Premiers' Conference. However, at that Conference, the Premier of Tasmania requested discussions with the Australian Government concerning the possibility of his State withdrawing from the special grants system. Following such discussions, it was agreed that, to enable such a withdrawal, an amount of \$15 million would be added to the financial assistance grants otherwise payable to the State in 1974-75, to be built into the base on which the formula grants for 1975-76 and subsequent years would be calculated. These arrangements were incorporated in the *States Grants Act* 1974. Further details of the arrangements agreed with the State are given below under the heading 'The Special Grants'.

*ADJUSTMENTS TO GENERAL PURPOSE FUNDS TO OFFSET FINANCIAL EFFECTS
OF SHIFTS IN RESPONSIBILITIES BETWEEN AUSTRALIAN
AND STATE GOVERNMENTS*

In his opening speech at the June 1973 Premiers' Conference, the Prime Minister stated:—

'Where the national government undertakes new or additional commitments which relieve the States or their authorities of the need to allocate funds for expenditures at present being carried by them, there should be adjustments in the financial arrangements between us to take account of the shift of new financial responsibilities. These adjustments will normally take the form of appropriate reductions in the general purpose funds allocated to States. We have proposed such reductions, for example, as part of the program by which the Australian Government will assume financial responsibility for tertiary education.'

In his opening speech at the June 1974 Conference the Prime Minister said:

'The Australian Government is firmly committed to this principle and will pursue its application wherever appropriate. I have informed Premiers of our intention to do so in respect of initiatives we are taking in the fields of Aboriginal affairs and assistance for deserted wives, and I expect that further cases could arise as we develop our policies in other areas.'

At the June 1973 Premiers' Conference the States accepted the Australian Government's offer to take full financial responsibility for financing tertiary education from 1 January 1974 and it was agreed, in pursuance of the 'offsets' policy, that estimated amounts of recurrent expenditure of which the States would thereby be relieved should be deducted from the financial assistance grants otherwise payable. (The estimated capital expenditures of which the States are being relieved have been deducted from the State Loan Council programs.) The agreed reductions in the financial assistance grants are shown in Table 3 in 'Payments to

or for the States and Local Government Authorities, 1974-75'. At the June 1973 Premiers' Conference/Loan Council meeting 'offsets' to the States' Loan Council program were also agreed to on account of new arrangements for financing welfare housing expenditures in the States introduced in 1973-74.

The document entitled 'The General Revenue Arrangements Between the Commonwealth and the States' submitted by the six Premiers to the Australian Government in May 1975 (see below for further details) included an Appendix in which the States expressed their opposition to the way the 'offsets' principle had been applied. The main argument was that 'offsets' to general revenue assistance should be limited to a proportion of the expenditures taken over by the Australian Government equivalent to the proportion of the State's budget represented by the general revenue assistance provided to it. The States also argued, *inter alia*, that because of differences between the States in their relative per head expenditures on the services concerned, application of the 'offsets' principle has resulted and will continue to result in 'distortions in the established distribution of general revenue assistance between the States'.

The Australian Government rejected the States' argument on this matter at the June 1975 Premiers' Conference and reaffirmed its basic policy on the matter. The Premiers were, however, referred to the following statement by the Prime Minister:—

... adjustments would not necessarily be precisely equal to the actual or estimated amounts of expenditure of which the States are relieved. Such amounts would simply be a starting point in any examination of the matter. If a State were to argue that offsets calculated simply on the basis of the amounts of expenditures of which it has been relieved would be inequitable in any particular case, and if this were supported by the facts of the situation, we would sympathetically examine the possibility of making appropriate adjustments to the figures.'

Responsibility in respect of certain Aboriginal affairs functions was transferred to the Australian Government by Tasmania as from 31 August 1973, by South Australia as from 1 December 1973, by Western Australia as from 29 June 1974, and by Victoria as from 1 January 1975. New South Wales has agreed in principle to transfer relevant functions and negotiations are continuing with that State. Queensland has not taken up the Australian Government's invitation on this matter.

As explained in Chapter IV the Australian Government has stated its intention to assume full responsibility for financing assistance for deserted wives and similarly placed women. (The costs of this assistance are at present shared between the Australian and State Governments.)

The Australian Government has informed the States that it is its intention that offsets to financial assistance grants be made on account of the transfers of functions in respect of Aboriginal affairs and assistance for deserted wives. These adjustments will be in respect of recurrent expenditures of which the States have been or will be relieved in these two areas. The Australian Government has proposed that its undertaking to compensate the State for loss of revenue following the decision to abolish Court filing fees for divorce proceedings be handled in the same context.

In regard to capital expenditures of which States have been relieved as a result of transfers of Aboriginal affairs functions, the Australian Government informed the States concerned at the June 1975 Premiers' Conference that, as a measure of assistance to them, it would not at this stage seek offsets to their Loan Council programs. The relevant amounts are small.

*ADJUSTMENTS TO FINANCIAL ASSISTANCE GRANTS IN RESPECT OF RAILWAY
TRANSFERS AND SOUTH AUSTRALIA'S WITHDRAWAL FROM THE
GRANTS COMMISSION SYSTEM*

In May 1975 the Australian Government concluded an Agreement with the Government of South Australia for the transfer of the non-metropolitan railway system in that State to the Australian Government on 1 July 1975. A similar Agreement was concluded with Tasmania for the transfer of its railway system on the same date. Legislation to ratify both these Agreements was passed by the Australian Parliament in June 1975. The necessary legislation was also passed by the Tasmanian Parliament and the transfer of that State's railways took place on 1 July 1975, although the State is continuing, for an interim period, to operate the railways as agent for the Australian National Railways. (The same arrangement has been agreed to in regard to South Australia.) The necessary legislation was not passed by the South Australian Parliament when first submitted to it in June 1975 but legislation, with retrospective effect to 1 July, was passed by that Parliament in August. Legislation to authorise acquisition with effect from 1 July is to be submitted to the Australian Parliament in the Budget Sittings. The commentary which follows is based on the assumption that the legislation is passed and the transfer is effective from 1 July 1975.

In accordance with the 'offsets' principle (*see above*) adjustments are to be made to general purpose funds provided to the two States. The adjustments to the States' Loan Council programs in respect of capital expenditures of which the States are to be relieved are referred to in Chapter III. It has also been agreed that adjustments will be made to the 1974-75 'bases' on which the States' financial assistance grants for 1975-76 are to be calculated. These adjustments reflect the railway losses of which the two States will be relieved but it was agreed that the adjustments would be less than the amounts of those losses so as to give the States net budgetary gains.

As part of the negotiations on the railways transfer, arrangements were agreed with South Australia for the withdrawal of that State from the Grants Commission system at the end of 1974-75. To compensate the State for the loss of special grants an addition of \$25 million is to be made to the 1974-75 'base' on which the State's financial assistance grant for 1975-76 is to be calculated. (For further details on the withdrawal of the State from the Grants Commission system *see below* under the heading 'The Special Grants'.)

Special payments of \$10 million to South Australia and \$5 million to Tasmania in 1974-75 were also made in connection with the railway transfers (*see below* under the heading 'Other General Revenue Assistance').

The following table summarises the adjustments to be made to the financial assistance grants in connection with these matters.

TABLE 4—ADJUSTMENTS TO FINANCIAL ASSISTANCE GRANTS TO SOUTH AUSTRALIA AND TASMANIA IN CONNECTION WITH RAILWAY TRANSFERS AND WITHDRAWAL OF SOUTH AUSTRALIA FROM GRANTS COMMISSION SYSTEM

\$ million

	Adjustment to 1974-75 Financial Assistance Grants Base(a)	Estimated Effect on Grants Payable in 1975-76(b)
<i>South Australia—</i>		
Amount representing loss of non-metropolitan railways in 1974-75(d)	—29.0(c)	—35.9
Adjustment to give budgetary assistance to State	+25.0	+31.0
Sub-Total(d)	— 4.0	— 4.9
Adjustment to compensate for loss of special grant	+25.0	+31.0
Total(d)	+21.0	+26.1
<i>Tasmania—</i>		
Amount representing railways loss in 1974-75	—14.0(c)	—17.4
Adjustment to give budgetary assistance to State	+ 3.3	+ 4.1
Total	—10.7	—13.3

(a) That is, adjustments to the bases to which the formula is to be applied for purposes of calculating the grants in 1975-76.

(b) That is, the amounts shown in the first column escalated in accordance with the estimated effects of the formula in 1975-76.

(c) These amounts do not equal the actual amounts of railways losses in 1974-75 because of various adjustments to the figures.

(d) Subject to revision.

REVISED REVENUE ASSISTANCE ARRANGEMENTS

In his opening speech at the June 1974 Premiers' Conference, the Prime Minister stated:—

"The present revenue assistance arrangements between the Australian and State Governments were originally settled in June 1970 and were intended to apply over the five years 1970-71 to 1974-75. My Government accepts the obligation to review the arrangements before the end of 1974-75 with a view to determining what changes in them, if any, should apply from 1975-76".

The Prime Minister wrote to the Premiers in November 1974 inviting them to submit any written statements of views that they wished to put forward in connection with the review.

Discussions on aspects of the review took place between Australian and State Treasury officers in January, May and June 1975.

In May 1975 the Premiers submitted a document entitled "The General Revenue Arrangements Between the Commonwealth and the States", the main proposals in which were that:—

- the general revenue grants arrangements be based, in effect, on the principle that they should compensate the States for their lack of access to income tax;

- to put that principle into effect the average wages element in the formula be replaced by a new "progression" factor equal to $1\frac{1}{2}$ times the increase in average wages each year, this change to apply as from and including the calculation of the 1975-76 grants;
- an addition of \$350 million be made to the base on which the 1975-76 grants would be calculated.

It was estimated that the effect of these proposals would have been to increase the financial assistance grants for 1975-76 by some \$750 million above what would have been payable under the existing financial assistance arrangements.

Prior to the Premiers' Conference held on 19-20 June 1975 the Prime Minister wrote to the Premiers responding to the proposals put forward in the document which they had submitted. The Prime Minister said, *inter alia*, that the Australian Government:—

- was unable to accept the concept that the grants arrangements should be based on the concept of reimbursement or compensation for income tax forgone; successive Australian Governments had taken the view that it was more logical and appropriate that the grants be based on the States' financial needs rather than on movements in one of the revenue sources from which the financial assistance grants are financed;
- could not accept the assumptions about continuation of present income tax rates on which the States' proposed "progression" factor of 1.5 times the increase in average wages each year was in effect based, having regard to the effects, in a period of rising wages and salaries, of the progressive rate structure of personal income tax;
- found the concept of the "progression" factor as proposed by the States unacceptable, as in times of rapid increase in wages and salaries it could have the effect of shifting the financial burden of various State Government services—particularly business undertakings—from the users of those services to the Australian Government's budget and hence to taxpayers in general, without explicit regard for equity or economics;
- did accept, however, that the level of general revenue assistance in 1975-76 should be increased beyond the amounts which would be produced by existing arrangements and that the growth formula to apply subsequently should be improved.

At the June 1975 Premiers' Conference the Australian Government, having reaffirmed the attitude expressed in the Prime Minister's earlier letter, undertook to introduce into the Australian Parliament legislation to provide for the following changes in the financial assistance grants arrangements:—

- (i) a total of \$220 million will be paid to the States in 1975-76 in addition to the financial assistance grants otherwise payable in that year and to be divided between the States in proportion to the grants otherwise payable—this will be "built in" to the base on which the grants will be calculated under the formula in 1976-77 and subsequent years;

- (ii) \$5.0 million will be added to the base grants on which Western Australia's financial assistance grants for 1975-76 and subsequent years are calculated; and
- (iii) the "betterment" factor in the formula to apply for purposes of calculating the grants for 1976-77 and subsequent years will be increased from the present 1.8 per cent to 3.0 per cent.

The addition referred to as (ii) above was made following representations by the Western Australian Government in relation to the additional financial assistance grants it had received since 1967-68 following its withdrawal from the special grants system. (The State had requested a "building in" to the 1974-75 base grants of the full amount of the additional grant of \$6.5 million received in that year.)

As noted above, Queensland, since 1965-66, has received annual additions of \$2 million to the base on which its formula grants are calculated. Under existing legislation this arrangement does not continue beyond 1974-75. Prior to the Conference, the State requested that an annual addition of at least \$4 million be made as from and including 1975-76 on the basis that this would eventually enable the State to cease receiving special grants under the Grants Commission arrangements. The Australian Government did not accept this request, pointing out that, if the State were to remain a claimant State, under the procedures of the Grants Commission the total level of general revenue assistance paid to the State would not be affected by the amounts of financial assistance grants (if those grants were higher the special grants would be correspondingly lower). The Australian Government stated, however, that if the State should wish to withdraw from the special grants system, either now or at some time in the future, the Australian Government would be willing to enter into negotiations with a view to determining an appropriate addition to the State's financial assistance grants to compensate for loss of special grants.

The Australian Government stated at the Conference that the improved arrangements were made on the clear understanding that subsequent requests by the States for general revenue assistance supplementary to that yielded by the formula arrangements would not be entertained except in circumstances which were truly abnormal and unpredictable, and with which the States are clearly unable to cope unaided. The Australian Government proposed to review these arrangements after five years—that is, before the end of 1979-80. It intends, following past practice, that the arrangements would be subject to revision before then if there occur substantial and relevant changes in Australian/State financial relationships, or in major factors affecting those relationships. In particular, the arrangements are subject to the States continuing to refrain from levying taxes on income.

Calculation of Financial Assistance Grants for 1974-75 and 1975-76 (estimated)

The following tables show details of the calculation of the financial assistance grants for 1974-75 and 1975-76 (estimated).

TABLE 5—CALCULATION OF FINANCIAL ASSISTANCE GRANTS FOR 1974-75
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
Base Grants—							
1973-74 financial assistance grants	585,507	437,604	318,245	204,918	222,388	91,243	1,859,905
Less additional grants to Western Australia in 1973-74(a) . . . . .	..	..	..	..	10,000	..	10,000
Plus 1973-74 tertiary education 'offsets'(b)	36,400	34,800	13,500	12,000	11,600	3,500	111,800
Plus addition to Queensland's Base(c) . . . . .	..	..	2,000	..	..	..	2,000
TOTAL BASE GRANTS	621,907	472,404	333,745	216,918	223,988	94,743	1,963,705
Plus additions under formula(d)	190,815	146,801	108,301	69,519	73,542	29,328	618,306
SUB-TOTALS	812,722	619,205	442,046	286,437	297,530	124,071	2,582,011
Less 1974-75 tertiary education 'offsets'(b)	75,200	70,800	27,600	24,700	24,200	7,200	229,700
Plus additional grants to Western Australia and Tasmania . . . . .	..	..	..	..	(e) 6,500	(f) 15,000	21,500
TOTAL FINANCIAL ASSISTANCE GRANTS	737,522	548,405	414,446	261,737	279,830	131,871	2,373,811

(a) Made up of a \$6.5 million additional financial assistance grant and a further special temporary addition of \$3.5 million for 1973-74.

(b) 'Offsets' agreed to at the June 1973 Premiers' Conference to accompany the assumption of full financial responsibility for tertiary education by the Australian Government as from January 1974.

(c) An addition of \$2 million has been made to Queensland's base each year since 1965-66. See text.

(d) Calculated from the Statistician's estimates of increases in State populations in the year ended December 1974 (New South Wales 1.26 per cent, Victoria 1.56 per cent, Queensland 2.63 per cent, South Australia 2.32 per cent, Western Australia 2.93 per cent and Tasmania 1.47 per cent, giving a weighted average of 1.88 per cent for all States combined), the Statistician's estimate of the increase in average wages for Australia as a whole in the year ended March 1975 of 26.78 per cent and the betterment factor of 1.8 per cent.

(e) Agreed to following June 1973 Premiers' Conference.

(f) Addition agreed to following June 1974 Premiers' Conference to enable Tasmania to withdraw from the special grants system. See text.

TABLE 6—CALCULATION OF FINANCIAL ASSISTANCE GRANTS FOR 1975-76
(ESTIMATED)

\$'000

	New South Wales	Victoria	Queens- land	South Australia	Western Australia	Tas- mania	Total
1974-75 GRANTS	737,522	548,405	414,446	261,737	a)273,330	b)131,871	2,367,311
Plus additions to base grants				(c)21,000	(d)5,000		26,000
Less subtraction from base grants						(c)10,700	10,700
TOTAL BASE GRANTS	737,522	548,405	414,446	282,737	278,330	121,171	2,382,611
Plus additions under formula(e)	175,031	133,864	104,943	67,518	71,300	29,204	581,860
SUB-TOTALS	912,553	682,269	519,389	350,255	349,630	150,375	2,964,471
Additional grants(f)	67,700	50,600	38,500	26,000	26,000	11,200	220,000
TOTAL FINANCIAL ASSIS- TANCE GRANTS(g)	980,300	732,900	557,900	376,300	375,600	161,600	3,184,600

(a) Excluding 'temporary' addition of \$6.5 million in 1974-75. *See text.*

(b) Including additional \$15 million paid in 1974-75 and included in 'base' for purposes of calculating grants for 1975-76 and later years.

(c) Net amounts agreed to in relation to railway transfers in South Australia and Tasmania and to the withdrawal of the former State from the Grants Commission system. For details *see* Table 4 above.

(d) Agreed to at June 1975 Premiers' Conference—*see text.*

(e) Assumes that the increase in average wages for Australia as a whole in the year ending March 1976 will be 21.0 per cent and that increases in the States' populations for the year ending December 1975 will be: New South Wales, 0.45 per cent; Victoria, 1.00 per cent; Queensland, 1.74 per cent; South Australia, 0.57 per cent; Western Australia, 1.98 per cent; Tasmania, 0.75 per cent; (weighted average, 1.01 per cent).

(f) Agreed to at June 1975 Premiers' Conference—*see text.*

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

The following table shows the financial assistance grants paid to each State from 1965-66, and the grants estimated to be payable in 1975-76. Annual payments of tax reimbursement and supplementary grants before 1965-66 are given in Appendix II.

TABLE 7—FINANCIAL ASSISTANCE GRANTS
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1965-66 . . .	255,001	191,922	(a)113,356	86,467	78,474	32,131	757,351
1966-67(b) . . .	276,794	208,790	(a)125,514	94,346	86,396	34,773	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(g) . . .	(e)462,204	(e)348,464	(a)231,603	158,491	(c)170,960	69,156	1,440,878
1972-73(h) . . .	(e)521,963	(e)396,087	(a)271,946	181,430	(c)196,369	79,498	1,647,293
1973-74(i) . . .	585,507	437,604	(a)318,245	204,918	(c)222,388	91,243	1,859,905
1974-75(i) . . .	737,522	548,405	(a)414,446	261,737	(c)279,830	(j)131,871	2,373,811
1975-76(estimate)(k)	980,300	732,900	557,900	(l)376,300	(m)375,600	(l)161,600	3,184,600

- (a) Includes additional assistance as a result of the addition of \$2 million to the base on which Queensland's grant for each year has been calculated.
- (b) Includes special assistance of \$5 million paid in 1966-67 and subsequently incorporated into the base for determining the 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, 1973-74 and 1974-75. Also includes special temporary additions of \$3.5 million in 1972-73 and 1973-74.
- (d) The amounts shown for 1970-71 include additional grants paid to compensate the States for loss of receipts duty. The grants for 1971-72 and subsequent years include additional grants as a result of additions, for the same purpose, to the 1970-71 'base' grants for determining the 1971-72 grants under the formula.
- (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. The 1972-73 amounts were incorporated into the base for purposes of determining the grants for 1973-74 and subsequent years.
- (f) Includes \$10 million transferred from Tasmania's special grant for 1970-71 and incorporated into the base for determining the grants for 1971-72 and subsequent years.
- (g) The amounts shown for 1971-72 are after deductions in accordance with the arrangements for transferring pay-roll tax to the States. The grants for subsequent years are lower than they would otherwise have been as a result of subtractions, on the same account, from the 1971-72 'base' grants for purposes of calculating the 1972-73 grants under the formula.
- (h) The 1972-73 grants include additional amounts agreed at the June 1972 Premiers' Conference. With the exception of a special temporary addition of \$3.5 million to Western Australia the 1972-73 amounts were incorporated into the base for purposes of determining the grants in subsequent years.
- (i) After deductions in accordance with the arrangements for transferring responsibility for expenditure on tertiary education to the Australian Government.
- (j) Includes an additional \$15 million paid to Tasmania in 1974-75 to enable the State to withdraw from the Grants Commission system and included in 'base' for calculating grants in subsequent years.
- (k) Includes additional \$220 million agreed to at the June 1975 Premiers' Conference.
- (l) Includes effects of adjustments to 'base' grants in connection with railway transfers and withdrawal of South Australia from the Grants Commission system.
- (m) Includes effect of addition of \$5 million to the base on which the 1975-76 grant is to be calculated.

THE SPECIAL GRANTS

Special grants have been paid to the States on the recommendation of the Grants Commission since 1934-35. The Grants Commission was established under the *Commonwealth Grants Commission Act* 1933 and functioned under that Act, to which only minor amendments were made, until September 1973. New legislation, the *Grants Commission Act* 1973, was passed by Parliament in the Autumn

1973 sittings and came into effect in September 1973. This legislation gave the Commission the additional role of recommending grants to the States to be paid to local government organisations, but it left essentially unaltered the Commission's traditional function of recommending special grants to be paid to claimant States. The new Act provided for an increase in the maximum number of Commissioners from three to seven (including the Chairman). It also provided that the Chairman be appointed on a full-time basis; the other Commissioners may be either full-time or part-time. The number of Commissioners was increased to eight by the *Grants Commission Act 1975*, passed by the Parliament in the Autumn 1975 sittings.

During the initial period of its work in relation to claimant States 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 financial positions of the claimant States and those of 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 financial positions in that year of the claimant and standard States. The other part represents the final adjustment to the advance payment made two years earlier and is 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 Australian Government expected the then four non-claimant States not to apply for special grants for the period of the arrangements. However, since the June 1970 Premiers' Conference all four less populous States have been free to apply for special grants. South Australia again applied for a special grant in July 1970. Queensland applied for a special grant for 1971-72 in September 1971 and has remained claimant since then.

Tasmania applied continuously for special grants up to and including 1973-74. The State withdrew from the special grants system at the end of that year following the Australian Government's agreement to pay the State an additional financial

assistance grant of \$15 million in 1974-75, to be built into the 'base' for purposes of calculating the State's formula grants in 1975-76 and subsequent years (*see above under the heading "The Financial Assistance Grants"*). In accordance with arrangements agreed between the Australian and State Governments, the Grants Commission was asked not to recommend completion payments in respect of the advance grants paid to the State in 1972-73 and 1973-74. In June 1975 the Tasmanian Premier wrote to the Prime Minister applying for special grants in respect of 1974-75 and 1975-76. At the time this document was prepared correspondence between the Prime Minister and the Premier had not been completed. The Budget does not provide for the payment of a special grant to the State in 1975-76.

As noted above, South Australia withdrew from the Grants Commission at the end of 1974-75, this being agreed to in the course of discussions with the State in connection with the transfer of its non-metropolitan railway system. In addition to the special grants of \$23.5 million paid to the State in 1974-75 as recommended by the Commission in its Forty-first Report, payments totalling \$16,434,000 were made to the State in that year in connection with the State's withdrawal from the Grants Commission system. Although these payments were not paid on the recommendation of the Commission they have been classified as special grants. The total amount referred to was made up of an amount of \$10 million representing a payment in lieu of a 'completion' payment the State would have received in 1976-77 in respect of 1974-75 if the State had remained claimant under the procedures of the Grants Commission and an amount of \$6,434,000 being payment of the 'unused assessed grants' referred to in paragraph 1.17 of the Grants Commission's Forty-first Report.

In 1974-75 special grants totalling \$48.25 million were paid on the recommendation of the Commission, consisting of advance payments of \$15 million to both Queensland and South Australia for 1974-75 plus completion grants of \$9.75 million for Queensland and \$8.5 million for South Australia in respect of 1972-73. These grants were recommended by the Commission in its Forty-first Report, presented to Parliament in the Budget Session in 1974, and were authorised by the *States Grants (Special Assistance) Act 1974*.

The Commission has recommended the following grants for payment in 1975-76:—

- an advance grant for Queensland for 1975-76 of \$25.0 million;
- a completion grant to Queensland in respect of 1973-74 of \$11.3 million; and
- a completion grant of \$2.5 million to South Australia in respect of 1973-74.

The Australian Government has accepted these recommendations and it is expected that legislation to authorise payment of the grants will be introduced in the Budget sittings of Parliament following tabling of the Commission's Forty-second Report.

The special grants paid in each year since 1910-11 are shown in Part II of Appendix II. The following table shows the *final* amount of special grants paid in respect of each of the years 1968-69 to 1973-74 inclusive—that is, the advance

grant paid in the year concerned plus the completion grant normally paid two years later. The table also shows the advance payment for 1974-75 and 1975-76.

TABLE 8—SPECIAL GRANTS
\$'000

	Queensland			South Australia			Tasmania		
	Advance Payment	Completion Payment(a)	Total	Advance Payment	Completion Payment(a)	Total	Advance Payment	Completion Payment(a)	Total
1968-69	..	..	..	..	..	..	18,000	1,680	19,680
1969-70	..	..	..	..	..	..	22,000	-3,200	18,800
1970-71	..	..	..	5,000	7,500	12,500	(b)12,000	-2,400	9,600
1971-72	9,000	nil	9,000	7,000	4,900	11,900	11,000	-1,350	9,650
1972-73	10,000	9,750	19,750	13,500	8,500	22,000	10,000	(c)	10,000
1973-74	10,000	11,300	21,300	15,000	2,500	17,500	10,000	(c)	10,000
1974-75	15,000	(e)	(e)	15,000	(d)10,000	25,000	..	..	..
1975-76	25,000	(e)	(e)	..	..	..	(f)	..	..

- (a) Actually paid two years subsequent to year shown, with exception of amount of \$10 million referred to in footnote (d).
 (b) Grant recommended by the Commission was \$22 million of which \$10 million was transferred to Tasmania's financial assistance grant.
 (c) No completion grants were or are to be paid to Tasmania in respect of these years.
 (d) Amount paid in 1974-75 in accordance with agreement between Australian and South Australian Governments; represents agreed estimate of completion grant which could have been expected to be recommended by the Grants Commission in respect of 1974-75 if the State had remained claimant. This amount was not, and is not to be, reviewed by the Commission. An additional amount of \$6,434,000, not included in this table, was paid in 1974-75—see text above.
 (e) Not yet determined—see text above.
 (f) Tasmania is a claimant State but no grant is provided for in the 1975-76 budget.

OTHER GENERAL REVENUE ASSISTANCE

From time to time the Australian Government 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 Australian Government made ad hoc grants to each State to supplement the amount yielded by the formula then operating. (For further details see Appendix II.) Some of the additional assistance grants paid in the years 1957-58, 1961-62, 1962-63 were also available for use by the States for general revenue purposes. Special assistance of one kind or another was paid in every year from 1966-67 to 1974-75. Details of the amounts provided up to and including 1973-74 are given in Appendix II.

Following discussions held between the Australian Treasurer and individual State Treasurers early in 1975, it became apparent that the financial position of the States had deteriorated since their budgets were brought down, mainly due to large increases in wage and salary awards and other costs. The States were threatened with the necessity to retrench employees, which would have compounded an already severe unemployment situation.

A Premiers' Conference was held in February 1975 to discuss State requests for additional funds and with the purpose of assisting the States and their

authorities to retain or re-engage employees. The Australian Government undertook to provide the State Governments with, among other amounts, \$60 million in additional general revenue grants divided between the States in proportion to the distribution of the financial assistance grants. (See Chapters III and IV for details of other amounts agreed to at the Conference.) This was provided on the basis of the States' firm assurances that the funds would be used in such a way that they had the greatest practicable effects, in terms of employment, within the remainder of the 1974-75 financial year. The State by State distribution of the \$60 million is shown in tables in the Appendices to this document.

As part of arrangements for the transfer of the non-metropolitan railway system of South Australia and the railway system of Tasmania to the Australian Government (see above for further details) the Australian Government agreed to make special payments of \$10 million and \$5 million to the two States respectively in 1974-75. These payments have been classified as special revenue assistance to the States for purposes of this document. (They have, however, not been classified as payments to the States in the Statements attached to the Budget Speech, being regarded, for purposes of those Statements, as expenditures on the purchase of existing assets and, for this reason, relevant aggregates in this document differ, for 1974-75, from those shown in the Statements attached to the Budget Speech. See Table 3.). The payment to South Australia was made on the condition that it would be repaid if the transfer was not subsequently effected. The payment to Tasmania was authorised by the *Railways (Tasmania) Act 1975*.

CHAPTER III—GENERAL PURPOSE CAPITAL FUNDS

This Chapter provides information on the general purpose capital funds available to the States and their authorities under the Loan Council arrangements. These comprise borrowings made on behalf of the State Governments (to which the Australian Government has contributed from its own resources in recent years), interest-free grants made by the Australian Government to the States and borrowings by State authorities. Relevant statistical material is presented in Appendix III.

The Loan Council, which is constituted under the Financial Agreement, is composed of representatives of the Australian Government and each State Government. Under the terms of the Financial Agreement borrowings by the Australian Government and State Governments (except for temporary borrowings and defence borrowings) are subject to approval by the Loan Council. Accordingly, the Loan Council determines annual borrowing programs for the Australian Government and the States, together with the terms and conditions of loans to finance these programs. Subject to the decisions of the Loan Council, borrowings for and on behalf of the State Governments and conversions, renewals, redemptions and consolidations of the public debt of the States are, with limited exceptions, arranged by the Australian Government.

STATE GOVERNMENT LOAN COUNCIL PROGRAMS

The Loan Council program for State Governments represents the major source of funds available to the States for capital works. Each State determines the application of its share of the program. As mentioned above, a proportion of the total program for State Governments agreed to in the Loan Council is provided as a capital grant by the Australian Government, which has also undertaken to complete the financing of the States' works program by subscribing any shortfall from its own resources. Further information on these aspects is given below.

The Loan Council borrowing programs for the State Governments do not include amounts granted or advanced to the States for specific purposes by the Australian Government. However, as a matter of procedure, the Loan Council, in each year from 1945-46 to 1970-71, agreed to a total program for each State from which the State nominated the amount it would receive as advances from the Australian Government at concessional interest rates under successive Commonwealth-State Housing Agreements. An equivalent part of the total program was allocated to the Australian Government as part of its approved borrowing program to provide Loan Council authority for the Australian Government to borrow the moneys to finance these advances to the States. The remainder of the program was formally the approved borrowing program of the States (subject to the introduction, in 1970-71, of the interest-free grants—see below).

The Housing Agreement was not renewed on its expiry in 1970-71, and the procedure whereby the Australian Government provided specific advances to the States to finance that part of the total Loan Council program for the States which was to be applied by them for housing, with an equivalent part of the total program being allocated as a borrowing program for the Australian Government, was discontinued. While this meant the withdrawal of the former interest concession on the funds for housing, specific revenue grants were introduced in

lieu of that concession. At the June 1973 Premiers' Conference/Loan Council meeting the arrangements for housing finance were again changed. The Australian Government, beginning in 1973-74, is providing the advances for housing outside the Loan Council arrangements. The State Government Loan Council programs since 1973-74 have been, as a result, lower than they would otherwise have been.

Details of the housing arrangements formerly and currently applying are given in the next Chapter, and further details of past arrangements are given in Appendix IV.

In brief, the position in recent years has been:—

- (a) Up to and including 1969-70, the Loan Council approved an aggregate program for 'works and housing' for the States, comprising the formally approved borrowing programs of the States and advances under the Commonwealth-State Housing Agreement in force at the time.
- (b) In 1970-71, the Loan Council approved an aggregate program for 'works and housing' for the States, comprising the formally approved borrowing programs of the States, housing advances and interest-free capital grants.
- (c) In 1971-72 and 1972-73, the Loan Council approved an aggregate program for 'works and housing' for the States, comprising the formally approved borrowing programs of the States and interest-free capital grants.
- (d) Since 1973-74, the Loan Council has approved an aggregate program for 'works' for the States, comprising the formally approved borrowing programs of the States and interest-free capital grants. The Australian Government is providing advances for welfare housing outside the State Government Loan Council programs.

State Government Programs for 1974-75 and 1975-76

The total State Government program for 1974-75 approved by the Loan Council was \$1,087,419,000, consisting of a basic program of \$1,077,500,000 and a temporary borrowing allocation of \$9,919,000 for Queensland to finance the additional cost of restoring flood-damaged assets to above their pre-flood standard where required to avoid or mitigate similar damage in the future and to cover the cost of re-siting the construction of new assets in place of old assets abandoned because of flood damage or likely future damage.

The final total program for 1974-75 was the outcome of:—

- a program of \$934,919,000 (including the \$9,919,000 special borrowing allocation for Queensland) initially agreed at the June 1974 Loan Council meeting;
- an increase in the program of \$92.5 million agreed between the Australian and State Governments in September 1974 and formally approved by the Loan Council at its February 1975 meeting; and
- a further increase of \$60 million agreed at the February 1975 Loan Council meeting for the purpose of assisting employment.

The basic program of \$1,077,500,000 for 1974-75 was made up of borrowings totalling \$731,622,000 and capital grants provided by the Australian Government of \$345,878,000. The program took into account reductions arising out of the

June 1973 Premiers' Conference/Loan Council meeting at which the States accepted the Australian Government's offer to take over full responsibility for financing tertiary education from 1 January 1974 and agreed that the Loan Council programs, in both 1973-74 and 1974-75, should take account of estimated capital expenditures of which they would thereby be relieved.

For 1975-76, the Loan Council approved at its June 1975 meeting a total State Government program of \$1,291,000,000 made up of a basic program of \$1,281,000,000 and a special permanent addition of \$10 million for New South Wales in recognition of the State's relatively low per head share of Loan Council programs compared with other States. (As set out below, a further special permanent addition was also made for this reason to New South Wales' share of the larger authorities program for 1975-76.) Of the total program of \$1,291,000,000, \$860,667,000 will be represented by borrowings and \$430,333,000 by capital grants provided by the Australian Government.

The programs agreed to for both South Australia and Tasmania were \$6 million lower than they would otherwise have been to take account of savings to the States' capital works programs as a result of the transfer of Tasmania's railway system to the Australian Government on 1 July 1975 and the proposed transfer of the South Australian non-metropolitan railways. The Loan Council agreed that if the South Australian transfer were not effected both the total program and South Australia's share of it would be increased by \$6 million.

The basic State Government program for 1975-76 of \$1,281,000,000 represents an effective increase (that is, adjusted for the effects of the railway 'offsets' referred to above) of 20 per cent over the 1974-75 basic program. When account is taken of the special permanent addition of \$10 million for New South Wales, the increase in the total 1975-76 program over the 1974-75 basic program becomes 20.9 per cent.

The following table shows the distribution between the States of the programs for 1974-75 and 1975-76 excluding, in the former year, the special allocation of \$9,919,000 for Queensland.

TABLE 9—STATE GOVERNMENT LOAN COUNCIL PROGRAMS, 1974-75 AND 1975-76—
STATE BY STATE ALLOCATIONS

	1974-75				1975-76			
	Borrowings	Capital Grants(a)	Total		Borrowings	Capital Grants(a)	Total	
			Amount	Percentage of Six State Total			Amount	Percentage of Six State Total
	\$'000	\$'000	\$'000	%	\$'000	\$'000	\$'000	%
New South Wales	226,996	107,313	334,309	31.03	274,114	137,057	(b)411,171	31.85
Victoria	184,809	87,370	272,179	25.26	217,744	108,871	326,615	25.30
Queensland	97,536	46,112	(c)143,648	13.33	114,919	57,459	172,378	13.35
South Australia	99,261	46,927	146,188	13.57	112,950	56,475	(d)169,425	13.12
Western Australia	68,068	32,179	100,247	9.30	80,197	40,099	120,296	9.32
Tasmania	54,952	25,977	80,929	7.51	60,743	30,372	(d)91,115	7.06
Total	731,622	345,878	(c)1,077,500	100.00	860,667	430,333	(b)1,291,000	100.00

(a) Capital grants represented 32.1 per cent of each State's total in 1974-75 and represent one-third in 1975-76.

(b) Includes special permanent allocation of \$10 million to New South Wales' share of the program agreed to by the Loan Council at its June 1975 meeting.

(c) In addition, the Loan Council approved a temporary borrowing allocation of \$9,919,000 for Queensland for flood restoration purposes, thus bringing borrowings to \$741,541,000 and the total State Loan Council programs in 1974-75 to \$1,087,419,000.

(d) Reduced in connection with railway transfer arrangements—see text above.

The Australian Government has undertaken to support the total program of \$1,291,000,000 for 1975-76 on the basis outlined below under the heading 'Financing of States' Borrowing Programs and the Capital Grants'.

Capital Grants Arrangements

At the June 1970 Premiers' Conference, as part of the revised revenue assistance arrangements with the State Governments settled at that Conference, the Australian Government undertook to provide a portion of the States' Loan Council programs in the form of interest-free capital grants. The grants were designed to help the States finance capital works from which debt charges are not normally recovered such as schools, police buildings and the like. The grants were not, however, to be subject to conditions as to the purposes for which they might be expended. As the grants replaced borrowings that would otherwise have been made by the States, there have been substantial savings to the States in debt charges.

The States received grants totalling \$200 million in 1970-71 distributed between them in the same proportions as their borrowing programs. This represented 24.3 per cent of the total works and housing program in that year. The proportion increased to 24.6 per cent in 1971-72 due to a permanent addition of \$2 million to the grants in recognition of the costs faced by the States in the changeover to the metric system. (See page 30 of 'Commonwealth Payments to or for the States 1972-73'.) In 1972-73 the grants increased further to 25.3 per cent as a result of arrangements associated with the provision of capital grants for expenditure on government schools (see page 31 of 'Commonwealth Payments to or for the States 1972-73' for details). In the absence of the adjustments resulting from the change in the method of financing welfare housing, the percentage would have risen to 26.7 per cent in 1973-74 with the payment of a further grant for government schools.

The adjustments to the programs in 1973-74 to take account of the fact that the Australian Government was to provide advances for welfare housing outside, and in addition to, the States' Loan Council programs took the form of subtractions from the borrowing component of the programs and did not affect the level of capital grants. This had the effect of increasing the proportion of the programs taking the form of capital grants to 32.1 per cent. The reductions on account of the assumption by the Australian Government of full responsibility for financing tertiary education were made on a pro rata basis against both the borrowing and capital grants components of the programs and did not, therefore, affect the percentage represented by the capital grants. The figure of 32.1 per cent was retained for 1974-75 but at the June 1975 Premiers' Conference/Loan Council meeting the Australian Government agreed to increase it, from 1975-76, to one-third (33.3 per cent).

Financing of States' Borrowing Programs and the Capital Grants

As previously mentioned, all borrowings on behalf of the State Governments are, with limited exceptions, arranged by the Australian Government.

When the proceeds of public borrowings available for this purpose are insufficient to finance the States' programs the Australian Government makes up

the shortfall by subscribing the appropriate amount to a special loan, proceeds of which are allocated to the States. The amounts made available in this way represent State debt. These special loans are raised on terms and conditions similar to those offered in the previous public loan raised in Australia. The effect of this arrangement is that, as necessary, the Australian Government contributes amounts from its own resources to help finance the Loan Council program of the State Governments.

These special loan arrangements applied, up until 1970-71, not only to the approved borrowing programs of the State Governments, but also to the Australian Government's advances to the States under successive Commonwealth-State Housing Agreements. That is, special loans were applied, as necessary, to fill that part of the Australian Government's approved borrowing program which was for the purpose of financing the housing advances.

The borrowing program for the Australian Government approved by the Loan Council includes an amount equal to the capital grants. The legislation authorising the payment of the capital grants authorises the Treasurer to borrow the amount concerned, or to meet it wholly or in part from Consolidated Revenue Fund.

A summary of the financing of the States' Loan Council programs since 1951-52 is given in Table 126 in Appendix III; Table 127 shows further details of the financing of the programs since 1963-64.

Following the previous practice, the Australian Government has undertaken to support the total States' Loan Council programs of \$1,291,000,000 agreed for 1975-76, conditional on the States agreeing to certain arrangements designed to promote the raising of loans to finance the programs. On this basis, the Australian Government will support the programs in the following ways:—

- (a) by leaving to the States, to the extent necessary to complete their governmental borrowing programs, the whole of the proceeds derived from public loan raisings by the Australian Government in Australia (other than the net proceeds of Drought Bonds, Treasury Notes 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) by arranging, to the maximum possible extent, for the redemption of maturing but unconverted State debt that cannot be met from State sinking funds; and
- (c) by making monthly advances to the States for the first eight months of the financial year against the borrowing component of the program at an annual rate not exceeding \$860,667,000, the position then to be reviewed and a tentative determination made, not later than February 1976, of the amount of any special loan assistance the Australian Government may provide from its own resources. (The amount of the capital grants component of the program is paid to the States by equal monthly instalments.)

These arrangements are similar to those that have applied in previous years.

BORROWING PROGRAMS FOR STATE AUTHORITIES

Under a 'Gentlemen's Agreement', originating in 1936, the Loan Council approves an aggregate annual borrowing program for larger State semi-government and local authorities. 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; in 1972-73 and 1973-74 authorities borrowing more than \$400,000 in a financial year; in 1974-75 authorities borrowing more than \$500,000 in a financial year; and for 1975-76 authorities borrowing \$700,000 or more in a financial year. From 1962-63 no overall limit has been set by the Loan Council on borrowings by smaller authorities, that is, authorities borrowing within the financial year up to the amounts mentioned above.

The total program approved is distributed by the Loan Council between the States. Each State determines the distribution between individual larger authorities of its share of the overall borrowing program approved for such authorities. The terms and conditions of loans raised by such authorities are subject to Loan Council approval.

Borrowings by smaller State authorities are also subject to the terms and conditions applying 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.

For 1974-75 the Loan Council approved a total borrowing program for larger State authorities of \$686,084,000. This included special allocations totalling \$35,584,000, of which \$10,000,000 was a permanent addition to the program of New South Wales, and \$19,584,000 and \$6,000,000 were special temporary allocations for Queensland and Western Australia respectively. (A 'permanent' addition to a State's program increases that State's share of the basic program, the distribution of which in turn is used as the basis for determining the distribution of the following year's basic program between the States. A 'temporary' addition is not so added to the State's share of the basic program.)

The final total program for 1974-75 was the outcome of:—

- a program of \$636,084,000 (including special allocations totalling \$25,084,000 for New South Wales, Queensland and Western Australia) agreed at the June 1974 Loan Council meeting; and
- an addition of \$50 million (including a further special temporary allocation of \$10,000,000 for Queensland) approved at the February 1975 Loan Council meeting for the purpose of assisting employment.

At its June 1975 meeting the Loan Council approved a total borrowing program for larger State authorities for 1975-76 of \$809,675,000. This included a basic program of \$792,600,000 and special permanent additions of:—

- \$10,000,000 for New South Wales on the same basis as the equivalent permanent addition referred to above to its State Government program; and
- \$7,075,000 for Queensland under arrangements agreed at the June 1968 Loan Council meeting in respect of the termination at 30 June 1975 of the issue of variable interest stock by the State's Southern Electricity Authority.

The basic program for 1975-76 represents an increase of 20 per cent over the basic program for 1974-75.

Details of the larger State authorities' programs for 1974-75 and 1975-76 are set out in the following table.

TABLE 10—LARGER AUTHORITIES' PROGRAMS, 1974-75 AND 1975-76
STATE BY STATE DISTRIBUTION

	1974-75			1975-76		
	Basic Program	Temporary Allocations (a)	Total	Basic Program (b)	Permanent Additions (a)	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
New South Wales . . .	(c)244,767	..	244,767	293,720	10,000	303,720
Victoria . . .	(d)213,911	..	213,911	256,693	..	256,693
Queensland . . .	118,911	19,584	138,495	142,694	7,075	149,769
South Australia . . .	31,768	..	31,768	38,122	..	38,122
Western Australia . . .	31,887	6,000	37,887	38,264	..	38,264
Tasmania . . .	19,256	..	19,256	23,107	..	23,107
Total . . .	(c)660,500	25,584	686,084	792,600	17,075	809,675

(a) A 'permanent' addition to a State's program increases that State's share of the basic program the distribution of which in turn is used as the basis for determining the distribution of the following year's basic program between the States. A 'temporary' addition is not so added to the State's share of the basic program.

(b) The distribution of the basic program between States in 1975-76 is based on the distribution of the 1974-75 basic program.

(c) Includes permanent addition of \$10 million to New South Wales' program.

(d) Actual borrowings by Victorian larger authorities in 1974-75 were \$213,907,000.

The Loan Council also agreed at its June 1975 meeting that larger authorities would, from 1975-76, be those authorities borrowing more than \$700,000 in a financial year, and that the policy adopted in recent years of not imposing any overall limit on borrowings by smaller State authorities would be continued in 1975-76.

The borrowings of both larger and smaller authorities in each State in 1974-75 and previous years, the shares of the program for larger authorities in each State in 1975-76 and estimated borrowings by smaller authorities in 1975-76 are shown in Table 121 in Appendix III. Table 125 in that Appendix shows the amounts that have been borrowed by local government authorities from within the total borrowings of both larger and smaller authorities. Further reference to the borrowing arrangements for local government authorities is made in Chapter V.

TREATMENT OF LOAN COUNCIL PROGRAMS IN THIS AND OTHER BUDGET DOCUMENTS

The advances for housing (to 1970-71) and capital grants (beginning in that year) which, as explained above, have been agreed to in the context of Loan Council discussions, represent Australian Government payments to the States and are so categorised for purposes of this and other Budget documents concerned.

The State Governments' Loan Council borrowing programs are not included in the totals of payments to the States shown in this document. However, as mentioned in Chapter I, the national accounting item 'grants and net advances to the States and local government authorities' used in the statements attached to the Budget Speech and other documents does include these programs. The equivalent aggregate is described in this document as the total of Australian Government payments to the States, the State Governments' Loan Council borrowing programs and payments to local authorities.

The term 'general purpose funds' is used in Table 1 and in tables in the Appendices to describe the States' borrowing programs and the capital grants. Housing advances paid prior to 1971-72, which were nominated by the States themselves out of aggregate total amounts (referred to over the period concerned as the 'works and housing programs') agreed to in the Loan Council, are *not* included in the totals of general purpose capital funds shown in this document. However, the fact that the amounts of these advances were so determined over the period concerned needs to be borne in mind in interpreting the figures shown for general purpose capital funds in this document.

$$\begin{array}{r} 809.675 \\ 686.084 \\ \hline 13.591 \end{array}$$

CHAPTER IV—SPECIFIC PURPOSE PAYMENTS TO THE STATES

For many years the Australian Government has provided financial assistance for certain specific types of expenditure by the States. The present Government, in its financial relations with the States, has put a particular emphasis on specific purpose programs. In his opening speech at the June 1973 Premiers' Conference the Prime Minister said: 'From now on, we will expect to be involved in the planning of the function in which we are financially involved. We believe that it would be irresponsible for the national Government to content itself with simply providing funds without being involved in the process by which priorities are met, and by which expenditures are planned and by which standards are met'.

This chapter outlines specific purpose payments recently made, presently being made or proposed to be made to the States. Appendix IV outlines some of the history of such payments and summarises programs which have been completed in recent years. Table 110 in Appendix I shows aggregate specific purpose payments to each State since 1956-57 classified as to whether they were for recurrent or capital purposes and Table 113 in Appendix I classifies these and other payments by function.

The various payments in this chapter are grouped under the functional headings used in the Statements attached to the Budget Speech—the only exceptions being that payments included in the 'Not Allocated to Function' category (namely assistance related to State debts, grants for local government being paid on the recommendation of the Grants Commission, grants for regional organizations of local government and natural disaster relief) are shown under specific headings in appropriate places in the chapter and that payments for Aboriginal advancement are outlined together (in the functional statements they are distributed over a number of functions).

Details further to those provided in this chapter on specific purpose payments made to the States for 'on-passing' to local government authorities are given in Chapter V.

ASSISTANCE RELATED TO STATE DEBTS

Payments Under the Financial Agreement

Contributions to Interest on State Debts

Under the Financial Agreement entered into by the Australian Government and the States in 1927, the Australian Government makes payments to the States expressed as a contribution towards interest payable on State debts. They are therefore treated here as specific purpose grants, although they have some of the characteristics of grants 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 \$15,170,000, the amount that was payable in 1926-27 under that Act. The contribution is apportioned between the States in the same way as the 1926-27 *per capita* grant and is to continue for fifty-eight

years from 1 July 1927 (that is, until 1985). It is distributed among the States as shown in the following table:—

TABLE 11—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	..	..	..	15,170

Sinking Fund Contributions

The Financial Agreement of 1927 established arrangements for the payment of sinking fund contributions, by both the Australian and State Governments, in respect of State debt or debt incurred on behalf of the States. These arrangements, with relatively minor amendments, applied from 1927-28 to 1974-75 and are summarised on page 36 of 'Payments to or for the States and Local Government Authorities 1974-75'. Basically, both the States and the Australian Government have been making contributions of 0.25 per cent on loans raised by or for the States (although different arrangements have applied in respect of particular kinds of debts or loans) and the States have made additional contributions of 4.5 per cent on cancelled debt.

At its meeting in June 1974 the Loan Council adopted a report prepared by a Committee of Australian and State Treasury officers which proposed amendments to the Financial Agreement incorporating provisions for the formal takeover by the Australian Government of \$1,000 million of State debt as at 30 June 1975. The report also proposed amendments relating to the sinking fund provisions designed to simplify and rationalise those provisions. Legislation to ratify a revised Financial Agreement, incorporating these amendments, is expected to be passed by the Australian and State Parliaments in 1975-76. Provision will be made for the legislation to have retrospective effect from 30 June 1975.

The new sinking fund arrangements in respect of State debt may be briefly summarised as follows:—

- (i) The amounts of contributions to be made by the States and by the Australian Government in 1975-76 are specified (they total \$121.5 million and \$30.2 million respectively).
- (ii) For the next nine years (ten in the case of New South Wales) the contributions will equal the amounts referred to in (i) adjusted by a percentage of the difference between each State's net debt at 30 June 1975 and the net debt at 30 June immediately preceding the year of contribution; the percentage is 1.20 for State contributions and 0.28 per cent for Australian Government contributions.
- (iii) As from and including 1985-86 (1986-87 in the case of New South Wales) the contributions by each State will equal 0.85 per

cent of its net debt at the preceding 30 June and the Australian Government's contributions will be 0.28 per cent.

The following table shows the Australian Government's contributions to the sinking fund on States' debts from 1966-67, including the contributions to be made in 1975-76 on the proposed new basis set out above. The interest and sinking fund payments made by the Australian Government for the States under the Financial Agreement in each year from 1927-28 are shown in Appendix IV.

TABLE 12—SINKING FUND PAYMENTS UNDER THE FINANCIAL AGREEMENT
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
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 . . .	9,197	6,809	3,636	3,689	2,715	1,934	27,979
1973-74 . . .	9,675	7,195	3,844	3,896	2,855	2,044	29,509
1974-75 . . .	10,079	7,525	4,012	4,072	2,976	2,141	30,805
1975-76 (estimate) .	9,900	7,500	3,900	4,000	2,800	2,100	30,200

Debt Charges Assistance Grants

As outlined in Chapter II, the Australian Government, at the June 1970 Premiers' Conference, undertook to make grants to meet the interest and sinking fund contributions on \$200 million of State debt in 1970-71 and an additional \$200 million each year 1971-72 to 1974-75. The grants, which met the interest and sinking fund charges on a number of specified securities representing State debt, totalled \$172.6 million over this five year period.

The formal transfer of the \$1,000 million debt from the States to the Australian Government will be effected retrospective to 30 June 1975 when proposed amendments to the Financial Agreement have been ratified (*see above*).

The distribution of the debt charges assistance and of the debt to be formally 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 amounts of debt charges assistance paid to each State in each of the years 1970-71 to 1974-75, and the total amounts paid over the five years under this arrangement:—

TABLE 13—DEBT CHARGES ASSISTANCE GRANTS
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1970-71 . . .	3,800	2,783	1,525	1,496	1,106	795	11,504
1971-72 . . .	7,600	5,566	3,051	2,991	2,211	1,590	23,008
1972-73 . . .	11,399	8,348	4,576	4,487	3,317	2,385	34,512
1973-74 . . .	15,199	11,131	6,102	5,982	4,422	3,180	46,016
1974-75 . . .	18,999	13,914	7,627	7,478	5,528	3,975	57,520
Total . . .	56,997	41,742	22,881	22,433	16,583	11,924	172,560

DEFENCE

Housing for Servicemen

Under successive Commonwealth-State Housing Agreements provision was made from 1956-57 to 1970-71 for certain of the funds advanced annually to the States for housing to be devoted to the erection of dwellings for serving members of the Defence Force.

In accordance with the Agreements, funds which the States devoted to housing for servicemen during those years were matched by additional advances by the Australian Government. When the total funds thus available were not sufficient to finance the number of dwellings sought by the Australian Government for Servicemen, supplementary advances were made to the States to meet these shortfalls.

Advances to the States under the 1956-66 Housing Agreement ceased on 30 June 1971, and a new agreement with the States was signed. The *Commonwealth-State Housing Agreement (Servicemen)* 1972 provides for the erection of housing for servicemen by the States on generally the same terms and conditions as applied under the 1956-66 Housing Agreement with one essential difference, being that all the funds required for the erection of housing for servicemen are being provided as advances to the States outside the Loan Council arrangements. The advances are made at a rate of interest equal to the long term bond rate and are repayable over 53 years.

Amounts advanced to the States under the *Commonwealth-State Housing Agreement (Servicemen)* 1972 and estimated advances in 1975-76 are shown in the table below. The amounts of matching and supplementary advances paid to the States for defence housing in previous years are shown in Appendix IV.

TABLE 14—ADVANCES FOR HOUSING FOR SERVICEMEN
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1971-72 . .	5,545	1,165	..	..	324	..	7,034
1972-73 . .	3,539	2,019	400	43	161	..	6,163
1973-74 . .	4,539	2,691	200	..	191	145	7,766
1974-75 . .	16,350	4,193	5,200	130	784	149	26,805
1975-76 (estimate) .	18,005	6,350	13,321	1,260	959	105	40,000

Assistance to State Emergency Services

The Natural Disasters Organisation, which was formally established on 2 July 1974, is responsible for coordinating physical assistance provided by the Australian Government (including that provided by the armed services) with the efforts made by State emergency services and local and voluntary organisations to cope with major natural disasters.

The Organisation also has the function of supervising the provision of assistance to State Emergency Services, for the purpose of strengthening those services. Following is a summary of assistance which is being provided:—

- (i) grants are made to the States to meet the cost of salaries of an agreed number of State Emergency Services' personnel at Division or District headquarters (this assistance was first provided in 1974-75);
- (ii) grants are made to subsidise disaster protection works—specifically, levee banks, drains and firebreaks (provision for this type of assistance was first made in 1974-75 but not utilized in that year);
- (iii) under a practice of some years standing, capital equipment is provided to the State organisations. Equipment valued at \$367,369 was provided in 1974-75 and the estimated value of equipment to be provided in 1975-76 is \$1.0 million;
- (iv) the Australian Government meets the costs of State Government personnel travelling to attend courses at the Civil Defence School at Mt Macedon; and
- (v) other forms of assistance are provided from time to time (for example, \$17,606 was paid by the Australian Government in 1974-75 in respect of the cost of installing telephones at the Queensland State Disaster Headquarters).

Of these forms of assistance, those summarised as (i) and (ii) above are classified as payments to or for the States for purposes of this and other documents; they are both regarded as being recurrent payments for purposes of this document. The following table shows payments made for these purposes in 1974-75 and estimated payments in 1975-76.

TABLE 15—GRANTS FOR STATE EMERGENCY SERVICES
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
SALARIES OF PERSONNEL							
1974-75	188	..	114	..	..	23	325
1975-76 (estimate) .	365	156	210	..	54	46	832
PROTECTION WORKS							
1975-76 (estimate) .	40	40	25	15	20	20	160
TOTAL							
1974-75	188	..	114	..	..	23	325
1975-76 (estimate) .	405	196	235	15	74	66	992

EDUCATION

Grants to the States for education began with assistance for the recurrent expenditures of universities in 1951-52. From this beginning, the Australian Government has increased the area of its involvement to:

- (a) capital expenditures of universities (from 1957-58);
- (b) capital grants for technical education and science laboratories (from 1964-65);
- (c) capital and recurrent grants for colleges of advanced education (from 1965-66);
- (d) capital grants for teachers colleges (from 1967-68);
- (e) capital grants for pre-school teachers colleges (from 1968-69);
- (f) capital grants for secondary school libraries (from 1968-69);
- (g) recurrent grants for non-government schools (from 1969-70);
- (h) capital grants for child migrant education (from 1969-70);
- (i) education research (from 1970-71);
- (j) capital grants for government schools (from 1971-72);
- (k) recurrent grants for government schools (from 1973-74);
- (l) capital grants for non-government schools (from 1973-74);
- (m) recurrent grants for teachers colleges (from 1973-74);
- (n) recurrent and capital grants for pre-schools (from 1973-74); and
- (o) recurrent grants for technical education (from 1973-74).

Fundamental changes have been made in recent years in arrangements for the provision of assistance to the States for education.

First, full responsibility for financing tertiary education was transferred to the Australian Government from the beginning of 1974; it had previously been on a shared basis with the States. Tuition fees in tertiary education institutions were also abolished at that time.

Secondly, the Australian Government has established three new independent and expert advisory bodies to provide it with advice—the Technical and Further Education Commission, the Schools Commission and the Interim Committee for the Children's Commission (part of the functions of which relate to pre-schooling)—and is providing substantial assistance to the States in those fields. With the Universities Commission (established in 1959) and the Commission on Advanced Education (the precursor of which, the Commonwealth Advisory Committee on Advanced Education, was established in 1965), a framework for expert and independent advice to the Australian Government is now available over the whole field of education. The Government has announced its intention to merge the Universities Commission and the Commission on Advanced Education into a new advisory body.

As a result of these various initiatives payments to the States for education have grown rapidly—from \$259.4 million in 1972-73 to \$1,326.1 million in 1974-75 and an estimated \$1,479.1 million in 1975-76.

Details of the present and proposed arrangements for specific purpose assistance to the States for education, including details of the matters referred to above, are set out below; details of the history of such payments are to be found in Appendix IV.

Tertiary Education

Assistance for tertiary education was, until the beginning of 1974, on a 'matching' basis with the States. In March 1973 the Australian Government offered to take full financial responsibility for tertiary education and to abolish fees at tertiary institutions and technical colleges from 1 January 1974. At the June 1973 Premiers' Conference the States accepted this offer and it was agreed that estimates of the amounts of expenditures of which the State Governments would thereby be relieved would be deducted from the general purpose funds provided to the States—more specifically, reductions to the financial assistance grants in respect of recurrent expenditure, and reductions to the States' Loan Council programs in respect of capital expenditure were agreed on. In 1973-74 a half-year's expenditure was involved; the full year offsets were effected in 1974-75. Legislation to provide additional grants to the States for tertiary education in accordance with these decisions was passed in the 1973 Budget session of Parliament.

Universities

Assistance to the States for the recurrent expenditures of universities dates from 1951-52; in 1957-58 assistance was first given for their capital expenditures. Summaries of assistance provided to 1972 are provided in Appendix IV, together with more details than are provided below of assistance in the 1973-75 triennium.

For the three calendar years 1973 to 1975 grants to the States for universities have been based largely on the recommendations contained in the Fifth Report of the Australian Universities Commission (now the Universities Commission). However, there have been several significant variations to the originally approved triennial program, notably the Australian Government's decision that, from the beginning of 1974, it would provide adjustments to the approved programs to take account of variations in costs not allowed for when the programs were adopted. These adjustments are being made, on the basis of appropriate indices, quarterly for recurrent and annually for capital grants. The total triennial program for the States is now estimated at \$1,152.7 million at December 1974 prices. This estimate includes the cost to the Australian Government of its acceptance of full financial responsibility for universities from January 1974. The grants for universities in the States are authorised by various *States Grants (Universities) Acts*.

The Sixth Report of the Universities Commission, presented to the Government in May 1975, recommended that the Australian Government support a program of financial assistance to State universities, over the three calendar years 1976-78 of \$1,590.0 million, of which \$1,292.3 million was for recurrent expenditure and \$297.7 million for capital expenditure. This represented an increase of \$437.3 million over the 1973-75 triennial program (all figures at December 1974 price levels).

The initial impact of these recommendations would have occurred in the second half of the 1975-76 financial year and, for compelling budgetary reasons, the Government has decided to continue its programs in education, including

university education, until the end of the 1976 academic year, the emphasis being on consolidation of improvements already achieved. The major implication of this will be a slowing down of new capital expenditure in that year. It will also involve the deferment of the beginning of the new triennium to 1977.

The following table shows grants to the States for universities since 1971-72 and the estimated grants in 1975-76. Grants paid in earlier years are shown in Appendix IV.

TABLE 16—GRANTS FOR UNIVERSITIES
\$'000

	New South Wales	Victoria	Queens- land	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1971-72 . . .	27,223	18,586	8,412	6,676	4,594	2,105	67,596
1972-73 . . .	32,155	21,896	10,664	7,898	5,683	2,530	80,826
1973-74 . . .	79,572	53,468	26,169	19,808	14,610	6,415	200,042
1974-75 . . .	149,997	99,798	49,876	38,067	27,978	12,274	377,990
1975-76 (estimate) .	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	(a)406,000
CAPITAL							
1971-72 . . .	9,682	6,669	2,597	1,818	1,571	665	23,002
1972-73 . . .	10,522	7,327	2,545	2,697	2,531	842	26,464
1973-74 . . .	16,889	14,128	5,624	7,050	4,581	694	48,966
1974-75 . . .	22,526	17,330	9,821	7,320	7,714	1,279	65,990
1975-76 (estimate) .	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	(a)42,200
TOTAL							
1971-72 . . .	36,905	25,255	11,009	8,494	6,165	2,770	90,598
1972-73 . . .	42,677	29,223	13,209	10,595	8,214	3,372	107,290
1973-74 . . .	96,461	67,596	31,793	26,858	19,191	7,109	249,008
1974-75 . . .	172,523	117,128	59,697	45,387	35,692	13,553	443,980
1975-76 (estimate) .	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	(a)448,200

(a) Do not include supplementary grants for prospective cost increases. An amount of \$70 million has been allowed for in the Budget estimates in respect of cost supplementation under this and certain other education programs. This is a broadly determined figure and it is not possible to give a breakdown of it as between the programs concerned or as between States; for purposes of this document, however, an arbitrary allocation of \$55 million to recurrent grants and \$15 million to capital grants has been made.

Colleges of Advanced Education (including Teachers Colleges)

Grants to the States for colleges of advanced education began in March 1965 when the Australian Government agreed, as an interim measure, to pay capital grants totalling approximately \$5 million in the remainder of the 1964-66 triennium. From the start of the 1967-69 triennium, assistance was extended to recurrent grants for the colleges. Grants to the States have been made since 1967-68 for teachers colleges and since 1968-69 for pre-school teachers colleges on the recommendations of the Commission on Advanced Education's Special Committee on Teacher Education. Prior to July 1973 these grants were provided under separate programs, but since then they have both been absorbed into a wider program of grants for colleges of advanced education.

In August 1972 the Australian Government announced that, with two exceptions, it would accept the recommendations contained in the Third Report of the Australian Commission on Advanced Education relating to the level of assistance to be provided to colleges of advanced education in the States for the 1973-75 triennium. One exception was subsequently withdrawn but the remaining exception was that the Australian Government would share on a \$1 for \$1 basis with the States the recommended assistance of \$1 million for residential places in country colleges rather than provide that amount on an unmatched basis as recommended by the Committee. (For further details on this see Appendix IV.)

As a result of additional grants approved during the triennium, including an arrangement, similar to that for universities, for supplementary grants to cover wage, salary and other cost increases not allowed for in the original programs, the total cost of the 1973-75 triennium program has increased from the originally approved amount of \$421.9 million to an estimated \$798.7 million at December 1974 price levels. This estimate includes the cost to the Australian Government of its acceptance of full financial responsibility for tertiary education and of its decision to abolish tuition fees as from January 1974. The grants for colleges of advanced education in the States are authorised by various *States Grants (Advanced Education) Acts*.

The Fourth Report of the Commission on Advanced Education was submitted to the Government in May 1975. It recommended a program of Australian Government assistance to the colleges in the States over the three years of \$1,632.4 million, of which \$1,064.2 million was for recurrent expenditure and \$568.2 million was for capital expenditure. This represented an increase of \$833.7 million over the 1973-75 triennial program (all figures at December 1974 price levels). The Minister for Education proposed a reduced level of assistance totalling \$1,553 million for the 1976-78 triennium.

The initial impact of these recommendations would have occurred in the second half of the 1975-76 financial year and, for compelling budgetary reasons, the Government has decided to continue its programs in education, including colleges of advanced education, until the end of the 1976 academic year, the emphasis being on consolidation of improvements already achieved. The major implication of this will be a slowing of new capital expenditure in that year. It will also involve the deferment of the beginning of the new triennium to 1977.

The following table shows grants to the States for colleges of advanced education and for teachers colleges combined from 1971-72 and estimates for 1975-76. Amounts paid in earlier years are given in Appendix IV.

TABLE 17—GRANTS FOR COLLEGES OF ADVANCED EDUCATION
AND TEACHERS COLLEGES
\$'000

	New South Wales	Victoria	Queens- land	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1971-72 . . .	3,713	7,341	1,860	1,651	2,920	887	18,372
1972-73 . . .	5,525	10,443	2,906	2,638	4,015	1,128	26,655
1973-74 . . .	28,935	46,711	14,438	13,518	17,247	3,959	124,808
1974-75 . . .	62,122	86,119	27,230	24,531	32,359	6,888	239,249
1975-76 (estimate)(a)	63,907	99,058	31,444	26,724	34,435	6,687	262,255
CAPITAL							
1971-72 . . .	7,381	8,330	3,776	2,872	3,031	2,035	27,425
1972-73 . . .	9,691	9,275	3,806	3,639	3,554	1,425	31,390
1973-74 . . .	7,644	13,680	5,078	6,196	7,222	292	40,112
1974-75 . . .	41,197	32,452	13,438	12,579	7,281	2,969	109,916
1975-76 (estimate)(a)	21,648	36,710	8,920	6,103	9,908	5,750	89,039
TOTAL							
1971-72 . . .	11,094	15,671	5,636	4,523	5,951	2,922	45,797
1972-73 . . .	15,216	19,718	6,712	6,277	7,569	2,553	58,045
1973-74 . . .	36,579	60,391	19,516	19,714	24,469	4,251	164,920
1974-75 . . .	103,319	118,571	40,668	37,110	39,640	9,857	349,165
1975-76 (estimate)(a)	85,555	135,768	40,364	32,827	44,343	12,437	351,294

(a) Do not include supplementary grants for prospective cost increases. An amount of \$70 million has been allowed for in the Budget estimates in respect of cost supplementation under this and certain other education programs. This is a broadly determined figure and it is not possible to give a breakdown of it as between the programs concerned or as between States; for purposes of this document, however, an arbitrary allocation of \$55 million to recurrent grants and 15 million to capital grants has been made.

Technical and Further Education

Assistance to the States for technical education was first provided in 1964-65. An outline of assistance prior to July 1974 is given in Appendix IV.

In April 1973 the Australian Government established the Australian Committee on Technical and Further Education to advise it on the development of technical and further education in Australia and make recommendations for financial assistance to the States for this purpose. The Committee's report, which was presented to the Parliament in April 1974, contained a large number of recommendations in relation to the development of this form of education in the States, the general principles of which have been accepted by the Government.

The financial recommendations in the Committee's First Report related to the period July 1974 to December 1975, but the Government subsequently decided to extend the program to cover the two years 1974-75 and 1975-76. A total of \$49.6 million was provided in the 1974-75 Budget for allocation in that year; actual grants totalled \$45.0 million.

The new program which has been initiated is designed to enhance the quality of technical and further education and to expand its availability, providing both for individual needs as well as manpower needs.

To this end the program provides for capital expenditure on land and buildings, equipment, student residential buildings and computer networks, and for recurrent expenditures, both for general purposes and for specific purposes, such as staff development, libraries and bibliographic centres.

Grants under this program are being made on the understanding that the States do not reduce the levels of activity financed from their own resources.

The Second Report of the Australian Committee on Technical and Further Education, tabled in Parliament in May 1975, contained recommendations to consolidate and develop the initiatives set in train by the First Report. The Committee's recommendations were for financial assistance to the States amounting to \$493 million over the two and a half year period July 1976 to December 1978. Against the background of the difficulties experienced previously by some States in utilising all the funds available, and for compelling budgetary reasons, the Government decided to continue its program of expenditure until the end of the 1976 academic year. The major implication of this will be some slowing of new capital expenditure planned for that year and deferment of the beginning of the first full triennium until 1977. The estimated amount to be made available to the States in 1975-76 is \$65.4 million.

A statutory authority, the Technical and Further Education Commission, of which the Committee on Technical and Further Education was the precursor, was established on 1 July 1975.

The following table shows actual payments to the States from 1971-72 to 1974-75 and estimated payments in 1975-76; figures for earlier years are given in Appendix IV.

TABLE 18—GRANTS FOR TECHNICAL AND FURTHER EDUCATION
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1973-74	5,801	1,772	715	889	974	117	10,268
1974-75	10,333	6,794	2,262	2,639	2,168	426	24,622
1975-76 (estimate)	17,705	10,245	4,675	3,780	3,282	1,094	40,781
CAPITAL							
1971-72	2,416	1,500	1,238	1,130	747	380	7,411
1972-73	5,040	3,350	1,910	1,130	1,166	380	12,976
1973-74	6,873	5,500	1,945	2,063	1,311	689	18,381
1974-75	5,859	6,585	4,073	2,800	587	471	20,375
1975-76 (estimate)	8,500	7,400	3,100	1,200	3,100	1,300	24,600
TOTAL							
1971-72	2,416	1,500	1,238	1,130	747	380	7,411
1972-73	5,040	3,350	1,910	1,130	1,166	380	12,976
1973-74	12,674	7,272	2,660	2,952	2,285	806	28,649
1974-75	16,192	13,379	6,335	5,439	2,755	897	44,997
1975-76 (estimate)	26,205	17,645	7,775	4,980	6,382	2,394	65,381

Schools

The Australian Government has been providing assistance for schools since 1964-65, when it began providing grants for science laboratories and equipment. By 1971-72 it was also providing grants in respect of secondary school libraries, the recurrent expenditures of non-government schools, and the capital expenditures of government schools.

On 12 December 1972 the Prime Minister announced the establishment of the Interim Committee for the Australian Schools Commission. The Commission itself was established by the *Schools Commission Act* 1973, which came into effect in December 1973. The Commission's function, as set down in section 13 (2) of that Act, is to 'inquire into, and to furnish information and advice to the Minister' with respect to acceptable standards of facilities and services in primary and secondary schools, the needs of such schools, financial assistance to the States and for schools in the Territories and other matters as may be referred to the Commission by the Minister.

The Interim Committee's Report entitled 'Schools in Australia' and containing recommendations for all schools over the calendar years 1974 and 1975 was tabled in the Parliament by the Minister for Education on 30 May 1973. The Government agreed to implement the recommendations contained in the Report.

With the creation of this new body and the acceptance of its first recommendations the Australian Government has become much more closely involved in the assessment of the needs of schools, both government and non-government, and the assistance it provides for schools in the States has been very considerably widened in scope and increased in magnitude.

The recommendations of the Committee envisaged total expenditure by the Australian Government in respect of schools in the States over the two years 1974 and 1975 of \$693 million, of which \$467 million would be additional to amounts committed under programs in existence prior to 1 January 1974. The amount of \$693 million excluded existing payments to the States for Aboriginal education covered in this document under the heading 'Aboriginal Advancement'. It also excluded the cost of programs for the education of migrant children (*see* section below on 'Child Migrant Education').

Subsequently, the Government decided to provide, as from July 1974, supplementary grants to allow for wage, salary and other cost increases beyond those allowed for in the original program. As a result of this decision, and the acceptance of revised estimates of recurrent grants to non-systemic schools, the total two-year program of \$693 million referred to above increased to about \$794 million at December 1974 prices.

Following the Interim Committee's recommendations, grants in the 1974-1975 biennium are being made for both government and non-government schools in a number of categories: general recurrent grants, general building grants, and grants for science laboratories and equipment, libraries, schools for the handicapped, disadvantaged schools, teacher development, innovative projects and information programs.

In 1975 the Schools Commission presented its Report recommending grants to the States totalling \$2,070 million over the triennium 1976-78, at December 1974 prices. Consistent with its policy of budgetary restraint for 1975-76 the Government was unable to support recommendations of this magnitude but has provided for a program for schools in the 1976 school year, aimed at consolidation of improvements so far achieved. The major implications will be a slowing of new capital expenditure in 1976 and a deferment of the beginning of the first full triennium to 1977.

The following table shows payments to the States for schools over the period 1964-65 to 1975-76 (estimated). Further details are given in Appendix IV.

TABLE 19—GRANTS FOR GOVERNMENT AND NON-GOVERNMENT SCHOOLS—1964-65 TO 1975-76
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT							
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 . . .	15,046	13,337	6,250	2,529	2,903	914	40,979
1973-74 . . .	28,147	29,125	13,578	6,464	6,389	1,958	85,661
1974-75 . . .	84,719	72,113	35,604	19,017	17,184	5,912	234,549
1975-76 (estimate)(a)	122,082	93,506	47,346	26,920	25,703	9,917	325,474
CAPITAL							
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 . . .	5,113	3,555	1,812	1,415	1,089	481	13,465
1969-70 . . .	6,799	6,262	3,634	1,830	1,517	396	20,438
1970-71 . . .	10,653	6,745	3,633	2,545	1,700	1,043	26,319
1971-72 . . .	10,018	7,587	3,483	2,629	2,296	1,251	27,264
1972-73 . . .	10,637	9,486	4,366	3,805	3,017	1,708	33,019
1973-74 . . .	30,208	18,011	8,990	9,430	6,810	2,527	75,976
1974-75 . . .	71,707	58,653	27,969	19,159	15,789	6,091	199,368
1975-76 (estimate)(a)	47,676	49,854	21,784	11,135	11,335	4,442	146,226
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 . . .	5,113	3,555	1,812	1,415	1,089	481	13,465
1969-70 . . .	11,287	10,214	5,464	2,589	2,379	682	32,615
1970-71 . . .	19,670	14,577	7,273	4,071	3,382	1,599	50,572
1971-72 . . .	20,872	17,242	7,955	4,518	4,360	1,911	56,858
1972-73 . . .	25,683	22,823	10,616	6,334	5,920	2,622	73,998
1973-74 . . .	58,355	47,136	22,568	15,894	13,199	4,485	161,637
1974-75 . . .	156,426	130,766	63,573	38,176	32,973	12,003	433,917
1975-76 (estimate)(a)	169,758	143,360	69,130	38,055	37,038	14,359	471,700

(a) Do not include supplementary grants for prospective cost increases. An amount of \$70 million has been allowed for in the budget estimates in respect of cost supplementation under this and certain other education programs. This is a broadly determined figure and it is not possible to give a breakdown of it as between the programs concerned or as between States; for purposes of this document, however, an arbitrary allocation of \$55 million to recurrent grants and \$15 million to capital grants has been made.

Services for Children

In February 1973 the Australian Government announced the appointment of an Australian Pre-School Committee to examine and make recommendations on the establishment and operation of pre-schools and child care centres throughout Australia. In carrying out its task, the Committee was asked, amongst other things, to make recommendations on the integration of existing financial and other arrangements under the *Child Care Act 1972-1973* into a total program. The Australian Government had been providing assistance for child care facilities in

the States under this Act since 1972-73 by way of payments direct to non-profit organisations, including local government authorities—that is, not by way of payments to the States. An amount of \$2.2 million was paid under this Act in 1973-74. Separately, \$6.5 million was made available to the States in 1973-74 under an interim appropriation of \$10 million made in advance of receipt of the recommendations of the Pre-School Committee.

When the Pre-School Committee reported to the Australian Government in November 1973, the Government invited comments from interested bodies and the Social Welfare Commission and the Priorities Review Staff were asked to develop recommendations in this area. They reported to the Government in July 1974. After considering these reports the Australian Government decided to make available \$75 million in 1974-75 to meet commitments arising from the on-going programs and to enable the commencement of the new, co-ordinated and expanded program by 1 January 1975. A total of \$44.9 million was spent in 1974-75, of which \$37.5 million was paid in the first instance to the States and \$7.4 million was paid direct to non-profit organisations and local government bodies (including payments under the *Child Care Act 1972-1973*).

An Interim Committee for the Children's Commission was established in October 1974. Legislation to establish a Children's Commission as an independent statutory body was passed in June 1975 and the Commission is expected to come into being later this year. The Commission will advise on and administer the new and expanded program which provides for capital and recurrent assistance for pre-school and child care projects including home care, vacation and after-school care projects and various other community initiated projects.

The Government has decided that up to \$74.0 million will be provided in 1975-76 and it is tentatively estimated that, of that total, approximately \$55.5 million could take the form of payments to the States.

The following table shows payments to the States in 1973-74 and 1974-75 and approximate estimates for 1975-76; no commitment to the provision of the amounts shown for 1975-76 is implied.

TABLE 20—GRANTS FOR SERVICES FOR CHILDREN
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1973-74	1,281	1,226	436	690	385	78	4,096
1974-75	5,417	6,660	1,734	3,233	2,316	1,017	20,377
1975-76 (estimate) .	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	34,000
CAPITAL							
1973-74	160	288	1,003	514	166	285	2,416
1974-75	4,819	2,637	3,806	2,773	1,911	1,177	17,123
1975-76 (estimate) .	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	21,537
TOTAL							
1973-74	1,441	1,514	1,439	1,204	551	363	6,512
1974-75	10,236	9,297	5,540	6,006	4,227	2,194	37,500
1975-76 (estimate) .	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	55,537

Child Migrant Education

The *Immigration (Education) Act 1971-1973* authorises payments for the provision of special instruction to migrant children. The program is designed to assist those children with English language difficulties to achieve a sufficient command of English for them to join fully in normal classes. Under the Act, funds are provided to State Education Authorities (and also to non-government educational authorities) to pay the salaries of special teachers and to purchase special language teaching equipment. Provision is also made for materials and the in-service training of teachers.

The Australian Government has, however, decided that from 1 January 1976 this program will be funded from the general recurrent grants program administered by the Schools Commission. The figures shown in the table below for 1975-76, therefore, represent funds available under the *Immigration (Education) Act 1971-1973* for the six-month period to 31 December 1975 only.

Since 1973 the Australian Government has also been providing funds for the construction of portable supplementary classrooms to accommodate the increase in the number of students requiring special language instruction in State and independent schools.

Financial assistance is also provided to the States to reimburse them for the costs of certain adult migrant education services. These, however, are regarded as payments for services rendered and are not, therefore, classified as payments to the States.

Annual figures of payments to the States under the Child Migrant Education Scheme and estimated payments in respect of the first six months of 1975-76 are shown in the following table:—

TABLE 21—GRANTS FOR CHILD MIGRANT EDUCATION
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1969-70	..	86	7	..	16	..	109
1970-71	780	667	57	87	62	20	1,672
1971-72	1,191	1,158	81	169	150	28	2,778
1972-73	1,521	1,819	98	326	138	53	3,956
1973-74	2,238	2,732	165	587	157	135	6,014
1974-75	3,890	4,482	255	810	229	179	9,845
1975-76 (estimate)	2,618	3,688	178	633	236	146	7,499
CAPITAL							
1973-74	90	550	50	165	100	40	995
1974-75	475	709	106	92	89	6	1,477
1975-76 (estimate)	225	974	..	319	..	..	1,518
TOTAL							
1969-70	..	86	7	..	16	..	109
1970-71	780	667	57	87	62	20	1,672
1971-72	1,191	1,158	81	169	150	28	2,778
1972-73	1,521	1,819	98	326	138	53	3,956
1973-74	2,328	3,282	215	752	257	175	7,009
1974-75	4,365	5,191	361	902	318	185	11,322
1975-76 (estimate)	2,843	4,662	178	952	236	146	9,017

Educational Research

The Australian Advisory Committee on Research and Development in Education was established in April 1970 to advise the Minister for Education on priorities in educational research and to make recommendations for the financial support of educational research projects proposed to it. The Committee is also required to advise the Minister on any other means for the improvement of educational research, its development and application of results in Australia. Grants to the States for these purposes are made under the *Education Research Act 1970*.

In June 1973, the Australian Government gave approval for the Committee to undertake an expanded program, and, at the same time, the funding of the Committee was changed from an annual to a triennial basis. On this basis, \$1.5 million was allocated for the Committee's purposes for the remainder of the 1973-75 triennium. The Australian Government has decided that \$775,000 will be made available to the States for 1975-76.

Under the *Education Research Act 1970* payments are also being made to the States for research projects into specific areas as commissioned by the Minister for Education. In addition to the payments made to the States grants are also provided for fellowships tenable overseas, and payments are made to the Australian Capital Territory. These payments are in addition to the activities of the Australian Advisory Committee on Research and Development in Education. The following table shows grants to the States for educational research from 1971-72 to 1974-75 and estimated grants in 1975-76.

TABLE 22—GRANTS FOR RECURRENT EXPENDITURE ON EDUCATIONAL RESEARCH
\$'000

	New South Wales	Victoria	Queens- land	South Australia	Western Australia	Tasmania	Total
1971-72 . . .	81	81	59	8	7	..	236
1972-73 . . .	91	87	60	13	17	7	275
1973-74 . . .	97	142	109	18	26	14	406
1974-75 . . .	145	187	219	60	28	19	658
1975-76 (estimate)(a)	240	240	170	50	55	20	775

(a) The State distribution is notional only; it assumes, in part, that the proportional distribution will be the same as for 1974-75.

HEALTH

The Australian Government has been providing assistance to the States for health services and facilities since 1949-50, when it began providing grants for expenditure by the States on the diagnosis, treatment and control of tuberculosis. Grants of relatively minor amounts have also been made for blood transfusion services since 1953-54, for mental health institutions since 1955-56, for the disposal of ships' garbage since 1966-67 and for nursing homes and certain health education services since 1970-71.

In April 1973 an Interim Committee for the Hospitals and Health Services Commission was appointed; the Commission itself was established by the *Hospitals and Health Services Commission Act 1973* which came into effect in December

1973. One of the functions of the Commission, as laid down in section 5 of the Act, is 'to ascertain the health care needs of the Australian community and to make recommendations to the Minister in respect of those needs, including recommendations in relation to— . . . (v) financial assistance to be made available by Australia to State, Territory, regional, local government, charitable and other organisations, and to other persons, involved in health care or in research relating to health care'. The Committee/Commission has presented reports to the Government in which payment of grants to the States has been recommended (*see below*).

In 1973-74 four new and continuing programs of assistance to the States were initiated: for the development of public hospitals, for community health services and facilities, for a school dental scheme and for health planning agencies.

One new continuing program of assistance (for home dialysis services) was initiated in 1974-75. In 1975-76 new and very substantial grants are to be made to the States under the 'Medibank' scheme for sharing the recurrent costs of State public hospitals.

As a result of these various developments, payments to the States for health purposes have risen rapidly and are expected to continue to rise rapidly—from \$20.9 million in 1972-73 to \$107.7 million in 1974-75 and an estimated \$932.5 million in 1975-76. It is to be noted, however, that part of the increase in 1975-76 is attributable to the fact that a portion of the new 'Medibank' assistance to the States is replacing assistance in respect of hospital services that was previously provided in other forms (*see below*).

Health Insurance Program ('Medibank')

Section 30 of the *Health Insurance Act* 1973 authorises the Government to enter into agreements with State Governments 'for the provision of hospital services' by the States.

South Australia and Tasmania entered into such agreements with effect from 1 July 1975 while Victoria and Western Australia entered with effect from 1 August 1975. Negotiations with New South Wales and Queensland are proceeding.

Under these arrangements States are to provide free standard ward public hospital treatment without means test and free public hospital outpatient services. There are agreed arrangements in respect of charges in wards other than standard wards.

The Australian Government will meet 50 per cent of the net recurrent costs of hospitals referred to as 'recognised' hospitals in the agreements or an amount equal to assistance provided by a State from its own sources to such hospitals, whichever is the lesser. This commitment will be met as follows:—

- (i) payments equal to \$16 per occupied bed day will be made direct to the hospitals concerned;

- (ii) the Australian Government will continue to make, through the voluntary health insurance funds, payments of \$2 per occupied bed day in respect of insured private patients in recognised hospitals (this amount is payable by virtue of sub-section 46 (1) of the *National Health Act*); and
- (iii) the difference between the total of (i) and (ii) and the Australian Government's total commitment under the cost-sharing arrangements will be paid to the States.

For purposes of this and other budget documents the forms of payment summarised as (i) and (iii) above are classified as payments to the States. It is estimated that such payments will total around \$700 million in 1975-76.

The following table is designed to show the inter-relationships between the various forms of assistance which the Australian Government has been providing, or is to provide, related to the recurrent costs of State public hospitals or charges made in respect thereof.

TABLE 23—AUSTRALIAN GOVERNMENT ASSISTANCE RELATED TO RECURRENT COSTS OF STATE PUBLIC HOSPITALS
\$million

	1974-75 (a)	1975-76 (a) estimates	Increase
Hospital Benefits (b)	93	68	-25
Payments for Pensioner Patients (c)	25	10	-15
Pharmaceutical Benefits (c)	48	27	-21
Tuberculosis Hospitals Assistance (c) (d)	6	1	-5
'Medibank' Payments (d)	..	707	+707
Total (e)	172	813	+641

(a) A number of the figures shown in this table have been computed on an approximate basis by making various assumptions. They should, therefore, be regarded as representing orders of magnitude for broad comparative purposes only.

(b) These figures comprise the following payments:—

- (i) \$2 per bed day paid through the voluntary health insurance funds for insured patients;
- (ii) \$2 per bed day paid to hospitals where no charge is raised;
- (iii) 80c per bed day paid in respect of uninsured patients;
- (iv) Special Account subsidies paid to voluntary health insurance funds; and
- (v) Subsidised Health Benefits Plan payments.

Items (i), (iv) and (v) will continue under the new arrangements. Items (ii) and (iii) will cease but there will be some 'carry-over' payments in respect of 1974-75 and also payments for the early months of 1975-76 for States which were not participating in the Medibank Agreements from 1 July 1975.

(c) These payments will cease under the new arrangements. The figures shown for 1975-76 represent 'carry-over' payments in respect of 1974-75 and payments for the early months of 1975-76 for States which are not participating in Medibank from 1 July.

(d) These forms of assistance are classified as payments to the States; the others are not.

(e) Payments in respect of private hospital patients are not included in the table.

Of the increase of about \$640 million shown in the table (and it is emphasised that this is a very approximate figure) part may be regarded as replacing funds which public hospitals have previously received as fees (part of which in turn were financed through the voluntary health insurance scheme), part will have the effect of reducing levels of assistance for public hospitals from State budgets

below what they would otherwise need to be and part can be regarded as meeting a portion of increases in hospitals expenditures due to increased wage and salary rates and other costs and to increases and improvements in services provided.

With regard to the relief which will be provided to State budgets (estimated, on the basis of fee levels existing prior to the introduction of Medibank, to be of the order of \$300 million in 1975-76) the Australian Government has undertaken that such relief will not be the subject of 'offsets' to general revenue grants.

New forms of assistance are also being provided for private hospitals, but these are not taking the form of payments to the States.

The following table shows estimates of payments to the States under the new hospital cost-sharing arrangements in 1975-76; in some States particularly the estimates are, at this stage, subject to a considerable margin of uncertainty and no commitment to the provision of the amounts shown is implied.

TABLE 24—PAYMENTS FOR RECURRENT COSTS OF STATE PUBLIC HOSPITALS
\$million

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1975-76 (estimate)	245	200	90	68	78	26	707

Hospitals Development Program

The 1973-74 Budget provided an initial allocation of funds for capital grants to the States towards the cost of hospital projects in the capital cities of New South Wales, Victoria and Queensland. Grants totalling \$2.4 million were made during that year.

In April 1974 the Hospitals and Health Services Commission presented to the Government a report on 'Hospitals in Australia' in which it recommended a program of capital expenditure on public general hospitals, mental hospital facilities, public nursing homes and health hostels in the States over the five years 1974-75 to 1978-79 of \$1,160 million. It recommended that, of this total, the Australian Government meet \$760 million with the States being expected to meet the remaining \$400 million by way of annual allocations of \$80 million. The Commission recommended that a Joint Hospitals Works Council (consisting of three members of the Commission and not more than three State representatives) be established in each State to review the whole of the public hospital works program in that State; the Commission proposed that allocations by the Australian Government for hospital development in the States be based on recommendations of the Commission, made after consideration of proposals put forward by the Joint Hospitals Works Councils.

Following consideration of the report the Australian Government allocated \$28 million in the 1974-75 Budget for the development of public hospitals and other residential health institutions in the States. In the event grants totalled \$30.3 million in that year. The Government at that time accepted the need for a five year program but amounts for years subsequent to 1974-75 were not determined.

All States accepted the Australian Government's request to participate in Joint Hospitals Works Councils and these Councils are now operating.

An amount of \$108 million is provided in the 1975-76 budget in respect of this program.

It is expected that special legislation to authorise this program will be introduced in 1975-76 (payments have previously been authorised by Appropriation Acts).

Payments in 1974-75 were made conditional on each State meeting specified minimum amounts of capital expenditure on hospitals and other health facilities from its own sources. These amounts totalled \$100 million. Similar arrangements are expected to apply in future years, but the details have yet to be worked out.

The following table shows grants made for these purposes in 1973-74 and 1974-75. Estimates for individual States for 1975-76 are not available at this stage.

TABLE 25—CAPITAL GRANTS FOR DEVELOPMENT OF PUBLIC HOSPITALS
AND OTHER HEALTH INSTITUTIONS
\$'000

	New South Wales	Victoria	Queens- land	South Australia	Western Australia	Tasmania	Total
1973-74 . . .	689	150	250	441	695	140	2,365
1974-75 . . .	8,830	7,330	5,084	3,236	4,326	1,500	30,306
1975-76 . . .	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	108,000

Nursing Homes

The *States Grants (Nursing Homes) Act* 1969, which became effective in June 1969, provided for the Australian Government to share on a \$1 for \$1 basis with the States capital costs incurred over the five year period 1969-70 to 1973-74 on approved nursing homes wholly or mainly for aged persons of limited means, with the Australian Government's contribution being limited to a maximum of \$5 million. The final grant under this Act, relating to expenditure incurred prior to 30 June 1974, is expected to be paid to New South Wales in 1975-76. The estimated amount involved is \$69,000, bringing total grants under the Act to \$2,763,000.

Because of an urgent need for additional public nursing home accommodation in Brisbane, the Government has decided to make a special grant of \$1,725,000, on a \$1 for \$1 basis, to Queensland towards the cost of Stage 2 of the Wynnum public nursing home. It is estimated that \$925,000 will be provided in 1975-76.

The amounts of grants paid for this purpose, and estimates for 1975-76, are shown in the following table:—

TABLE 26—GRANTS FOR CAPITAL EXPENDITURES ON NURSING HOMES
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1970-71	..	..	..	..	337	..	337
1971-72	..	..	332	..	44	84	460
1972-73	..	149	240	465	..	166	1,019
1973-74	..	512	145	..	..	..	658
1974-75	108	112	148	..	..	..	368
1975-76 (estimate)	69	..	925	..	..	..	994

Community Health Facilities and Services

In May 1973 the Interim Committee of the Hospitals and Health Services Commission presented a report entitled 'A Community Health Program for Australia', containing recommendations for the development of a community health program over the three years 1973-74 to 1975-76. The Government accepted the principles set out in this report and decided to make available both capital and recurrent grants for the development of community-based health services, such as community health centres and therapeutic day centres. It was envisaged that these grants could be made either to the States or direct to other organisations; in the two years 1973-74 and 1974-75, grants under the program totalled \$38.3 million of which \$33.1 million were made to the States. It is expected that in 1975-76 most of the grants will again take the form of payments to the States.

As from 1 July 1974 the Australian Government has been meeting 75 per cent of capital costs and 90 per cent of operating costs of all projects except those that have an Australia-wide application, which are funded on a 100 per cent basis.

In 1973-74 the Australian Government also undertook to provide grants to the States and other eligible organisations up to a maximum of \$7.5 million in each of the years 1973-74 and 1974-75 for capital and operating expenditure on community facilities and services for mental health, alcoholism and drug dependency. The Grants were authorised by the *Mental Health and Related Services Assistance Act 1973*. Beyond 1974-75, assistance for these purposes will be the subject of recommendations by the Hospitals and Health Services Commission as part of the Community Health Program. Grants in 1973-74 and 1974-75 have totalled \$12.9 million, all but \$0.3 million of which was paid as grants to the States. Expenditure estimated at \$1,000,000 on projects approved before 30 June 1975 remains to be met in 1975-76. All of this amount will be paid to the States.

The following table shows payments to the States in 1973-74 and 1974-75 and estimated payments in 1975-76 under both these programs taken together. The estimated payments in 1975-76 are tentative and are subject to discussion with the States.

TABLE 27—GRANTS FOR COMMUNITY HEALTH FACILITIES
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1973-74	1,808	1,462	734	597	548	121	5,270
1974-75	9,371	2,883	1,891	820	697	528	16,190
1975-76 (estimate) .	21,625	7,638	4,731	2,742	1,884	1,585	40,205
CAPITAL							
1973-74	3,616	2,924	1,468	1,195	1,096	242	10,541
1974-75	4,916	2,093	1,282	1,597	3,306	498	13,692
1975-76 (estimate) .	4,202	6,310	4,148	1,293	3,166	225	19,344
TOTAL							
1973-74	5,424	4,386	2,202	1,792	1,644	363	15,811
1974-75	14,287	4,976	3,173	2,417	4,003	1,026	29,882
1975-76 (estimate) .	25,827	13,948	8,879	4,035	5,050	1,810	59,549

Tuberculosis Control

Under the *Tuberculosis Act* 1948 the States have been reimbursed, since 1949-50, for recurrent 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. Expenditure reimbursed under this arrangement has taken two forms—maintenance expenditure in respect of tuberculosis patients in hospitals and expenditure (including administrative expenditure) on anti-tuberculosis campaigns (X-ray programs and such like). Assistance for the former purposes will be absorbed under the new 'Medibank' arrangements for sharing public hospital running costs and it is expected that final payments will be made in 1975-76 (as 'carry over' from 1974-75 and for the early months of 1975-76 for States not participating in 'Medibank' from the beginning of the year). Assistance for the latter purpose is expected to total \$8.2 million in 1975-76.

Under the *Tuberculosis Act* 1948 the States have been reimbursed, since 1949-50, for all capital expenditure approved by the Australian Government on buildings, furnishings, equipment and plant for the same purpose. This assistance, which has in recent years been at low levels, is to continue, but new hospital facilities will be funded under the Hospitals Development Program.

The table below shows payments from 1970-71, including estimated payments in 1975-76. Annual figures of payments in years prior to 1970-71 are given in Appendix IV.

TABLE 28—GRANTS FOR TUBERCULOSIS CONTROL
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1970-71	4,256	3,143	1,741	582	835	380	10,937
1971-72	3,073	3,289	1,558	758	884	380	9,942
1972-73	3,609	3,322	1,932	811	797	334	10,805
1973-74	3,347	3,628	2,247	988	785	252	11,247
1974-75	3,923	4,128	2,979	1,114	992	434	13,570
1975-76 (estimate)	2,339	3,065	2,231	581	706	303	9,225
CAPITAL							
1970-71	143	151	55	108	12	..	469
1971-72	70	119	6	155	88	..	438
1972-73	50	16	27	243	20	32	388
1973-74	22	..	22	395	..	2	441
1974-75	34	10	56	31	..	..	131
1975-76 (estimate)	4	2	68	..	..	2	76
TOTAL							
1970-71	4,399	3,294	1,796	690	847	380	11,406
1971-72	3,143	3,408	1,564	913	972	380	10,380
1972-73	3,659	3,338	1,959	1,054	817	366	11,193
1973-74	3,369	3,628	2,269	1,383	785	254	11,688
1974-75	3,957	4,138	3,035	1,145	992	434	13,701
1975-76 (estimate)	2,343	3,067	2,299	581	706	305	9,301

School Dental Scheme

Agreement was reached in 1973 between the Australian and State Governments on a program to provide an Australia-wide School Dental Service. It is planned that by 1982 all primary school children will be covered by the scheme and thereafter it will be extended to cover pre-school children and secondary school children under 15 years of age.

The State Governments are responsible for administering the scheme. The capital and operational costs of training facilities for dental therapists as well as the capital costs of providing school dental clinics are being borne in full by the Australian Government. Operational costs, however, are being shared between the Australian Government and the State Governments on a \$3 for \$1 basis.

The amounts paid to the States in 1973-74 and 1974-75 and estimated payments for 1975-76 are shown in the following table:—

TABLE 29—GRANTS FOR SCHOOL DENTAL SCHEME
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1973-74 . . .	658	550	278	1,066	391	818	3,761
1974-75 . . .	979	916	629	1,700	758	1,239	6,221
1975-76 (estimate) .	1,788	1,235	1,155	2,085	1,946	1,393	9,602
CAPITAL							
1973-74 . . .	685	794	192	895	661	549	3,776
1974-75 . . .	3,214	3,181	2,352	2,247	1,309	69	12,372
1975-76 (estimate) .	2,918	2,888	4,826	2,230	2,858	678	16,398
TOTAL							
1973-74 . . .	1,343	1,344	470	1,961	1,052	1,367	7,537
1974-75 . . .	4,193	4,097	2,981	3,947	2,067	1,308	18,593
1975-76 (estimate) .	4,706	4,123	5,981	4,315	4,804	2,071	26,000

Health Education Campaigns

The Australian and States Governments are co-operating in the conduct of national education campaigns on the dangers of drug abuse and smoking. The drug education campaign commenced in 1970-71 and the anti-smoking education campaign commenced in 1971-72. On recommendations of advisory committees, which include representatives of the Australian and State Governments, grants are made to the States out of total funds allocated to the campaigns. No funds are provided to the Government of Victoria under the anti-smoking education campaign, grants for this purpose being made to the Anti-cancer Council of Victoria.

Grants made to the States under both campaigns, and estimated grants in 1975-76, are shown in the following table:—

TABLE 30—GRANTS FOR HEALTH EDUCATION CAMPAIGNS
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1970-71 . . .	86	68	39	26	38	22	279
1971-72 . . .	128	113	47	34	43	20	385
1972-73 . . .	163	100	75	52	49	30	469
1973-74 . . .	227	125	155	76	99	60	742
1974-75 . . .	284	174	118	88	106	64	834
1975-76 (estimate) .	217	151	130	67	84	51	700

Blood Transfusion Services

Grants have been made to the States since 1953-54 for the purpose of assisting Blood Transfusion Services conducted by the Australian Red Cross Society. In the first year, allocations to the States were based on population, with a limit of \$100,000. In 1954-55, the basis of assistance was changed, with the Australian Government agreeing to reimburse each State 30 per cent of the Society's costs of operating the Service, conditional upon the State meeting, in the first place, 90 per cent of those costs; the Society met the remaining 10 per cent of costs out of its own funds. In 1973-74, the formula was changed to increase the Australian Government's contribution to 35 per cent and reduce the Society's liability to 5 per cent.

As announced in the 1975-76 Budget Speech, the Government has agreed to extend its financial assistance for the Blood Transfusion Service. From 1975-76, approved special projects undertaken by the Service will be financed as operating expenditure and approved capital expenditure for the Service will be shared between the Australian Government and the States on a \$1 for \$1 basis.

Grants made to each State since the inception of the scheme are shown in Appendix IV. Grants paid since 1970-71, and estimates for 1975-76, are shown in the following table:—

TABLE 31—GRANTS FOR EXPENDITURES ON BLOOD TRANSFUSION SERVICES
\$'000

—	New South Wales	Victoria	Queens- land	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1970-71 . . .	197	251	170	124	79	24	845
1971-72 . . .	254	269	192	139	106	30	990
1972-73 . . .	267	367	212	160	134	30	1,170
1973-74 . . .	588	506	304	252	183	37	1,870
1974-75 . . .	590	642	416	365	358	57	2,428
1975-76 (estimate) .	895	798	457	400	328	80	2,958
CAPITAL							
1975-76 (estimate) .	20	90	29	5	12	5	161

Health Planning Agencies

As part of a three-year program designed to promote the planning of community health service delivery systems, the Government decided in 1973-74 that grants up to a maximum of \$500,000 a year, on a \$2 for \$1 basis, would be provided to the States for the development or expansion of State health planning agencies. In 1973-74 the grants were met direct from the Budget but from 1974-75 the grants have been paid by the Hospitals and Health Services Commission out of funds allocated to it from the Budget. The grants paid in 1973-74 and 1974-75 and estimated grants in 1975-76, are shown in the following table.

TABLE 32—GRANTS FOR RECURRENT EXPENDITURES BY HEALTH PLANNING AGENCIES

\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1973-74 . . .	180	..	65	50	81	..	376
1974-75 . . .	116	52	53	87	127	..	435
1975-76 (estimate)	200	15	87	68	110	20	500

Home Dialysis Scheme

As announced in the 1974-75 Budget Speech, the Government has undertaken to make available, to all who need them, home dialysis equipment and supplies. These requirements are provided through State public hospital dialysis and transplantation centres. Initial grants totalling \$310,000 were provided to the States in the second half of 1974-75. In 1975-76 grants under the scheme are expected to increase to an estimated \$2.28 million.

The following table shows the grants for home dialysis in 1974-75 and estimated grants in 1975-76. The estimated payments in 1975-76 are tentative and no commitment to the provision of the amounts shown is implied.

TABLE 33—GRANTS FOR THE PROVISION OF HOME DIALYSIS SUPPLIES AND EQUIPMENT

\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1974-75 . . .	75	140	30	30	30	5	310
1975-76 (estimate)	570	570	570	228	228	114	2,280

Control of Arboencephalitis

Following the outbreak of Australian Arboencephalitis (formerly known as Murray Valley Encephalitis) early in 1974, the Australian Government provided grants totalling \$151,000 to New South Wales, Victoria and South Australia to assist in a mosquito eradication campaign along the Murray Valley Basin. The campaign was undertaken following indications of high risk that the disease could recur during the 1974-75 summer season.

The grants were allocated as set out in the following table:

TABLE 34—GRANTS FOR MOSQUITO ERADICATION IN CONTROLLING AUSTRALIAN ARBOENCEPHALITIS

\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1974-75 . . .	16	120	..	15	..	..	151

Disposal of Ships Garbage

In 1965-66 financial assistance was offered 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 Australian Government 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 met by the States. It is expected that no assistance under the scheme will be provided in 1975-76. Grants paid since the inception of the scheme are shown in the following table:—

TABLE 35—GRANTS FOR CAPITAL EXPENDITURES ON THE DISPOSAL OF SHIPS' GARBAGE
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1966-67	29	29
1967-68	38	..	1	39
1968-69	10	..	1	11
1969-70	..	120	308	..	..	57	485
1970-71	..	4	28	..	..	14	46
1971-72	..	130	55	..	104	..	288
1972-73	..	765	..	..	10	7	782
1973-74	..	6	..	..	25	..	31
1974-75	..	15	18	..	52	..	85

SOCIAL SECURITY AND WELFARE

Welfare Services for the Aged

Under two Acts effective from June 1969—the *States Grants (Home Care) Act* 1969-1973 and the *States Grants (Paramedical Services) Act* 1969—the Australian Government is making grants to the States for certain services provided wholly or mainly to aged persons—specifically for home care services, senior citizens centres and paramedical services.

Home Care Services

Under the *States Grants (Home Care) Act* 1969-1973 the Australian Government shares with participating States the cost of approved house-keeping or other domestic assistance provided wholly or mainly for aged persons in their homes. Until July 1973 the Australian Government's grants were on a \$1 for \$1 basis

with the States, but they have been on a \$2 for \$1 basis since then. Grants provided for this purpose and estimates for 1975-76 are shown in the following table:—

TABLE 36—GRANTS FOR HOME CARE SERVICES
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1969-70	..	..	31	..	..	..	31
1970-71	234	..	80	..	4	..	318
1971-72	161	137	158	9	10	15	491
1972-73	212	390	248	41	13	12	916
1973-74	296	370	312	169	23	49	1,218
1974-75	611	441	1,245	563	116	124	3,100
1975-76 (estimate)	668	866	612	616	33	205	3,000

Senior Citizens Centres

Under the *States Grants (Home Care) Act* 1969-1973 the Australian Government also shares with participating States up to a maximum of two-thirds of the capital cost of approved senior citizens centres and the cost of the salaries of welfare officers employed by such centres. The basis of sharing costs with the States was altered from a \$1 for \$1 basis up to one-third of the capital cost to a \$2 for \$1 basis up to two-thirds of the capital cost in August 1973.

Grants provided for this purpose and estimates for 1975-76 are shown in the following table:—

TABLE 37—GRANTS FOR SENIOR CITIZENS CENTRES
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1970-71	..	..	..	3	..	..	3
1971-72	2	..	1	9	..	..	12
1972-73	1	16	3	9	5	..	34
1973-74	4	36	18	2	15	..	74
1974-75	226	51	11	16	15	..	319
1975-76 (estimate)	70	72	19	24	15	..	200
CAPITAL							
1969-70	..	..	..	16	..	..	16
1970-71	34	..	17	32	..	..	84
1971-72	39	11	91	87	30	11	269
1972-73	102	223	184	132	67	28	736
1973-74	242	163	55	55	123	13	651
1974-75	349	150	153	363	28	154	1,197
1975-76 (estimate)	530	630	1,300	230	200	110	3,000
TOTAL							
1969-70	..	..	..	16	..	..	16
1970-71	34	..	17	35	..	..	87
1971-72	41	11	91	96	30	11	281
1972-73	103	239	187	140	73	28	771
1973-74	245	198	72	57	138	13	725
1974-75	575	201	164	379	43	154	1,516
1975-76 (estimate)	600	702	1,319	254	215	110	3,200

Paramedical Services

The Australian Government shares 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. All States have indicated their willingness to participate, but to date only Victoria, South Australia and Tasmania have provided paramedical services in circumstances which qualify for assistance under the arrangement. Grants up to specified amounts are made in the first instance through the *States Grants (Paramedical Services) Act 1969*. However, where a State has an approved requirement for funds in excess of the limits prescribed by that Act, provision may be made for a supplementary grant through an Appropriation Act.

Annual figures of grants paid to the States for paramedical services, and estimates for 1975-76, are shown in the following table:—

TABLE 38—GRANTS FOR PARAMEDICAL SERVICES
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1971-72	4	..	3	7
1972-73	61	..	14	..	2	77
1973-74	131	..	30	..	3	164
1974-75	242	..	112	..	8	362
1975-76 (estimate) .	..	220	..	120	..	7	347

Dwellings for Pensioners

The *States Grants (Dwellings for Aged Pensioners) Act 1969* appropriated \$25 million as grants to the States over the five financial years ending 30 June 1974 for the purpose of providing self-contained dwelling units at reasonable rentals to be let to single persons who were receiving an aged pension or a Service pension by reason of age and who were eligible for supplementary assistance. The grants were apportioned among the States according to the numbers of aged pensioners receiving supplementary assistance in 1969.

The *States Grants (Dwellings for Pensioners) Act 1974* continued the scheme but with the eligibility conditions widened to include single invalid and Class B widow pensioners and single repatriation pensioners who are permanently unemployable or suffering from tuberculosis. Grants totalling \$30 million will be made available over the three year period commencing July 1974 and allocated among the States in proportion to the total number of age, invalid and Class B widow pensioners in receipt of supplementary assistance in each State. Rents of units provided under the extended scheme are to be not less than the maximum rate of supplementary assistance paid to pensioners.

Payments made to the States under the scheme and estimated payments for 1975-76 are shown in the following table:—

TABLE 39—GRANTS FOR CAPITAL EXPENDITURES ON PENSIONERS' DWELLINGS
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1969-70 . . .	465	200	..	160	..	100	925
1970-71 . . .	1,774	1,929	109	311	700	158	4,981
1971-72 . . .	3,260	2,243	661	1,002	224	232	7,622
1972-73 . . .	2,705	1,478	1,250	380	519	138	6,470
1973-74 . . .	2,546	650	1,331	146	307	22	5,002
1974-75 . . .	3,000	1,343	1,314	193	198	..	6,048
1975-76 (estimate) .	5,140	3,889	1,666	1,300	1,202	560	13,757

Assistance for Deserted Wives

Under the *States Grants (Deserted Wives) Act* 1968, which became effective from 1 January 1968, the Australian Government has been sharing on a \$1 for \$1 basis with the States the cost of helping certain mothers of families without a breadwinner where the mothers are ineligible for a Class A widows pension or, as from 3 July 1973, a supporting mothers benefit.

Assistance is provided during the first six months after the date of the event which gives rise to eligibility (e.g. the birth of a child or separation) and the main groups of mothers assisted under the Act are deserted wives, deserted de-facto wives, deserting wives, wives of prisoners, and unmarried mothers. After the first six months these groups of mothers may qualify for either a Class A widows pension or a supporting mothers benefit.

The grant 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 widows pension or a supporting mothers benefit.

The Australian Government approached the States in June 1973 with the object of taking full responsibility for these payments. It was originally envisaged that this change would take place in 1974-75 but it has been deferred to at least 1976-77. (See also Chapter II, under the heading 'Adjustments to General Purpose Funds to Offset Financial Effects of Shifts in Responsibilities between Australian and State Governments'.)

The following table shows payments made to the States and estimated payments for 1975-76:—

TABLE 40—GRANTS FOR DESERTED WIVES
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1967-68 . . .	140	..	..	25	36	..	201
1968-69 . . .	570	..	158	139	215	67	1,149
1969-70 . . .	726	101	426	210	342	77	1,882
1970-71 . . .	909	1,112	645	294	544	188	3,691
1971-72 . . .	1,258	1,970	1,002	464	981	201	5,876
1972-73 . . .	2,290	2,861	1,736	776	1,746	338	9,748
1973-74 . . .	1,769	1,574	1,346	1,534	1,171	260	7,654
1974-75 . . .	1,879	1,256	1,179	1,045	1,152	421	6,932
1975-76 (estimate) .	2,196	1,467	1,377	1,222	1,346	492	8,100

Employment Grants

In December 1971 the Australian Government introduced a scheme of grants to the States for employment creating activities in non-metropolitan areas with the object of reducing significantly the level of unemployment in such areas. In December 1972 it was decided to continue the non-metropolitan unemployment grants scheme during the six months to June 1973 with increases for New South Wales, Victoria and South Australia. In addition, the Government agreed to make payments to the States during the same six months period for the relief of unemployment in metropolitan areas. Non-metropolitan unemployment grants were paid to the States on a reducing basis during the period July to September 1973 when they were terminated because of an improvement in the overall employment situation. Subject to broad guidelines which the Australian Government laid down, the administration of the schemes and the allocation of the grants between particular areas were matters for the State Governments. They were asked, however, to consult closely with the Department of Labour.

Altogether, \$142,820,000 was provided by the Australian Government to the States during the period December 1971 to September 1973 by way of grants for employment creating purposes. Further details are given in Appendix IV.

At the February 1975 Premiers' Conference the Australian Government agreed to support the provision of a number of forms of additional assistance to the States in the remaining months of 1974-75 for the purpose of assisting employment. Amongst the measures agreed to was a special employment grants scheme under which grants totalling \$40 million were made to the States, to be used to increase the numbers of employees of the State Government or of its local or semi-government authorities or of other bodies above what they would otherwise be.

The States agreed to consult closely with the Department of Labor and Immigration concerning the allocation of the funds, to ensure that as high a proportion of the funds as practicable was disbursed in those regions where unemployment rates were relatively high and to ensure that at least 50 per cent of the aggregate funds provided were expended on labour costs.

At the June 1975 Premiers' Conference the Australian Government agreed to continue the special employment grants scheme in 1975-76 on a phasing out basis. Specifically, grants of \$10 million in July, reducing by \$2 million per month down to \$2 million in November 1975 are to be provided—a total of \$30 million. The grants are subject to conditions similar to those which applied in 1974-75.

The grants in both 1974-75 and 1975-76 were divided between the States in proportion to seasonally adjusted numbers of unemployed (excluding school leavers).

The following table shows grants made to the States under the employment schemes outlined above and the grants to be paid in 1975-76:—

TABLE 41—EMPLOYMENT GRANTS
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1971-72 . . .	10,395	6,075	5,400	1,620	2,024	1,485	26,999
1972-73 . . .	(a)37,220	(b)25,670	16,400	9,660	8,901	5,970	103,821
1973-74 . . .	4,530	2,647	2,353	941	882	647	12,000
1974-75 . . .	15,100	11,200	5,600	3,600	3,400	(c)1,103	(c)40,003
1975-76 . . .	11,700	8,200	5,000	2,400	2,000	700	30,000

(a) Includes \$500,000 to assist the part-time employment of drought-affected farmers.

(b) Includes \$250,000 to assist the part-time employment of drought-affected farmers.

(c) Includes \$2,937 paid to Tasmania as an ex gratia reimbursement of moneys expended in that State in continuation of employment creating activities after the termination in September 1973 of the non-metropolitan unemployment relief grants scheme.

Regional Employment Development Scheme

Under this scheme, which was initiated in 1974-75, grants are being made to various bodies, including State Government Departments, State semi-government bodies and local government authorities. For purposes of this document grants to State Departments and State semi-government authorities are classified as payments to the States.

Such payments totalled \$8.5 million in 1974-75 and are estimated to total approximately \$18.9 million in 1975-76. Further details, both on the scheme generally and the amounts of grants, are given in Chapter V.

Social Policy Planning Units

The Australian Government is providing financial assistance to the States towards the cost of the establishment and operation of social policy planning units within State Welfare Departments. The following table shows payments made to the States since the inception of the scheme in 1973-74 and estimates for 1975-76.

TABLE 42—RECURRENT GRANTS FOR SOCIAL POLICY PLANNING UNITS
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1973-74 . . .	20	20	20	20	20	20	120
1974-75 . . .	20	20	20	59	40	31	190
1975-76 (estimate) . . .	20	20	20	59	40	32	191

Rehabilitation Centre—Hobart

The Australian and Tasmanian Governments agreed in 1974 to share the costs of establishing and operating a joint rehabilitation centre for handicapped persons in Hobart. The arrangement provides for the Australian Government to meet up to half the capital cost of building and equipping the centre and to contribute 40 per cent of the annual running costs. Construction is to commence in 1975-76 and the estimated contribution by the Australian Government in that year is \$550,000.

ABORIGINAL ADVANCEMENT

Since 1968-69 the Australian Government has provided assistance to the States for Aboriginal advancement, particularly in the fields of housing, education and health. The payments are included in the statements attached to the Budget Speech and in Tables 2, 113 and 114 in this document under the various functional headings appropriate to the specific kinds of assistance involved. In the other relevant tables in this document, however, all payments for this purpose are grouped together.

Under annual *States Grants (Aboriginal Advancement) Acts*, payments to the States have increased considerably from \$3.7 million in 1968-69 to \$37 million in 1974-75 and an estimated \$40.8 million in 1975-76. With the exception of an amount of \$350,000 provided to Queensland in 1969-70 as a loan for the development of an irrigation and water supply project at Bamaga, all Australian Government assistance has been in the form of grants.

It is to be noted that the Australian Government makes considerable assistance available for Aboriginal advancement in the States other than by way of payments to the States—that is, by way of direct assistance to Aboriginal organisations, local government authorities (on which, *see* Chapter V) and other bodies.

It is also of relevance that the States have been invited to transfer certain functions in this field to the Australian Government. Transfers have been effected in Tasmania (from 31 August 1973), in South Australia (from 1 December 1973), in Western Australia (from 29 June 1974) and in Victoria (from 1 January 1975). Discussions are continuing with New South Wales. Further reference is made to this matter in Chapter II under the heading 'Adjustments to General Purpose Funds to Offset Financial Effects of Shifts in Responsibilities Between Australian and State Governments'.

The following table shows payments made to the States since 1968-69 and estimated payments in 1975-76. For a functional breakdown of these payments, *see* Appendix IV

TABLE 43—PAYMENTS FOR ABORIGINAL ADVANCEMENT
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1968-69 . . .	174	22	84	39	..	..	319
1969-70 . . .	227	69	246	17	30	7	596
1970-71 . . .	185	81	216	161	140	19	800
1971-72 . . .	668	116	371	270	223	17	1,665
1972-73 . . .	1,929	331	2,269	694	1,377	49	6,649
1973-74 . . .	1,678	358	975	1,003	2,634	23	6,670
1974-75 . . .	2,316	494	1,701	1,501	7,096	34	13,142
1975-76 (estimate) .	3,588	1,136	6,881	2,237	7,497	71	21,411
CAPITAL							
1968-69 . . .	601	203	1,366	311	825	25	3,331
1969-70 . . .	952	278	(a)2,159	518	1,225	32	5,164
1970-71 . . .	1,517	286	2,322	499	1,540	35	6,200
1971-72 . . .	1,732	284	2,667	530	2,277	45	7,535
1972-73 . . .	2,821	439	5,431	1,046	5,509	105	15,351
1973-74 . . .	3,725	590	8,982	3,696	8,457	131	25,580
1974-75 . . .	5,474	1,636	8,661	4,058	3,874	204	23,907
1975-76 (estimate) .	4,666	1,011	4,190	3,188	6,110	215	19,379
TOTAL							
1968-69 . . .	775	225	1,450	350	825	25	3,650
1969-70 . . .	1,179	347	(a)2,405	535	1,255	39	5,760
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 . . .	4,750	770	7,700	1,740	6,886	154	22,000
1973-74 . . .	5,403	948	9,957	4,699	11,091	154	32,250
1974-75 . . .	7,791	2,130	10,362	5,558	10,970	238	37,049
1975-76 (estimate) .	8,254	2,147	11,071	5,425	13,608	286	40,790

(a) Includes an advance of \$350,000 to assist in the development of irrigation and water supply services at Bamaga. All other payments have taken the form of grants.

HOUSING

Commonwealth-State Housing Agreements 1945-46 to 1970-71

Under successive Commonwealth-State Housing Agreements operative between 1945-46 and 1970-71 such amounts as were nominated for housing by each State Government out of its total works and housing program approved by the Loan Council became, formally, the borrowing program of the Australian Government (or part thereof) and were provided by the Australian Government as advances, repayable over fifty-three years (*see* Chapter III.). Over most of this period, the advances have been provided at concessional rates of interest. Some details of these arrangements are provided in Appendix IV.

Arrangements in 1971-72 and 1972-73

The Housing Agreement was not renewed on its expiry at the end of 1970-71. Instead the Australian and State Governments agreed on arrangements under which housing allocations would be met, in the same way as other expenditures by the States, out of their approved Loan Council borrowing programs which were higher, on that account, than they would otherwise have been.

While this meant the withdrawal of the former interest concession on funds for housing, specific revenue grants were introduced in lieu of that concession. The *States Grants (Housing) Act* 1971 provided for the payment to the States of

a basic grant of \$2.75 million a year for a period of 30 years, in respect of their housing operations in each of the five years 1971-72 to 1975-76—that is, the grant would be \$2.75 million in 1971-72, increasing to twice that amount (\$5.50 million) in 1972-73, three times that amount in 1973-74, and so on to 1975-76 when the amount would have been \$13.75 million.

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

In addition, the Australian Government offered, in December 1972, to advance \$6,550,000 to the States to enable them to commence the construction of additional rental dwellings in 1972-73, over and above the programs they had undertaken and financed from their normal Loan Council borrowings. This assistance was authorised by the *Housing Assistance Act* 1973. These advances were provided at an interest rate of 4 per cent per annum and are repayable over 53 years.

1973-1974 Housing Agreement

Under arrangements discussed in detail between Australian and State Ministers for Housing and agreed to at the June 1973 Premiers' Conference, the Australian Government entered into an Agreement with each State under which the States will receive advances for welfare housing purposes during the five years 1973-74 to 1977-78, these advances to be outside, and in addition to, the State Loan Council programs.

The *Housing Agreement Act* 1973, passed by Parliament in the Autumn 1973 session, authorised the Australian Government to enter into an Agreement 'substantially in the form' set out in the schedule to the Act. Under the Act the amounts of the advances are determined each year by the Minister for Housing and Construction after consultation with the appropriate State Ministers.

Advances made under the Agreement will be repaid, with interest, over fifty-three years. The rate of interest on advances allocated to a State housing authority is 4 per cent per annum and on advances allocated to Home Builders' Accounts the interest rate is 4½ per cent per annum.

The Agreement contains conditions to ensure that the assistance provided by the Australian Government will be used for the benefit of those families and persons most in need.

The *Housing Agreement Act* 1974, passed by Parliament in the Budget sittings in 1974, amended the 1973 Act to permit the allocation to a State's Home Builders' Account, in special circumstances, of more than 30 per cent of the total amount advanced to that State, to liberalise an aspect of the means test provision in relation to loans financed from Home Builders' Accounts and to permit the determination of supplementary advances to a State during a financial year.

The advances paid in 1973-74 (totalling \$218.65 million) were agreed to at the June 1973 Premiers' Conference/Loan Council meeting. At the June 1974 meeting the Australian Government undertook to provide advances totalling

\$235 million in 1974-75 but the Prime Minister indicated that, in the light of developments in the industry as a whole during 1974-75, including the availability of resources for housing construction and the ability of the States to put further funds to productive use in welfare housing, the Australian Government stood ready to consult with the States on the provision of additional funds in 1974-75. Additional funds totalling \$150.4 million were so made available, bringing total advances made in the year to \$385.4 million. Advances totalling \$364.6 million will be made available in 1975-76.

Because of the re-introduction of a direct interest concession, the *States Grants (Housing) Act* 1971 was amended by the *States Grants (Housing) Act* 1973 to provide that the basic grant would remain at the amount of \$5.5 million paid in 1972-73 from 1973-74 until 2001-02, reducing to \$2.75 million in the next year and then ceasing. The additional rental assistance grant of \$1.25 million a year will continue to be paid until 1975-76.

The following table shows recurrent grants paid and advances made to the States for housing from 1971-72 to 1974-75 and approved payments for 1975-76. Figures for earlier years are given in Appendix IV.

TABLE 44—PAYMENTS TO THE STATES FOR HOUSING 1971-72 TO 1975-76
\$'000

	New South Wales	Victoria	Queens- land	South Australia	Western Australia	Tasmania	Total
RECURRENT GRANTS(a)							
1971-72 . . .	1,368	1,005	467	623	457	232	4,152
1972-73 . . .	2,292	1,679	669	1,093	771	388	6,892
1973-74 . . .	2,292	1,679	651	1,093	771	388	6,874
1974-75 . . .	2,292	1,679	766	1,093	771	388	6,989
1975-76 (estimate) .	2,292	1,679	1,010	1,093	771	388	7,233
ADVANCES							
1971-72 . . .	..	..	..	..	..	..	..
1972-73 . . .	3,500	1,500	350	500	400	300	6,550
1973-74 . . .	86,000	53,500	17,400	32,750	13,000	16,000	218,650
1974-75 . . .	123,411	98,159	43,810	56,360	37,440	26,220	385,400
1975-76 (estimate)	123,411	98,159	31,010	56,360	33,440	22,220	364,600
TOTAL PAYMENTS							
1971-72 . . .	1,368	1,005	467	623	457	232	4,152
1972-73 . . .	5,792	3,179	1,019	1,593	1,171	688	13,442
1973-74 . . .	88,292	55,179	18,051	33,843	13,771	16,388	225,524
1974-75 . . .	125,703	99,838	44,576	57,453	38,211	26,608	392,389
1975-76 (estimate)	125,703	99,838	32,020	57,453	34,211	22,608	371,833

(a) Includes contributions towards rental losses under the Commonwealth-State Housing Agreement 1945—see Appendix IV text under 'Housing'.

URBAN AND REGIONAL DEVELOPMENT NEC AND THE ENVIRONMENT

Payments to the States included under this functional heading comprise mainly those being made under new programs initiated in 1973-74 and for which the Minister for Urban and Regional Development is responsible; however, several other amounts are included, including some for Aboriginal advancement.

Payments under this functional heading grew particularly rapidly in 1974-75 (from only \$55.8 million in the previous year to \$235.0 million); they are expected to total approximately \$285.8 million in 1975-76.

Payments in 1974-75 for most of the urban and regional development programs and for certain programs falling within other functional headings were made mainly under the authority of the *Urban and Regional Development (Financial Assistance) Act* 1974-1975. This Act authorises the provision of financial assistance to the States for various types of urban and regional development programs, covering growth centres, land commissions, area improvement and sewerage programs and for water supply, flood mitigation and the national estate. The Act provides for the Minister for Urban and Regional Development to approve programs relating to these matters and for agreements to be made with the States upon financial assistance to be provided in respect of expenditure in accordance with the approved programs and upon the conditions applicable to the financial assistance. The Act also appropriated moneys for financial assistance provided to the States in respect of expenditure in 1974-75 and provides that financial assistance under the Act in respect of subsequent financial years shall be made out of moneys appropriated from time to time by Parliament. Some payments in 1974-75 were, however, made under other Acts. These included a carry-over payment under the *Growth Centres (Financial Assistance) Act* 1973 in respect of expenditure in 1973-74. They also included payments under the *Sewerage Agreements Acts* of 1973 and 1974 in relation to earlier commitments for the provision of financial assistance for expenditure on sewerage works commenced prior to 1 July 1974.

The individual programs are outlined below. Further details are given in the Budget document entitled 'Urban and Regional Development 1975-76' presented by the Minister for Urban and Regional Development.

Growth Centres and Related Projects

A total of \$71.4 million was provided in the 1974-75 Budget for payments to the States for the purpose of initiating and continuing development of new metropolitan and regional growth centres and for other urban and regional development projects, of which \$59.7 million was expended. Provision is made in the 1975-76 Budget for these purposes of \$65.4 million.

Albury-Wodonga

In October 1973 the Heads of the Australian, New South Wales and Victorian Governments signed an agreement under which these Governments would

co-operate in the development of the Albury-Wodonga region. The Australian Government's involvement was authorised by the *Albury-Wodonga Development Act 1973*, which came into operation in December 1973.

The *Albury-Wodonga Development (Financial Assistance) Act 1973* authorised the provision of Australian Government financial assistance of \$9 million in respect of 1973-74. A total of \$2.13 million was actually provided in 1973-74 for land acquisition, studies and investigations, and for assistance to the local councils.

An amount of \$40 million was provided in the 1974-75 Budget for this growth centre and included in the amounts appropriated in the *Urban and Regional Development (Financial Assistance) Act 1974-1975*. However, a shortfall in expected payments to the States for other growth centres allowed the allocation of a further \$5 million for Albury-Wodonga during 1974-75. A total amount of \$42,213,428 was paid in 1974-75, comprising \$41,521,434 in the form of loans and \$691,994 in the form of grants. The payments were mainly for land acquisition, studies and investigations, the running costs of the Corporation, development works and assistance to local councils.

A total of \$38.6 million has been provided in the 1975-76 Budget in respect of expenditure on Albury-Wodonga during 1975-76. Estimated expenditures on land development, housing, water supply, sewerage and drainage are expected to be significantly higher than in 1974-75. This reflects the commencement of some of these works in 1974-75 and the increasing impetus of development of the growth centre.

Other Growth Centres and Related Projects—General

The *Growth Centres (Financial Assistance) Act 1973* provided that the Minister for Urban and Regional Development could approve programs of financial assistance to the States in respect of 1973-74 up to a maximum of \$24 million, for:—

- (i) the development of eleven specified growth centres (the Bathurst-Orange, Holsworthy-Campbelltown and Gosford-Wyong areas in New South Wales; Geelong and the South-East Melbourne area in Victoria; the Moreton and Fitzroy regions and Townsville in Queensland; Monarto in South Australia; Salvado in Western Australia; and the Tamar region in Tasmania); and
- (ii) study programs relating to urban and regional development in these centres and in other places in Tasmania.

Payments in 1973-74 totalled \$4,448,000, made up of \$4,413,000 for the development of Monarto in South Australia and a grant of \$35,000 for studies undertaken in Tasmania.

An amount of \$31.4 million was provided in the Budget for growth centres other than Albury-Wodonga in 1974-75; actual payments amounted to \$17,466,917. A total of \$26.8 million is provided in the Budget for this year for growth centres, other than Albury-Wodonga, and related projects, including final payments estimated at \$3.8 million in respect of approved 1974-75 programs.

Developments in respect of specific growth centres, in relation to which arrangements have, so far, been entered into with the States, are outlined below. These growth centres are among those specified in the *Growth Centres (Financial Assistance) Act 1973* (see above).

Sydney South-West Sector

Arrangements were entered into with the New South Wales Government during 1974-75 for the provision of financial assistance towards the development of the Sydney South-West Sector of Campbelltown, Camden, Appin and Holsworthy. An amount of \$10 million was allocated in respect of expenditure in 1974-75 and payments amounting to \$6,681,565 were made under the *Urban and Regional Development (Financial Assistance) Act 1974-1975*. The payments were all by way of loans and were mainly for expenditure on land acquisition and development works by the South-West Sector Development Authority. A total of \$14.9 million is provided for 1975-76.

Bathurst-Orange

Arrangements were also entered into with the New South Wales Government during 1974-75 for the provision of financial assistance towards the development of the Bathurst-Orange growth centre. Funds were allocated under the *Urban and Regional Development (Financial Assistance) Act 1974-1975* in respect of expenditure during 1974-75. Payments amounted to \$5,013,040, comprising \$4,815,374 in the form of loans and \$197,666 in the form of grants. The payments were mainly for land acquisition by the Bathurst-Orange Development Corporation and for assistance to local councils. A total of \$8.6 million is provided for 1975-76.

Monarto

A total of \$4,413,000 was provided in 1973-74. Payments in 1974-75 included a further amount of \$1,275,569 under the *Growth Centres (Financial Assistance) Act 1973* in respect of expenditure during 1973-74. This amount comprised \$1,020,710 by way of loans and \$254,859 by way of grants.

In addition, an amount of \$6 million was allocated under the *Urban and Regional Development (Financial Assistance) Act 1974-1975* for financial assistance in respect of expenditure during 1974-75. Payments totalled \$4,097,243, comprising \$3,510,849 in the form of loans and \$586,394 in the form of grants. The financial assistance in respect of expenditure during 1974-75 was mainly for land acquisition, the running costs of the Commission, planning, investigations and design and land development.

Western Australia—Moore River Study

An agreement was negotiated with the State in 1974-75 under the *Urban and Regional Development (Financial Assistance) Act 1974-1975* for a study of the Moore River Area near Perth as to its suitability for urban development. An amount of \$500,000 is provided for this purpose in 1975-76.

Tasmania—Strategic Development Study

Payments in 1973-74 were \$35,000. An amount of \$315,265 was allocated under the *Urban and Regional Development (Financial Assistance) Act 1974-1975* in

respect of expenditure during 1974-75 on Stage 2 of this study. Payments in 1974-75 totalled \$311,500 and were in the form of grants. An amount of \$546,000 is provided for this purpose in 1975-76.

Tasmania—Tamar Open Space Land

A grant of \$88,000 was paid to Tasmania in 1974-75 under the *Urban and Regional Development (Financial Assistance) Act 1974-1975* for the acquisition of land for parks and reserves.

Summary of Payments

The following table shows the amounts provided to each State for growth centres and related projects and those proposed for 1975-76. Further details are given in Appendix IV.

TABLE 45—PAYMENTS FOR GROWTH CENTRES AND RELATED PROJECTS(a)
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1973-74—							
Grants . . .	497	479	..	355	..	35	1,366
Loans . . .	133	1,021	..	4,059	..	..	5,213
Total . . .	630	1,500	..	4,414	..	35	6,579
1974-75—							
Grants . . .	506	384	..	842	..	400	2,132
Loans . . .	29,702	24,435	..	4,978	..	..	59,115
Total . . .	30,208	24,819	..	5,820	..	400	61,247
1975-76 (estimate)—							
Grants . . .	..	..	..	..	500	804	1,304
Loans . . .	42,186	26,522	..	879	..	..	69,587
Total allocated to States .	42,186	26,522	..	879	500	804	70,891
Loans not yet allocated to States . .	..	..	..	..	..	..	2,000
Capitalised interest not allocated to States .	..	..	..	..	..	..	48
Total 1975-76 .	..	..	..	..	..	..	72,939

(a) Includes capitalised interest—See Appendix IV. Amounts quoted in the text do not include capitalised interest.

Area Improvement Programs

An amount of \$8 million was provided in the 1973-74 Budget for alleviation of urban problems in certain local government areas of the western regions of Sydney and of Melbourne, of which \$5 million was provided to New South Wales and \$2.4 million to Victoria. The remaining \$0.6 million was carried over for payment in 1974-75. The Budget for that year also included a further allocation of \$13.5 million, comprising \$4 million for the alleviation of urban problems in the western regions of Sydney and Melbourne, and \$9.5 million for an additional eleven

regions in various States. Actual expenditure in 1974-75 totalled \$13.8 million. An amount of \$17.7 million is provided in the 1975-76 Budget, including an estimated \$0.2 million for final payments in respect of approved 1974-75 programs.

From 1974-75 assistance is being provided in accordance with agreements concluded with the five States concerned under the *Urban and Regional Development (Financial Assistance) Act* 1974-1975. The assistance is made available for specific projects approved by the Minister for Urban and Regional Development after consultation with the appropriate State Minister. Amongst the projects which have been approved are urban studies, tree-planting programs, land acquisition, recreation projects, waterway improvements, drainage and documentation of community facilities. It is expected that the assistance provided in 1975-76 will be used for similar purposes.

The following table shows payments in 1973-74 and 1974-75 and estimates for 1975-76; the figures for individual States in 1975-76 are tentative only; no commitment to the provision of the amounts shown is implied.

TABLE 46—ASSISTANCE FOR AREA IMPROVEMENT (a)
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1973-74	347	92	..	..	..	..	439
1974-75	389	268	159	44	272	..	1,132
CAPITAL							
1973-74	4,653	2,308	..	..	..	..	6,961
1974-75	5,111	4,340	2,341	383	469	..	12,644
1975-76(estimate)(b)	7,250	5,363	3,250	823	1,009	..	17,695
TOTAL							
1973-74	5,000	2,400	..	..	..	..	7,400
1974-75	5,500	4,608	2,500	427	741	..	13,776
1975-76(estimate)(b)	7,250	5,363	3,250	823	1,009	..	17,695

(a) The assistance provided in 1973-74 and 1974-75 was wholly by way of non-repayable grants and it is expected that the assistance in 1975-76 will be in the same form.

(b) For purposes of this document the 1975-76 estimates are assumed to be wholly capital.

Assistance for Land Acquisition and Development in Urban Areas

The object of this program is to make land available for residential and associated uses at fair prices and to facilitate the planning and development of new urban areas.

The *Land Commissions (Financial Assistance) Act* 1973 authorised the provision of financial assistance to the States, up to a maximum of \$30 million, in respect of expenditure during 1973-74 by approved State authorities on programs of land acquisition approved by the Minister for Urban and Regional Development. Payments to the States in 1973-74 totalled \$11.5 million, comprising \$8 million in respect of expenditure by the South Australian Land Commission and \$3.5 million to Victoria for the acquisition of Emerald Hill. Both of these payments took the form of loans.

During 1974-75 arrangements were entered into with New South Wales, Victoria, Western Australia and Tasmania for the establishment of urban land councils for the purpose of this program. These bodies are of a non-statutory type and differ in their precise nature and composition as between the States, but in general terms utilise the resources of existing State departments and authorities to carry out the various activities such as land acquisition and development works.

An amount of \$54,450,000 was provided in the Budget for 1974-75 and included in the amounts appropriated under the *Urban and Regional Development (Financial Assistance) Act 1974-1975*. Total payments to the States in 1974-75 amounted to \$39,809,947. An amount of \$53.6 million is provided in the Budget for 1975-76, including final payments estimated at \$3.6 million in respect of approved 1974-75 programs.

The following table shows the amounts provided to each State for land acquisition and development and those proposed for 1975-76. Further details are given in a table in Appendix IV.

TABLE 47—PAYMENTS FOR LAND ACQUISITION AND DEVELOPMENT
IN URBAN AREAS(a)
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1973-74—							
Grants . . .	..	..	..	..	..	..	..
Loans . . .	..	3,531	..	8,000	..	..	11,531
Total . . .	..	3,531	..	8,000	..	..	11,531
1974-75—							
Grants . . .	..	993	..	1,934	1,886	..	4,813
Loans . . .	820	8,010	..	17,619	9,833	..	36,282
Total . . .	820	9,003	..	19,553	11,719	..	41,095
1975-76 (estimate)—							
Grants . . .	..	1,630	..	..	..	..	1,630
Loans . . .	13,898	15,425	..	19,699	8,286	500	57,808
Total . . .	13,898	17,055	..	19,699	8,286	500	59,438

(a) Includes capitalised interest—See table in Appendix IV. Amounts quoted in the text do not include capitalised interest.

Woolloomooloo Redevelopment

An agreement was concluded in 1974-75 with the New South Wales Government under which up to \$17 million will be provided by way of grant for acquisition of 3.2 hectares of property and site development in the Woolloomooloo Basin in Sydney. It is expected that \$14.67 million of this amount will be required in 1975-76.

In addition to the provision of financial assistance, the Australian Government agreed to transfer at no cost to the State 2.6 hectares of Australian Government property in the Woolloomooloo Basin valued in excess of \$11 million.

National Sewerage Program

In 1973-74 the Australian Government embarked upon a program of assistance to the States designed to eliminate the backlog of sewerage works in principal urban areas. The *Sewerage Agreements Act* 1973 authorised the provision of specified amounts of assistance, totalling \$30 million, to those States entering into an agreement with the Australian Government in terms set out in a schedule to the Act. The agreement provided for approval, by the Australian Government, of specific programs of sewerage backlog works commenced before 1 July 1974 in principal urban areas (defined as the six capital cities, together with Wollongong, Newcastle, the Gold Coast and Launceston) submitted by the States, and for the payment of Australian Government advances (attracting interest at the long term bond rate) in respect of these programs. Actual payments made in 1973-74 totalled \$27.9 million.

During 1973-74 the Australian Government agreed to provide additional advances of \$3.95 million to Victoria, \$1.0 million to Queensland and \$3.0 million to Western Australia in respect of works commenced by the States before 1 July 1974. These advances were paid in 1974-75. A further \$110 million was provided in the 1974-75 Budget for this program, which included amounts for extending the assistance to smaller cities and \$2 million for research, training, monitoring and planning. The assistance for works was made available on the basis of 70 per cent as loans; 30 per cent as grants, while the assistance for research and monitoring was made available by way of grant only. Of the total allocation of \$119.7 million for 1974-75, \$117.7 million was disbursed to the States.

The Budget includes provision for a further \$113 million for the National Sewerage Program in 1975-76 on the same terms and conditions as applied in 1974-75. In addition, \$2 million is included for estimated payments in respect of programs approved in previous years.

From 1974-75 assistance is being provided in accordance with agreements concluded with the States under the *Urban and Regional Development (Financial Assistance) Act* 1974-1975.

Relevant figures are shown in the following table. The amounts shown for individual States in 1975-76 are tentative; no commitment to the provision of these amounts is implied.

TABLE 48—PAYMENTS FOR SEWERAGE WORKS
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
GRANTS FOR RECURRENT PURPOSES							
1973-74 . . .	..	..	..	..	..	..	..
1974-75 . . .	113	243	60	256	155	24	851
1975-76 (estimate)(a)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	2,187
GRANTS FOR CAPITAL WORKS							
1973-74 . . .	..	..	..	..	..	..	..
1974-75 . . .	12,600	10,391	3,256	1,725	3,735	477	32,184
1975-76 (estimate)(a)	12,840	10,620	4,319	1,710	3,720	595	33,804
ADVANCES FOR CAPITAL WORKS							
1973-74 . . .	11,200	9,300	2,007	1,598	3,800	..	27,905
1974-75 . . .	29,400	28,196	9,598	4,025	11,715	1,743	84,677
1975-76 (estimate)(a)	29,960	24,780	10,170	3,992	8,680	1,459	79,041

TABLE 48—PAYMENTS FOR SEWERAGE WORKS—*continued*
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
TOTAL PAYMENTS FOR CAPITAL WORKS							
1973-74	11,200	9,300	2,007	1,598	3,800	..	27,905
1974-75	42,000	(b)38,587	(b)12,854	(b)5,750	(b)15,450	(b)2,221	(b)116,862
1975-76 (estimate)(a)	42,800	35,400	14,489	5,702	12,400	2,054	112,845
TOTAL PAYMENTS							
1973-74	11,200	9,300	2,007	1,598	3,800	..	27,905
1974-75	42,113	38,830	12,914	6,006	15,605	2,245	117,713
1975-76 (estimate)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	112,032

(a) Approximate estimates only; see text above.

(b) Includes payments agreed to in 1973-74 in respect of works commenced before 1 July 1974—see text above.

Urban Flood Mitigation

Victoria

The Australian Government agreed during 1974-75 to provide assistance to Victoria for flood mitigation works at Seymour. The lack of legislative authority prevented disbursement of the funds in 1974-75 and it is now estimated that the full amount of \$200,000 will be paid to the State in 1975-76.

Queensland

An agreement was concluded with Queensland in 1974-75 under the *Urban and Regional Development (Financial Assistance) Act* 1974-1975 to provide up to \$450,000 for certain flood mitigation works on various creeks in the Brisbane metropolitan area. The full amount of \$450,000 was paid to the State early in 1975-76. A further amount of \$2.2 million is provided in the Budget for this purpose in 1975-76.

Community Facilities—Townsville

Advances have been provided in previous years to the Queensland Government for on-lending to the Townsville City Council for this purpose. Advances to 30 June 1975 totalled \$428,000. This matter is referred to in more detail in Chapter V.

Air Quality Monitoring

The Australian Government has agreed to provide grants of up to \$200,000 to the States in 1975-76, on a \$1 for \$1 matching basis, for the purchase of equipment for air quality monitoring. The Australian Environment Council is yet to consider the allocation of these funds as between the States. The amounts shown in the Appendices are therefore notional only, being provided only to enable the compilation of aggregate figures. No commitment to the allocation of the amounts shown is implied.

ASSISTANCE FOR LOCAL GOVERNMENT

Two new programs of payments to the States specifically for the assistance of local government authorities commenced in 1974-75. These are referred to briefly below; further details of each are given in Chapter V. Both of these forms of payments are included in Tables 2, 113 and 114 under the heading 'Not Allocated to Function'.

Grants Recommended by Grants Commission

The purpose of these grants is to reduce financial inequalities existing between local government authorities. A total of \$56,345,000, as recommended by the Grants Commission, was paid in 1974-75. The Government has accepted the Commission's recommendations for payments totalling \$79,908,000 in 1975-76.

Regional Organisations Assistance Program

An amount of \$312,000 was provided in 1974-75 for a program of financial assistance for regional organisations of local government approved by the Minister for Urban and Regional Development under the *Grants Commission Act 1973*. A total of \$333,000 is provided for these purposes in the 1975-76 Budget.

CULTURE AND RECREATION

The Australian Government first provided grants to the States for cultural and recreational purposes in 1973-74. Assistance in that year totalled \$1.8 million and it grew to \$12.7 million in 1974-75. It is expected to increase further to an estimated \$13.2 million in 1975-76, although part of this increase is attributable to the fact that funds in respect of the national fitness program are now to be provided by way of payments to the States in lieu of previous assistance through the National Fitness Council.

Assistance for Leisure, Recreation and Similar Purposes

National Fitness Program

The *National Fitness Act 1941* established a National Fitness Fund, financed from the Consolidated Revenue Fund, from which payments were made for the purpose of encouraging the development of national fitness under the direction of State National Fitness Councils and other physical education and fitness promoting activities. This expenditure has not been classified as payments to the States.

However, the Australian Government has decided to phase out the National Fitness Fund and the Commonwealth Council for National Fitness and will provide assistance for these purposes in 1975-76 by way of direct payments to the States. It is estimated that \$600,000 will be paid to the States in 1975-76 to assist with operational expenses associated with national fitness activities. Assistance for capital purposes will be provided under the Australian Government's leisure facilities program (*see below*).

Assistance for Current Expenditure on Community Recreation

A grant of \$20,000 was made to each State in 1973-74 to assess the effectiveness of, and problems associated with, the renewing of existing sporting and recreation centres in the community. A grant of \$85,000 was also made to South Australia that year to cover the cost of architects' fees associated with the design of proposed community centres at two high schools in the State.

Following commencement of a pilot program in 1974-75, the Australian Government is making provision for grants to local communities to encourage new or innovative approaches to community leisure activities in respect of women, the aged and the handicapped. Out of the \$50,000 available for these purposes in 1974-75, a payment of \$700 was made to Western Australia. The balance of the total expenditure of \$38,900 was paid directly to private organisations.

Payments are to be made to each State in 1975-76 to meet half the cost of conducting workshops in recreation planning to enable matters raised in discussion at the 1974 National Seminar on Planning for Recreation to be examined in depth. These grants are estimated to total \$12,000.

To facilitate the development of leisure planning at regional and state levels for national application, it is intended to provide \$80,000 to the Tasmanian Government in 1975-76 to undertake a State-wide outdoor recreation plan.

Capital Assistance for Leisure and Cultural Facilities

In 1973-74 the Australian Government introduced a program of capital assistance grants on a cost-sharing basis with State, local government or voluntary bodies for the development of community single and multipurpose sporting and recreation complexes. In 1974-75 the program was expanded to cover a wider range of community leisure facilities including arts/cultural facilities. (Arts/cultural facilities are assisted on the basis of recommendations of the Australia Council.)

In 1974-75 grants totalling \$5.6 million were made, all but \$26,000 of which took the form, in the first instance, of payments to the States, although some of the payments were for on passing to local government authorities (*see* Chapter V) and voluntary bodies. The States are closely involved in the selection of projects and in the administration of the scheme generally.

Included in the 1974-75 figure is a payment of \$1 million to the Western Australian Government for onpassing, as a loan, to Academy Entertainment Ltd. for the operation of the Perth Entertainment Centre, under an arrangement whereby a \$1.5 million loan to the Company is shared with the State.

Youth Affairs

Funds were made available to the States in 1973-74 and 1974-75 for the conduct of pilot projects in respect of a program of assistance designed to involve young people in community projects of their own choice.

Summary of Payments

The following table shows grants to the States in 1973-74 and 1974-75 for leisure, recreation and similar purposes and estimated grants, on a notional basis, for these purposes in 1975-76:—

TABLE 49—PAYMENTS FOR LEISURE, RECREATION AND SIMILAR PURPOSES
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT							
<i>National Fitness—</i>							
1975-76 (estimate)	118	118	94	94	94	84	600
<i>Community Recreation—</i>							
1973-74	20	20	20	105	20	20	205
1974-75 . . . . .	..	20	..	..	1	..	21
1975-76 (estimate)	3	3	3	3	3	83	98
<i>Youth Affairs—</i>							
1973-74 . . . . .	..	..	..	..	13	..	13
1974-75	9	9	6	8	10	7	49
<i>Total Recurrent Expenditure—</i>							
1973-74	20	20	20	105	33	20	218
1974-75	9	29	6	8	10	7	70
1975-76 (estimate)	121	121	97	97	97	167	698
CAPITAL							
<i>Leisure Facilities—</i>							
1973-74 . . . . .	..	478	238	160	219	180	1,274
1974-75	1,217	800	766	620	1,728	439	5,570
1975-76 (estimate)	1,690	1,320	345	1,075	630	320	5,380
<i>Arts/Cultural Facilities—</i>							
1974-75 . . . . .	..	10	..	..	..	..	10
1975-76 (estimate)	90	40	..	..	70	112	312
<i>Total Capital Expenditure—</i>							
1973-74 . . . . .	..	478	238	160	219	180	1,274
1974-75	1,217	810	766	620	1,728	439	5,580
1975-76 (estimate)	1,780	1,360	345	1,075	700	432	5,692
TOTAL RECURRENT AND CAPITAL							
1973-74	20	498	258	265	252	200	1,492
1974-75	1,227	839	772	628	1,738	446	5,649
1975-76 (estimate)	1,900	1,481	442	1,172	797	599	6,390

Land for Nature Conservation Purposes

The 1973-74 Budget allocated an amount of \$500,000 for the acquisition of land for nature conservation purposes but no expenditure was incurred in that year. The 1974-75 Budget provided for payments to the States of \$9 million for the purchase by them of land for these purposes and the *States Grants (Nature Conservation) Act* 1974 was passed during the year. However, although negotiations were undertaken with the States, no payments were made to them in that year for these purposes. (It is noted, however, that an amount of \$4.3 million was expended in 1974-75 on the acquisition of land in the States by the Australian Government itself.)

An amount of \$1.8 million is provided in the Budget for payment to the States in 1975-76. The allocation of this amount will depend upon the completion of negotiations with the States and the availability of suitable land. It is, therefore, not practicable to show the allocations on a State by State basis.

National Estate

The Australian Government established a Committee of Inquiry into the National Estate in May 1973; it presented its report to the Government in August 1974. It recommended, inter alia, the institution of a program of Australian Government assistance for the restoration, preservation and improvement of landscapes and buildings of special significance and the establishment of an Australian Heritage Commission as a continuing body to provide advice in respect of these matters. Such a Commission was established by the *Australian Heritage Commission Act 1975*.

All grants under this program (other than in the Territories) take the form, in the first instance, of payments to the States. They are paid to the States in accordance with Agreements concluded under the *Urban and Regional Development (Financial Assistance) Act 1974-75*.

The following table shows the grants paid since the program commenced in 1973-74 and the estimated payments for 1975-76. The State by State dissection of 1975-76 payments is notional only and may be altered following consideration of the overall program by the Australian Heritage Commission.

TABLE 50—GRANTS FOR EXPENDITURE ON THE NATIONAL ESTATE
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1973-74		150	33	45	60		288
1974-75	1,612	1,471	791	981	1,156	1,032	7,043
1975-76 (estimate)	834	834	833	833	833	833	5,000

ECONOMIC SERVICES

TRANSPORT

The Australian Government has been making payments to the States for transport purposes continuously since 1923-24, when it began providing grants for roads. Of the estimated total payments of \$504.7 million for this function in 1975-76, \$458.9 million is for roads and bridges, \$0.2 million is for railway projects, \$43.0 million is provided for urban public transport and \$2.6 million is for shipping and harbours. Payments being made in each of these areas are outlined below.

Roads

As noted above, the States have received Australian Government assistance for expenditure on roads since 1923-24. The assistance has taken two main forms—general assistance under the various Commonwealth Aid Roads Acts and most recently, the *National Roads Act 1974*, *Roads Grants Act 1974* and *Transport (Planning and Research) Act 1974*, and assistance for specific roads or specific road projects. Payments of the latter kind (such as those for beef roads and the sealing of the Eyre Highway—see Appendix IV) were subsumed in the general program of roads assistance introduced in 1974-75.

Arrangements 1969-70 to 1973-74

The arrangements applying over this period were based to a considerable extent on recommendations contained in a 'Report on Commonwealth Financial Assistance to the States for Roads' presented to the Government by the Commonwealth Bureau of Roads (which had been established in 1964).

Under the *Commonwealth Aid Roads Act* 1969 grants totalling \$1,252.05 million were paid to the States for roads during the five-year period 1969-70 to 1973-74. The Act provided for a principal grant of \$1,200 million and supplementary grants totalling \$52.05 million. The principal grant was distributed between the six States by giving equal weight to the distribution under the *Commonwealth Aid Roads Act* 1964 and the distribution indicated by an analysis undertaken by the Bureau of Roads of the relative needs for roads expenditure. In addition, in recognition of the problems that could be created for the smaller States by too rapid a change from the distribution formula that had applied previously, supplementary grants were provided to South Australia, Western Australia and Tasmania and were phased out at the end of the five-year period. Broadly in accordance with recommendations of the Bureau, the grants (other than the supplementary grants) were allocated between various categories of roads and planning and research.

In this period specific grants were also provided for beef cattle roads, for maintenance of the Eyre and Barkly Highways, for the sealing of the Eyre Highway in 1972-73 and 1973-74 and, in 1973-74 only, for safety improvements to roads. With the exception of a small amount paid for beef roads in 1974-75, there were no specific grants for these purposes in 1974-75, and there will be none in subsequent years as they have been subsumed within the general program of assistance for roads.

Details of arrangements applying in this and previous periods are provided in Appendix IV. The new roads arrangements introduced in 1974-75 for the three year period 1974-75 to 1976-77 are summarized below. This is followed by details on the additional grants provided in 1974-75 and to be provided in 1975-76. Finally there is an outline of the present position in relation to a provision of assistance for a second river crossing at Dowsing Point in Hobart.

Roads Arrangements 1974-75 to 1976-77

In November 1973 the Government received from the Commonwealth Bureau of Roads a 'Report on Roads in Australia 1973' which contained recommendations for a program of expenditure on roads in the States over the five years 1974-75 to 1978-79; it envisaged grants to the States over that period of \$2,607 million with a review of the position before the end of 1976-77.

The Government, in formulating proposals for a new program, was guided to a considerable extent by the program laid down in the Bureau's report, although the program adopted differed significantly from that recommended by the Bureau. The Government's proposals for the three year period 1974-75 to 1976-77 were outlined to the States at the June 1974 Premiers' Conference and embodied in three Acts—the *National Roads Act* 1974, the *Roads Grants Act* 1974 and the *Transport (Planning and Research) Act* 1974. (It is intended to legislate, during 1975-76, for the roads assistance arrangements for the three years 1977-78 to

1979-80. It is expected that this legislation will also integrate road and urban public transport assistance.) The following table shows the amounts provided for in each Act for each of the three years of the current program:—

TABLE 51—GRANTS FOR ROADS FOR 1974-75 TO 1976-77 PROVIDED
IN CERTAIN LEGISLATION
\$'000

	National Roads Act 1974	Roads Grants Act 1974	Transport (Planning and Research) Act 1974	Total
1974-75	103,000	239,400	7,600	350,000
1975-76	130,000	229,900	9,100	369,000
1976-77	167,000	230,700	9,300	407,000
Total	400,000	700,000	26,000	1,126,000

Under the *National Roads Act* 1974 grants are allocated to meet 100 per cent of the approved cost of approved construction and maintenance of declared national highways, such a highway being the principal road linking (i) two or more State capital cities, (ii) a State capital city and either Canberra or Darwin, (iii) Brisbane and Cairns, and (iv) Hobart and Burnie, and other roads which may be considered of national importance.

The Act also provides for grants for declared roads facilitating trade and commerce with other countries and between the States, on a similar basis to those for national highways. These are referred to in the legislation as export roads and major commercial roads.

The following table shows the State by State distribution of the grants provided for in this Act:—

TABLE 52—GRANTS UNDER THE NATIONAL ROADS ACT 1974—1974-75 TO 1976-77
\$'000

	National Highways		Construction and Maintenance of Export Roads and Major Commercial Roads	Total
	Construction	Maintenance		
New South Wales	112,900	9,700	14,100	136,700
Victoria	53,400	4,900	13,100	71,400
Queensland	62,200	11,700	6,100	80,000
South Australia	47,400	3,900	2,600	53,900
Western Australia	26,100	6,500	2,800	35,400
Tasmania	19,900	1,400	1,300	22,600
Total	321,900	38,100	40,000	400,000

The *Roads Grants Act* 1974 provides for grants to the States towards approved expenditures on urban arterial roads, rural arterial and developmental roads, beef roads, urban local roads, rural local roads, and minor traffic engineering and road safety improvements (MITERS).

The following table shows the State by State, and category by category, allocations of the grants provided for in this Act:—

TABLE 53—GRANTS UNDER THE ROADS GRANTS ACT 1974—DIVISION BETWEEN STATES AND CATEGORIES—1974-75 TO 1976-77

\$'000

	Rural Arterial and Develop- mental Roads	Rural Local Roads	MITERS (a)	Urban Arterial Roads	Urban Local Roads	Beef Roads	Total
New South Wales . . .	29,700	43,000	7,900	117,000	9,900	..	207,500
Victoria . . .	9,500	21,900	6,200	109,200	9,800	..	156,600
Queensland . . .	30,800	39,700	6,200	42,200	4,800	24,000	147,700
South Australia . . .	4,700	13,200	4,400	20,300	2,400	..	45,000
Western Australia . . .	23,600	27,300	3,600	56,200	2,500	..	113,200
Tasmania . . .	6,700	10,900	1,700	10,100	600	..	30,000
Total . . .	105,000	156,000	30,000	355,000	30,000	24,000	700,000

(a) Minor Traffic Engineering and Road Safety Improvements.

In recognition of the need for a balanced approach toward transport matters the *Transport (Planning and Research) Act* 1974 authorised the payment of grants totalling \$26 million to meet two-thirds of the approved costs of planning and research projects in relation to roads or road transport and urban public transport undertaken by the States and approved by the Australian Government.

Of the \$26 million, \$11 million was not allocated among the States and this action was aimed at imparting some flexibility to the arrangements and allowing projects competing for these funds to be judged on their own merits. The other \$15 million is allocated as follows:—

TABLE 54—GRANTS UNDER TRANSPORT (PLANNING AND RESEARCH) ACT 1974
DIVISION OF PART THEREOF BETWEEN STATES—1974-75 TO 1976-77

\$'000

New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
5,800	4,000	2,300	1,100	1,400	400	15,000

The *Roads Grants Act* 1974 also sets down annual quotas for expenditure by each State from its own resources; these were determined after consideration of estimates made by the Bureau of Roads of finance which might be available for roads from State Government sources. However, provision is made for the States

to carry forward, annually, excesses or deficiencies in expenditure from their own resources so that in effect the States must meet only the three year total quota. The quotas are as follows:—

TABLE 55—ROADS GRANTS 1974-75 TO 1976-77 QUOTAS TO BE MET FROM STATE SOURCES
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1974-75 . . .	124,600	83,300	36,300	25,400	23,800	8,500	301,900
1975-76 . . .	124,600	93,700	42,500	28,400	28,400	9,500	327,100
1976-77 . . .	124,600	104,200	49,100	31,400	33,600	10,400	353,300
Total . . .	373,800	281,200	127,900	85,200	85,800	28,400	982,300

Actual advances under all three Acts in 1974-75 varied from the amounts incorporated in the above tables for three reasons. First, provision is made for transfer of grants, subject to Australian Government approval, on application by the States. Such transfers, or schedule variations, can be between categories of expenditure within the *National Roads Act 1974* or within the *Roads Grants Act 1974*, between these two Acts, and from one year to another. During 1974-75 the Minister for Transport approved a number of applications for transfer.

Secondly under all three Acts part of the funds appropriated for 1974-75 were unexpended by 30 June 1975. It is expected that approval will be given to expend these funds during 1975-76.

Finally, additional roads grants totalling \$30 million were provided in 1974-75 following the February 1975 Premiers' Conference as a short term measure to assist employment in the roads sector. The additional grants were authorised by the *Appropriation Act (No. 4) 1974-75*, which altered the relevant schedules in the *National Roads Act 1974* and the *Roads Grants Act 1974*.

The following table shows the distribution of road grants paid to the States in 1974-75:—

TABLE 56—PAYMENTS FOR ROADS IN 1974-75 (a)
\$'000

—	New South Wales	Victoria	Queens-land	South Australia	Western Australia	Tasmania	Total
National Highways—							
Construction	27,930	17,290	17,520	14,706	6,450	5,330	89,226
Maintenance	7,270	1,630	4,940	1,310	2,060	440	17,650
Export and Major Commercial Roads	..	..	15	273	1,000	220	1,508
Sub-total	35,200	18,920	22,475	16,289	9,510	5,990	108,384
Rural Arterial and Developmental Roads	12,190	4,150	14,740	1,200	12,040	2,940	47,260
Rural Local Roads	16,870	13,160	14,200	4,790	9,920	4,720	63,660
MITERS (b)	976	920	1,045	1,023	360	500	4,824
Urban Arterial Roads	46,590	35,890	15,540	7,510	17,489	4,140	127,159
Urban Local Roads	2,180	1,670	980	234	496	110	5,670
Beef Roads	..	..	5,830	..	..	..	5,830
Sub-total	78,806	55,790	52,335	14,757	40,305	12,410	254,403
Transport Planning and Research	1,786	1,241	562	842	634	185	5,250
Total	115,792	75,951	75,372	31,888	50,449	18,585	368,037

(a) Payments made under the *National Roads Act 1974* and the *Roads Grants Act 1974* (as amended by the *Appropriation Act (No. 4) 1974-75*) and the *Transport (Planning and Research) Act 1974*.

(b) Minor Traffic Engineering and Road Safety Improvements.

It is intended that roads grants totalling \$64 million, in addition to the amounts already appropriated, will be provided in 1975-76 in order to offset the effect of the higher than expected rate of cost escalation which has been experienced in the period since the current arrangements were formulated.

The following table shows the estimated distribution of roads grants to the States in 1975-76:—

TABLE 57—ESTIMATED PAYMENTS FOR ROADS IN 1975-76(a)
\$'000

—	New South Wales	Victoria	Queens-land	South Australia	Western Australia	Tasmania	Total
National Roads Act 1974	53,200	27,300	30,405	22,161	15,560	8,200	156,826
Roads Grants Act 1974	80,304	61,780	58,575	18,603	45,725	11,700	276,687
Transport (Planning and Research) Act 1974(b)	4,368	2,875	1,679	1,091	1,176	261	11,450
Total(b)	137,872	91,955	90,659	41,855	62,461	20,161	444,963

(a) Includes carryover of unspent funds from 1974-75 and the additional grant of \$64 million to offset cost escalation.

(b) Includes a distribution of the unallocated amount payable on the same basis as the apportionment of the allocated amount under the Act. No commitment to the provision of these amounts is implied.

The following table shows the amounts paid to each State for roads under the *Commonwealth Aid Roads Act* 1969, and the amounts paid in 1974-75 under the *National Roads Act* 1974, the *Roads Grants Act* 1974, the *Transport (Planning and Research) Act* 1974 and the *Appropriation Act (No. 4)* 1974-75, with estimated amounts for 1975-76, including carry-over of unspent 1974-75 funds. Annual payments prior to 1969-70 are shown in Appendix IV.

TABLE 58—GRANTS UNDER GENERAL ROADS ACTS(a)
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
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
1973-74 . . .	98,270	65,720	59,830	31,000	48,030	13,950	316,800
1974-75 . . .	115,792	75,951	75,372	31,888	50,449	18,585	368,037
1975-76 (estimate)(b)	137,872	91,955	90,659	41,855	62,461	20,161	444,963

(a) That is, under the *Commonwealth Aid Roads Act* 1969; *National Roads Act* 1974; *Roads Grants Act* 1974; and the *Transport (Planning and Research) Act* 1974 (with supplementation under an Appropriation Act in 1974-75).

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

Second Hobart Bridge

The Australian Government has announced its intention to meet the cost of a second bridge across the River Derwent at Dowsing Point in Hobart and intends to introduce appropriate legislation at a later date. For 1975-76 an amount of \$900,000 will be provided for design work on the bridge. Further background on this matter is given below under the heading "Tasman Bridge Disaster".

Railway Construction Projects

For many years the Australian Government has been providing financial assistance to various States for expenditure on specific major rail standardisation and other railway projects. Following agreement for the transfer of the non-metropolitan railways system of South Australia only Western Australia is currently receiving financial assistance for such projects. However, under the program of assistance for urban public transport initiated in 1973-74 the Australian Government is providing grants to the States for urban railway projects (see below under 'Urban Public Transport').

Following is a summary of assistance being provided to Western Australia. Details of concluded programs of assistance are given in Appendix IV.

Under the *Railway Agreement (Western Australia) Act 1961-1971* financial assistance is being provided 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 Australian Government 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 Australian Government is also providing 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 to Western Australia to 30 June 1975 amounted to \$102.8 million and provision has been made for a further payment of \$110,000 in 1975-76.

The table below shows payments to the States for railway projects from 1967-68, including estimated payments in 1975-76. Annual details prior to 1967-68 are given in Appendix IV, which also gives a break-down of payments between grants and loans. Debt charges associated with loans for railway projects are also shown in Appendix IV.

TABLE 59—PAYMENTS FOR RAILWAY CONSTRUCTION PROJECTS
\$'000

—	New South Wales	Victoria	Queens- land	South Australia	Western Australia	Tasmania	Total
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 . . .	..	..	..	556	1,250	1,156	2,962
1973-74 . . .	..	..	..	319	508	..	827
1974-75(a) . . .	..	..	..	909	151	..	1,060
1975-76 (estimate)(a)	..	..	..	..	110	..	110

(a) Excludes payments for railway projects under the program of assistance for urban public transport.
(See below.)

Railway Intersystem Passenger Vehicles

As a preliminary to the operation of a direct standard gauge passenger service between Sydney and Perth, in June 1969 standard gauge passenger trains commenced operating between Port Pirie and Perth. To provide this service, certain vehicles from the Australian National Railways then existing fleet, as well as new vehicles purchased by Australian National Railways, were placed into a common 'pool' for operating the 'Trans-Australian' service between Port Pirie and Perth. In March 1970 the direct standard gauge passenger service ('The Indian-Pacific') commenced between Sydney and Perth and for this new service a separate fleet of new vehicles was brought into operation, the purchase of which was also initially financed by Australian National Railways. The railway systems of New South Wales, South Australia and Western Australia are repaying a share of the cost of the rolling stock for both services, with interest on outstanding balances, over a period of 35 years. The total debt has been divided between the three State systems and Australian National Railways in proportion to operating distance.

The following table shows advances that have been made to the States and estimates for 1974-75 and 1975-76:—

TABLE 60—ADVANCES FOR RAILWAY INTERSYSTEM PASSENGER VEHICLES
\$'000

—	New South Wales	South Australia	Western Australia	Total
1968-69			2,690	2,690
1969-70	736	260	700	1,696
1970-71	303	107	203	613
1971-72	232	82	—456	—142
1972-73			784	784
1973-74	267	94	720	1,081
1974-75 (estimate)	597	211	510	1,318
1975-76 (estimate)	85		50	135

Perth Underground Railway Study

The Australian Government agreed in June 1973 to provide a grant to Western Australia towards the cost of a feasibility study concerning an underground railway system in Perth. The estimated cost of the study was \$350,000 and the Australian Government was to meet up to two-thirds of this amount. Payment of \$188,000 was made in 1973-74, and the remaining \$45,333 was provided in 1974-75. However, due to cost increases and the extension of the Study coverage, the cost of the total study rose to \$415,000. The Australian Government agreed to provide two-thirds of this cost overrun and a further \$43,600 was reimbursed to the State in 1974-75, bringing the total payment in that year to \$88,933.

Urban Public Transport

Under an agreement concluded with all States in 1974 the Australian Government is meeting two-thirds of the cost of approved urban public transport projects in the States. The program is for five years (commencing 1973-74) and the purpose is to assist in the upgrading of urban public transport, including railways.

The *States Grants (Urban Public Transport) Act 1974* and the *Urban Public Transport (Research and Planning) Act 1974*, passed by the Parliament in its July 1974 sittings, together authorised the payment of grants of \$72.91 million to the States for projects approved in 1973-74. Of this amount \$32.09 million was originally to have been made available in 1973-74. However, owing to the lack of legislative authority, disbursement of funds on the 1973-74 program was not possible until 1974-75. The *Appropriation (Urban Public Transport) Act 1974* appropriated a further \$66.11 million for projects approved to commence in 1974-75.

For 1975-76, the third year of the assistance program, approval is expected to be given to the expenditure of a further \$2.5 million to meet the Australian Government's share of cost increases on those projects approved in the 1973-74 and 1974-75 programs and expected to be completed by June 1976. (Under the terms of the Urban Public Transport Agreement monies to meet the estimated total costs of approved projects which may extend over a number of years are appropriated in the year of approval. However, the Government is committed, under the terms of the Agreement to meet two-thirds of approved cost increase due to escalation but is not committed to meeting cost increases arising through faulty planning or cost estimation.)

It was estimated for purposes of the 1974-75 budget that a total of \$67.49 million (\$39.64 million for the 1973-74 program and \$27.85 million for the 1974-75 program) would be spent that year. Actual payments totalled \$45.26 million. This underspending and backlog of works has resulted from the delays in ratifying the Agreement; in fulfilling rolling stock orders, and in the commencement of some works. It is estimated that \$43.0 million will be paid to the States in 1975-76.

The following table shows payments made to the States in 1974-75 and estimated payments in 1975-76:—

TABLE 61—GRANTS UNDER URBAN PUBLIC TRANSPORT ASSISTANCE PROGRAM
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1974-75	14,863	18,867	2,126	6,215	2,829	359	45,259
1975-76 (estimate)(a)	7,658	12,196	11,673	7,891	1,137	2,442	42,997

(a) Includes a distribution of \$2.5 million payments in 1975-76 to meet the Australian Government's share of cost increases on completed projects from the 1973-74 and 1974-75 programs, on the same basis as the apportionment of the payments expected to be made in respect of the 1975-76 program.

Shipping and Harbours

Construction of a Dry Dock at Newcastle

It was announced on 13 March 1973 that the Australian Government would negotiate with the New South Wales Government for the construction of a graving dock at Newcastle. Expenditure in 1974-75 was \$2 million and the Budget provides for further expenditure of \$2.4 million in 1975-76 on a feasibility study

and preliminary works associated with the construction of the dock. The proposed dock is to be the Australian Government's contribution to a joint Australian/New South Wales Corporation to run all Government ship repair and shipbuilding facilities at Newcastle.

King Island Harbour Works

Under the *King Island Harbour Agreement Act 1973* the Australian Government is providing financial assistance to Tasmania of up to \$1,355,000 towards the cost of constructing port facilities at Grassy Harbour, King Island. The proposed financial assistance is to comprise \$677,500 by way of a grant and \$667,500 in the form of a loan repayable over fifteen years.

An initial payment of \$1,113,000 was made to the State in 1972-73. No further payment was made in 1973-74 or 1974-75. However, it is estimated that payments of \$121,000 by way of grants and \$121,000 as loans will be made in 1975-76.

Tasman Bridge Disaster

Following this disaster, which occurred in Hobart on 5 January when the Australian National Line's Vessel the 'Lake Illawarra' hit the Tasman Bridge with consequent loss of life and serious damage to the Bridge, the Australian Government undertook to provide financial assistance to Tasmania to meet the full costs to the State and its authorities of:—

- agreed works and services judged to be attributable to the disaster or to be necessary to cope with the effects of the disaster;
- the investigation of proposals for a further permanent bridge across the Derwent River at Hobart.

As well as the reconstruction of the Tasman Bridge, the agreed measures include, inter alia:—

- emergency services provided immediately after the disaster;
- the maintenance and upgrading of roads to cope with additional traffic caused by loss of the use of the Tasman Bridge;
- the obtaining of ferries;
- the provision of temporary bridging across the river; and
- the provision of additional State Government services on the eastern shore of the River.

The *Tasman Bridge Restoration Act 1975*, passed by the Australian Parliament in May 1975, in conjunction with complementary legislation passed by the Tasmanian Parliament, ratified the Joint Tasman Bridge Restoration Agreement between the Australian and Tasmanian Governments which provides, inter alia, for a Tasman Bridge Restoration Commission, the functions of which include the restoration of the Tasman Bridge. The administrative costs of the Commission are being met by the Australian Government.

In June 1975 the Australian Government, following an investigation of, and report on, proposals for a further permanent bridge across the Derwent River by a Joint Australian/State Government expert advisory Committee, undertook to provide financial assistance for the construction of a new permanent bridge at Dowsing Point and for the restructuring of the Tasman Bridge so as to provide an additional traffic lane.

Assistance for these various purposes, other than the new permanent bridge, is classified in this document under the heading 'Tasman Bridge Disaster'. With regard to the new bridge *see* elsewhere in this Chapter under the heading 'Second Hobart Bridge'.

Assistance provided for these purposes in 1974-75, and estimates for 1975-76, are as follows:—

TABLE 62—GRANTS FOR TASMAN BRIDGE DISASTER
\$'000

	1974-75	1975-76 (estimate)
Measures attributable to, or to cope with effects of, Tasman Bridge disaster(a)		
Recurrent	442	481
Capital	5,544	11,914
Restructuring of Tasman Bridge to provide additional traffic lane(a)(b) .	5,986	12,395
Investigation of need for and desirable location of new bridge, etc.(a)(c) .	14	600
		5
Total	6,000	13,000

(a) Total amounts for these purposes shown in tables in this and other budget documents against "Tasman Bridge Disaster". Not all of the expenditures related to the disaster are for transport purposes. However, the great bulk are for such purposes and for the sake of convenience all expenditure is classified under the Transport function for purposes of this and other budget documents.

(b) Classified as capital assistance.

(c) Classified as recurrent assistance.

Assistance for these purposes in 1974-75 was authorised by the *Appropriation Act (No. 4) 1974-75*. Assistance for 1975-76 will be provided for in the *Appropriation Bill (No. 2) 1975-76*.

ECONOMIC SERVICES—WATER SUPPLY AND ELECTRICITY

Gladstone Power Station

Under the *Gladstone Power Station Agreement Act 1970* financial assistance is being provided 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 for the project is proportionate to the total cost of the power station in the ratio of 80 to 155. Payments to 30 June 1975 amounted to \$73.1 million including a payment of \$32.4 million in 1974-75 and it is estimated that a further \$37 million will be made available in 1975-76.

Julius Dam

Under the *Julius Dam Agreement Act 1974* Australian Government financial assistance of up to \$2 million was made available to Queensland (by way of loans) to help in the cost of constructing the Julius Dam, which is to provide additional water supplies in the Mount Isa Region. The full amount of \$2 million was paid to the State in 1974-75. The loan is repayable over a period of ten years, and repayments commenced on 15 December 1974.

Ross River Dam

Under the *Queensland Grant (Ross River Dam) Act 1974* the Australian Government is to provide grants of up to \$2.56 million to Queensland towards the cost of construction of Stage 2 of the Ross River Dam, which will augment

the supply of water to Townsville. No payments were made to the State in 1974-75, it is estimated that \$1.4 million will be paid in 1975-76. Details of the assistance provided for Stage 1 of this project are given in Appendix IV.

Urban Water Supply

An amount of \$4.4 million was provided to South Australia in 1974-75 under the *Urban and Regional Development (Financial Assistance) Act 1974* to assist with the construction of water treatment plants in the Adelaide metropolitan area. Further assistance of \$10.64 million is provided in the Budget for 1975-76 for the treatment works in Adelaide and for assistance to Tasmania for the construction of a regional water supply in north-west Tasmania.

ECONOMIC SERVICES—INDUSTRY ASSISTANCE AND DEVELOPMENT

Softwood Forestry

Under the *Softwood Forestry Agreements Act 1967* financial assistance was provided to all States for a program of increased planting of softwood forests over the five-year period ended on 30 June 1971. 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. Total payments to the States under this Act amounted to \$17.7 million, including adjusting payments of \$389,000 and \$137,000 in 1971-72 and 1972-73 respectively.

Under the *Softwood Forestry Agreements Act 1972* financial assistance is being provided for a further five-year planting program ending on 30 June 1976. As under the previous Agreement, the assistance to be provided is to be 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 to 30 June 1975 amounting to \$21.3 million have been made to the States under this Agreement, including \$7.1 million in 1974-75. It is estimated that further payments of \$7.9 million will be made in 1975-76.

The following table shows payments that have been made to the States for this purpose and estimated payments in 1974-75:—

TABLE 63—ADVANCES FOR SOFTWOOD FORESTRY
\$'000

—	New South Wales	Victoria	Queens- land	South Australia	Western Australia	Tasmania	Total
1966-67 . . .	..	..	201	90	..	..	291
1967-68 . . .	1,500	300	481	205	450	520	3,456
1968-69 . . .	1,200	500	954	230	500	488	3,872
1969-70 . . .	1,800	480	925	350	859	400	4,814
1970-71 . . .	1,401	815	1,144	300	424	700	4,784
1971-72 . . .	..	..	196	93	56	45	389
1972-73 . . .	3,237	1,542	2,160	400	1,020	1,101	9,459
1973-74 . . .	2,000	..	1,535	252	416	672	4,875
1974-75 . . .	2,100	889	2,340	341	685	769	7,124
1975-76 (estimate)	2,500	1,000	2,400	390	747	900	7,937

Rural Reconstruction

In accordance with an agreement reached between the Australian Government and the States in 1971, and extended in 1973, assistance is made available under the *States Grants (Rural Reconstruction) Act 1971-1973*, partly as grants and partly as loans, for the purpose of a rural reconstruction scheme. The Act provides for the scheme to operate to 30 June 1976. The Industries Assistance Commission is currently examining the question of further Australian Government assistance after that date. The scheme embraces debt reconstruction, farm build-up and the rehabilitation of those farmers in necessitous circumstances who are obliged to seek alternative employment. The Australian Government has agreed to provide \$204 million (excluding \$3 million to Queensland outside the scheme but on the same terms and conditions) to cover commitments up to 30 June 1976.

Payments to 30 June 1975 totalled nearly \$160 million and a further \$30 million is being provided for payment in 1975-76. That would leave \$17 million to be committed during 1975-76 and carried over for payment in 1976-77.

The following table shows the payments that have been made to the States and estimated payments in 1975-76:—

TABLE 64—PAYMENTS FOR RURAL RECONSTRUCTION
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
GRANTS							
1970-71 . . .	1,000	..	..	..	..	..	1,000
1971-72 . . .	2,750	2,125	2,650	750	1,625	100	10,000
1972-73 . . .	3,375	3,392	1,825	1,525	2,033	550	12,700
1973-74 . . .	2,625	1,900	1,842	1,075	1,325	175	8,942
1974-75 . . .	3,000	1,658	929	500	908	200	7,195
1975-76 (estimate)	2,000	1,675	1,475	950	1,250	150	7,500
ADVANCES							
1970-71 . . .	3,000	..	..	..	..	..	3,000
1971-72 . . .	8,250	6,375	7,950	2,250	4,875	300	30,000
1972-73 . . .	10,125	10,178	5,475	4,575	6,097	1,650	38,100
1973-74 . . .	7,875	5,700	5,525	3,225	3,975	525	26,825
1974-75 . . .	9,000	4,976	2,787	1,500	2,723	600	21,586
1975-76 (estimate)	6,000	5,025	4,425	2,850	3,750	450	22,500
TOTAL PAYMENTS							
1970-71 . . .	4,000	..	..	..	..	..	4,000
1971-72 . . .	11,000	8,500	10,600	3,000	6,500	400	40,000
1972-73 . . .	13,500	13,570	7,300	6,100	8,130	2,200	50,800
1973-74 . . .	10,500	7,600	7,367	4,300	5,300	700	35,767
1974-75 . . .	12,000	6,634	3,716	2,000	3,631	800	28,781
1975-76 (estimate)	8,000	6,700	5,900	3,800	5,000	600	30,000

Dairy Adjustment Program

The original scheme for this purpose, which ran in parallel with the rural reconstruction scheme, was authorised by the *Marginal Dairy Farms Agreement Act 1970*, which provided for agreements to be made between the Australian and State Governments to assist in the reconstruction of dairy farms. An amount of up to \$25 million, partly as grants and partly as loans, was to be made available over a period of 4 years.

The original scheme aimed to assist low income dairy farmers to leave the industry by facilitating the sale of their farms; to make other holdings more profitable by assisting in the purchase of marginal dairy farms; and to encourage diversification of production into the most practicable economic land use on newly amalgamated holdings.

In April 1974 the Australian Government announced a two-year \$28 million dairy adjustment assistance scheme, subsequently embodied in the *Dairy Adjustment Act* 1974, under which the original scheme was continued and broadened to remove limits on vendor participation; to encourage amalgamation by lifting restraints on farm size after build-up; to help diversification out of dairying; and to provide an extended range of assistance for those remaining in the industry. The widened program, which runs to 30 June 1976, also embraces assistance to aid prospectively viable suppliers to change over to refrigerated whole milk supply, and to help relocation of farmers who decide to leave the industry. Assistance after 30 June 1976 is the subject of an inquiry by the Industries Assistance Commission.

The following table shows payments that have been paid to the States for this purpose, and estimated payments in 1975-76:—

TABLE 65—PAYMENTS FOR DAIRY ADJUSTMENT PROGRAM
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
GRANTS							
1970-71	..	..	1,385	..	194	..	1,579
1971-72	500	142	2,750	105	239	60	3,796
1972-73	250	45	1,000	..	138	15	1,448
1973-74	125	72	328	..	70	12	607
1974-75	250	1,171	304	100	185	34	2,044
1975-76 (estimate)	424	2,783	831	472	451	402	5,363
ADVANCES							
1970-71	..	..	1,385	..	158	..	1,543
1971-72	500	143	2,750	105	239	60	3,797
1972-73	250	45	1,000	50	139	15	1,499
1973-74	125	73	328	..	..	12	538
1974-75	750	4,371	704	400	450	216	6,892
1975-76 (estimate)	1,089	7,158	2,138	1,213	1,158	1,033	13,789
TOTAL PAYMENTS							
1970-71	..	..	2,770	..	352	..	3,122
1971-72	1,000	285	5,500	210	478	120	7,593
1972-73	500	90	2,000	50	277	30	2,947
1973-74	250	145	656	..	70	24	1,145
1974-75	1,000	5,543	1,008	500	635	250	8,936
1975-76 (estimate)(a)	1,513	9,941	2,969	1,685	1,609	1,435	19,152

(a) The 1975-76 allocation by States is still subject to agreement. No commitment to the provision of these amounts is implied.

Fruitgrowing Industry Reconstruction

In 1972 the States were offered \$4.6 million in financial assistance towards a scheme for the removal of fruit trees deemed to be surplus to long-term market requirements. It was originally intended that applications for assistance close on 30 June 1973 and trees be removed by 31 October 1973. However, this period has been

twice extended and applications will now be received until 31 December 1975 and trees must be removed by 30 June 1976. The assistance is being provided under the *States Grants (Fruitgrowing Reconstruction) Act 1972-1974*.

Payments to the States, including estimated payments in 1975-76, are shown in the following table:—

TABLE 66—GRANTS FOR FRUITGROWING RECONSTRUCTION
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1972-73 . . .	140	100	10	25	..	100	375
1973-74 . . .	500	430	..	57	18	650	1,655
1974-75 . . .	..	71	119	105	32	750	1,077
1975-76 (estimate) .	100	100	25	100	25	400	750

Eradication of Bovine Brucellosis and Tuberculosis

From January 1970 the Australian Government has joined with the States in an intensified campaign for the eradication of bovine brucellosis and tuberculosis. The Government has agreed to provide a contribution of \$8.125 million in 1975-76 towards the States' eradication programs contingent on the States increasing their 1974-75 expenditures by at least 10 per cent.

In addition, in July 1973 the Australian Government joined the mainland States in a scheme to partially compensate owners of livestock slaughtered following positive reaction to bovine tuberculosis tests. An amount of \$165,000 has been provided for this purpose for the period 1 July 1975 to 31 December 1975.

The following table shows payments that have been made under these schemes and payments estimated to be made in 1975-76:—

TABLE 67—GRANTS FOR CURRENT EXPENDITURES ON THE ERADICATION OF BOVINE BRUCELLOSIS AND TUBERCULOSIS
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1969-70 . . .	32	37	..	36	64	34	203
1970-71 . . .	450	577	80	113	119	82	1,421
1971-72 . . .	786	700	458	177	192	91	2,404
1972-73 . . .	1,250	1,150	885	235	380	100	4,000
1973-74 . . .	1,952	1,681	470	551	343	137	5,134
1974-75 . . .	2,012	2,064	1,661	350	498	238	6,823
1975-76 (estimate)(a)	2,467	2,564	2,121	396	617	125	8,290

(a) The 1975-76 allocation by States is still subject to agreement. No commitment to the provision of these amounts is implied.

Agricultural Extension Services Grants

From 1948-49 annual grants have been made to the States to promote improved practices in the dairy industry and from 1952-53 further grants have been provided for expansion in the States of agricultural advisory services generally. In addition to the payments to the States, a small amount is expended directly by the Australian Government on projects nominated by the States but of common interest. Up to 30 June 1975 about \$61 million had been paid to the States for this purpose.

The following table shows the payments to each State from 1971-72 and estimated payments in 1975-76. The amounts for earlier years are shown in Appendix IV.

TABLE 68—GRANTS FOR AGRICULTURAL EXTENSION SERVICES(a)
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1971-72 . . .	1,475	1,364	1,251	651	589	349	5,679
1972-73 . . .	1,680	1,490	1,380	690	680	380	6,300
1973-74 . . .	1,797	1,601	1,525	760	771	348	6,802
1974-75 . . .	2,145	1,877	1,583	856	843	419	7,723
1975-76 (estimate) .	2,359	2,019	1,857	941	955	543	8,674

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

Minor Agricultural Research

Annual grants have been made to the States since 1960-61 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. As with the extension services grants, some projects common to several States are financed by direct grants to industry bodies.

Grants that have been paid to the States since 1971-72 and estimated grants in 1975-76, are shown in the following table. Grants in earlier years are given in an Appendix IV table.

TABLE 69—GRANTS FOR MINOR AGRICULTURAL RESEARCH(a)
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1971-72 . . .	19	16	42	11	14	..	102
1972-73 . . .	82	19	37	13	..	..	151
1973-74 . . .	99	23	12	17	..	..	151
1974-75 . . .	82	22	14	16	..	..	134
1975-76 (estimate) .	86	61	13	21	..	..	181

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

Apple Exports

In early 1974 the Australian Government agreed to join with the Governments of Queensland, Western Australia and Tasmania, on a dollar for dollar matching basis, in underwriting the financial returns on apples exported 'at risk' during 1974 to the United Kingdom and Europe, the maximum Australian Government contribution being \$2,642,336. In December 1974 the Australian Government agreed to provide similar assistance in respect of exports in 1975, with the scheme being extended to include Victoria and South Australia.

The following table shows payments under these schemes in 1974-75 and estimates for 1975-76:—

TABLE 70—PAYMENTS FOR APPLE EXPORT ASSISTANCE
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1974-75	8	..	516	1,590	2,114
1975-76 (estimate)	..	72	14	14	260	856	1,216

Locust Control

In October 1973, the Australian Government agreed to share on a dollar for dollar basis with the States of New South Wales, Victoria, Queensland and South Australia expenditure on *plague locust* control operations in the financial year 1973-74. Payments to the States were finalised in 1974-75 with the exception of New South Wales which will receive some \$164,000 in 1975-76. Payments in 1974-75, totalling \$57,094, were: Victoria \$43,715; Queensland \$9,603; and South Australia \$3,776.

In 1975-76 and subsequent years Australian Government assistance in respect of *plague locust* control will be by way of a joint Australian/State body known as the Plague Locust Control Commission. The Australian Government's contributions will be on a dollar for dollar basis with the States of New South Wales, Victoria, South Australia and Queensland, up to a maximum Australian Government/State expenditure of \$500,000 per annum. Payments in 1975-76, totalling \$250,000 are expected to be: Australian Government, \$125,000; New South Wales, \$25,000; Victoria, \$25,000; Queensland, \$62,500; and South Australia, \$12,500. The Australian Government's contribution will not be classified as a payment to the States.

The Australian Government agreed in June 1975 and December 1974 to provide financial assistance to New South Wales and Queensland respectively on a dollar for dollar basis for *spur-throated locust* control in the financial year 1974-75. Queensland received payments totalling \$339,000 in 1974-75 and further payments in 1975-76 are expected to be: Queensland \$21,000 and New South Wales \$215,000.

The following table shows payments to the States for control of both kinds of locusts in 1974-75 and estimated payments in 1975-76:—

TABLE 71—PAYMENTS FOR LOCUST CONTROL
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1974-75	..	44	349	4	..	..	396
1975-76 (estimate)(a)	379	..	21	..	..	..	400

(a) Not including contributions to the Plague Locust Control Commission.

Trawl and Danish Seine Fishery Assistance

The Australian Government has agreed to provide assistance to the New South Wales Government, on a dollar for dollar sharing basis, for the assessment of the trawl and Danish seine fisheries in the State with a view to formulating practical and constructive management policies. Assistance up to a maximum of \$105,000 will be provided over the three years 1974-75 to 1976-77; an initial contribution of \$35,000 was paid in 1974-75 and a further \$35,000 is expected to be paid in 1975-76.

Associated Pulp and Paper Mills Limited Special Financial Assistance

The Australian Government has allocated \$650,000 for expenditure during 1975-76 on special financial assistance to Associated Pulp and Paper Mills Limited by way of a grant to the Tasmanian Government.

The grant is designed to assist the company in financing increased inventories which result from its agreeing to substantially maintain existing employment levels at its plants.

The circumstances in which assistance to the company was made available were exceptional in that the number of retrenchments in prospect was large in relation to total employment in the main areas affected and, because of the small size of the labour markets, there were few alternative employment opportunities.

Special Development Assistance to Karumba Prawning Industry

To assist the prawning industry at Karumba, in 1974-75 the Australian Government offered a loan to Queensland of \$2.8 million toward the cost of providing a water supply and sewerage system to serve the township of Karumba, and a grant of \$1.45 million toward the cost of constructing an all weather sealed road linking Karumba and Normantown. The terms of the loan have yet to be determined. It is estimated that payments of \$0.7 million for water supply and sewerage systems development and \$1.0 million for constructing the road will be made in 1975-76.

Assistance to Beef Industry

The Australian Government will provide assistance of up to \$19,600,000 in 1975-76 to match expenditure by the States on assistance to beef producers.

Brigalow Lands Development Scheme

The *Brigalow Lands Agreement Act* 1962-1967 approves an agreement with Queensland for the provision of financial assistance to that State 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 assistance, subject to an overall limit of \$23 million, to finance expenditure incurred 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. There is provision for the 'capitalisation' of interest payments—that is for interest accruing in a year to be added to the amount of principal outstanding rather than paid to the Australian Government. Amounts

of such 'capitalised' interest are included in the relevant tables in this document as interest payments notionally made to the Australian Government, with equivalent amounts advanced to the State. Payments, on this basis, have totalled \$16,096,000 to 30 June 1975 (of which \$1,646,000 represents capitalised interest). Not all eligible expenditure has yet been reimbursed to the State and it is estimated that a total of \$1.8 million (of which \$96,000 represents capitalised interest) will be paid in 1975-76. Further details of payments and debt charges in respect of this program are given in Appendix IV.

Investigation and Measurement of Water Resources

In 1964-65 the Australian Government agreed to provide grants to the States in order to accelerate their programs of surface water measurement and investigation of underground water resources. The surface water program 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.

Under the *States Grants (Water Resources) Acts* of 1964, 1967 and 1970, grants totalling \$11.4 million were provided to the States for these purposes. The *States Grants (Water Resources Measurement) Act* 1973 provided for grants of up to \$6,867,000 for the surface water measurement program and up to \$8,242,000 for the investigation of underground water resources for the three-year period commencing 1 July 1973. The legislation was amended to become the *States Grants (Water Resources Assessment) Act* 1973-74 and to provide an additional \$808,000 as grants for a two year water quality assessment program.

The following table shows payments made to the States since 1970-71 and estimates for 1975-76; figures for earlier years are given in Appendix IV.

TABLE 72—GRANTS FOR THE INVESTIGATION OF WATER RESOURCES
\$'000

	New South Wales	Victoria	Queens- land	South Australia	Western Australia	Tasmania	Total
1970-71 . . .	863	420	516	187	572	64	2,622
1971-72 . . .		422	544	158	670	71	1,864
1972-73 . . .	1,779	453	563	161	710	71	3,736
1973-74 . . .	1,182	762	770	371	1,300	71	4,455
1974-75 . . .	1,467	850	878	413	1,667	135	5,410
1975-76 (estimate) .	1,498	891	932	468	1,981	147	5,918

Fairbairn Dam

The *Queensland Grant (Maraboon Dam) Act* 1968 provided for grants of up to \$20 million to Queensland for the construction of the Fairbairn Dam (formerly Maraboon Dam) on the Nogoa River near Emerald. Payments to 30 June 1975 amounted to \$19.6 million which includes a payment of \$315,000 in 1974-75. Annual payments prior to 1974-75 are given in Appendix VI.

Dawson River Weirs

The *Queensland Grant (Dawson River Weirs) Act* 1973 provided for grants of up to \$550,000 to Queensland towards the cost of the construction of two weirs on the Dawson River and associated works. The full amount was paid by 30 June 1975. Annual payments are given in Appendix VI.

Copeton Dam

The *New South Wales Grant (Gwydir River Dam) Act 1969* provided for grants of up to \$20 million to New South Wales for the construction of a dam on the Gwydir River near Copeton. The full amount was paid by 30 June 1975. Annual payments are given in Appendix VI.

King River Dam

The *Victoria Grant (King River Dam) Act 1969* provided for grants of up to \$4 million to Victoria for the construction of a dam on the King River south of Cheshunt. Payments to 30 June 1975, amounted to \$3.7 million, including payment of \$20,000 in 1974-75 and it is estimated that \$17,000 will be paid in 1975-76. Annual payments prior to 1974-75 are given in Appendix VI.

River Murray Salinity Reduction

The *Victoria Grant (River Murray Salinity) Act 1968* provided for grants of up to \$3.6 million to Victoria for two salinity reduction projects on the River Murray. Payments by the Australian Government to 30 June 1975 amounted to \$1.7 million which includes payments of \$11,000 in 1974-75. It is estimated that \$53,000 will be paid in 1975-76. Annual payments prior to 1974-75 are given in Appendix VI.

Bundaberg Irrigation Works

The *Queensland Grant (Bundaberg Irrigation Works) Act 1970-1974* provided for grants of up to \$17.2 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 to 30 June 1975 amounted to \$14.7 million, including payments totalling \$2.0 million in 1974-75, and it is estimated a further \$2.5 million will be paid in 1975-76.

Annual payments prior to 1974-75 are given in Appendix VI.

Millewa Pipeline

Under the *Victorian Grant (Millewa Pipelines) Act 1972* grants of up to \$2 million have been made to Victoria towards the cost of the construction of pipelines and certain associated works to carry water from the River Murray to rural holdings in the Millewa district of the State. The full amount has been paid. Annual payments are given in Appendix VI.

Lock to Kimba Pipeline

Under the *South Australia Grant (Lock to Kimba Pipeline) Act 1973* grants of up to \$2.1 million are being provided to South Australia towards the cost of constructing a pipeline on the Eyre Peninsula of South Australia. The purpose of the scheme is to provide water for stock and domestic use in the area between the towns of Lock and Kimba.

Payments to 30 June 1975 amounted to \$1.8 million, including payments of \$835,000 in 1974-75, and it is estimated that a further \$305,000 will be paid in 1975-76. Annual payments prior to 1974-75 are given in Appendix VI.

Tailem Bend to Keith Pipeline

The *South Australia Grant (Tailem Bend to Keith Pipeline) Act 1969* provides for 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. Total payments to 30 June 1975 amounted to \$5.3 million, including a payment of \$12,000 in 1974-75, and it is estimated that a further \$80,000 will be paid in 1975-76. Annual payments prior to 1974-75 are given in Appendix VI.

Eton (Mackay) Irrigation Scheme

Under the *Queensland Grant (Kinchant Dam) Act 1973* grants of up to \$5 million are being provided to Queensland towards the cost of construction of the Kinchant Dam—the main storage for the Eton (Mackay) Irrigation Scheme. Payments to 30 June 1975, including a payment of \$1.8 million in 1974-75, totalled \$2.2 million. It is estimated that a further payment of \$2.8 million will be made in 1975-76.

Clare Weir

Under the *Queensland Grant (Clare Weir) Act 1974* grants of up to \$3 million are being provided to Queensland towards the cost of construction of the Clare Weir on the Burdekin River. An initial payment of \$100,000 was made to the State in 1974-75 and it is estimated that further payments of \$700,000 will be made in 1975-76.

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.

The *Western Australia Agreement (Ord River Irrigation) Act 1968* provides for financial assistance of up to \$48.2 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, 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 for Stage II to 30 June 1975 amounted to \$24.2 million which includes payments totalling \$348,000 in 1974-75. The payments to date comprise \$21.8 million in the form of grants for the construction of the dam and \$2.4 million in the form of loans towards the cost of construction of the irrigation works. It is estimated that \$50,000 will be paid in 1975-76, which will be part of the loan component of the financial assistance. Annual figures of payments and debt charges, including estimates for 1975-76, are given in tables in Appendices V and VI.

Glenlyon Dam

In December 1970 the Australian Government offered to join with New South Wales and Queensland in financing the construction of the Glenlyon Dam across Pike Creek. The two States agreed to this proposal. Following a review of the proposal during the first half of 1973, however, the Australian Government withdrew its support, but agreed to reimburse the States for expenditure incurred by them up to the time when the States were advised of the withdrawal of Australian Government support. Payments of \$439,309 to each State were made in 1974-75.

Dartmouth Dam

Under the *Dartmouth Reservoir Agreement Act 1970* the Australian Government is providing financial assistance to New South Wales, Victoria and South Australia by way of loans towards their shares of the cost of constructing the Dartmouth Reservoir. The reservoir is being constructed under the River Murray Waters Agreement, to which the three States and the Australian Government are parties, and that Agreement provided for the cost of construction to be shared equally by the four parties.

The Dartmouth Reservoir Agreement provides that the Australian Government will make payments to the three States of amounts equal to one half of the amounts that each State is required from time to time to provide to the River Murray Commission in respect of the cost of the construction of the Dartmouth Reservoir. The total amount of the financial assistance is limited to \$8.8 million to each State, representing one half of each State's one-quarter share of the estimated cost of construction of \$64 million plus 10 per cent of that amount for cost escalation.

Payments to the three States to 30 June 1975 amounted to \$12.4 million, which includes payments amounting to \$7.5 million in 1974-75. It is estimated that a further \$12.0 million will be paid in 1975-76.

Soil Conservation

The *States Grants (Soil Conservation) Act 1974* provided for an interim, two year program of financial assistance to the States for soil conservation programs. A maximum of \$2.5 million is available over the two years. The New South Wales Government has announced that it will not participate in the scheme.

The following table shows grants in 1974-75 and estimates for 1975-76.

TABLE 73—GRANTS FOR CAPITAL EXPENDITURES ON SOIL CONSERVATION
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1974-75	..	129	..	25	..	..	154
1975-76 (estimate)	..	531	860	85	210	35	1,721

Under the *New South Wales Grant (Flood Mitigation) Act 1971-1973* grants of up to \$9 million are being provided to New South Wales towards the cost of

Flood Mitigation

further flood mitigation works on various coastal rivers in the State. Assistance of \$8 million was previously provided under the *New South Wales Grant (Flood Mitigation) Act 1964-1968* (see Appendix IV).

The grants are to assist in financing the cost of a further seven-year program 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 and the Cudgen, Cudgera and Mooball Creeks. Payments to 30 June 1975 amounted to \$7.0 million, including a payment of \$2.3 million in 1974-75 and it is estimated that \$2.0 million will be paid in 1975-76. Annual payments prior to 1974-75 are given in Appendix VI.

In addition, during 1974-75, the Australian Government provided a grant of \$120,000 to Queensland for restoration of levees along the Proserpine River damaged as a result of severe flooding early in 1974. The Australian Government has now decided to offer Queensland a grant of 40 per cent of the estimated cost of \$936,000 of a flood mitigation scheme on the Proserpine River. The grant is conditional on the State Government contributing 40 per cent and the Proserpine River Improvement Trust contributing 20 per cent of the estimated cost. It is estimated that \$120,000 will be required in 1975-76.

War Service Land Settlement

The *States Grants (War Service Land Settlement) Act 1952-1953* authorises the War Service Land Settlement Scheme which provides for settlement on the land of ex-servicemen from the 1939-45 war and the Korea-Malaya operations.

The basis of assistance is governed by Agreements with 'Principal' States (New South Wales, Victoria and Queensland, although Queensland withdrew from the arrangements in 1953-54) and 'Agent' States (South Australia, Western Australia and Tasmania). The arrangements are complex. Summaries of financial transactions related to the scheme are given in reports of the Auditor-General (see, for example, his report for 1973-74, pages 34 and 35).

For the purposes of this document, only advances made to New South Wales and Victoria under a special arrangement to accelerate soldier settlement in those States have been regarded as payments to the States. Such advances, amounting to \$27.9 million, were paid between 1955-56 and 1959-60. The amounts of annual payments and debt charges are given in Appendix IV.

Tourism Development

Grants for this program were initiated in 1972 on the basis of \$1 for \$1 matching of State expenditures on the development of tourist attractions—such as Australian and pioneer settlements, the preservation of historic sites and buildings, fauna sanctuaries and the like—considered to have particular appeal to overseas visitors. The scheme was amended in 1973 to remove the matching requirement and the criterion of appeal to overseas visitors. Assistance is now available for, inter alia, such things as pioneer settlements, information and interpretative centres, visitor facilities, marinas, jetties and other basic infrastructure necessary for the development of tourist attractions.

The following table shows payments made under this program and estimated payments for 1975-76.

TABLE 74—CAPITAL GRANTS FOR DEVELOPMENT OF TOURIST ATTRACTIONS
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1972-73 . . .	..	..	..	50	..	..	50
1973-74 . . .	..	50	..	..	10	38	98
1974-75 . . .	228	236	188	172	46	210	1,081
1975-76 (estimate) .	541	589	281	477	276	336	2,500

ECONOMIC SERVICES—LABOUR AND EMPLOYMENT

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 Australian Government 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 3.3 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 collections have been appropriated each year from 1949-50 to a Trust Fund under the *States Grants (Coal Mining Industry Long Service Leave) Act* 1949-1968. Payments have been made to the States from this Trust Fund.

The following table shows payments to the States since 1970-71 and estimated payments in 1975-76. Payments in earlier years are given in Appendix IV.

TABLE 75—GRANTS FOR COAL MINING INDUSTRY LONG SERVICE LEAVE
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1970-71 . . .	828	..	136	..	93	6	1,063
1971-72 . . .	948	..	185	..	103	5	1,241
1972-73 . . .	1,604	..	316	..	90	2	2,012
1973-74 . . .	1,782	..	410	..	139	16	2,347
1974-75 . . .	2,478	..	429	..	161	5	3,073
1975-76 (estimate) .	2,768	..	480	..	170	6	3,424

Apprenticeship Training

The Australian Government and the States agreed late in 1971-72 to collaborate in a scheme to improve supervision and advisory services in relation to the training of apprentices. Under the scheme, the Australian Government meets the initial three year salary costs of the special officers employed by the States for this purpose. Provision of \$368,000 has been made for the employment by the States of apprenticeship training supervisors during 1975-76.

The Australian Government has also decided to meet the wage costs of training apprentices, surplus to the States' requirements, within State Government establishments where training facilities are available. It is expected that up to 1,000 apprentices will receive training in 1975-76 and provision has been made for payments to the States of \$3,248,000. A notional payment to each State is included in the following table; no commitment to the provision of these amounts is implied.

TABLE 76—GRANTS FOR APPRENTICESHIP TRAINING

\$'000

—	New South Wales	Victoria	Queens- land	South Australia	Western Australia	Tasmania	Total
1972-73 . . .	..	72	25	19	11	2	129
1973-74 . . .	108	92	52	44	44	11	351
1974-75 . . .	161	227	212	93	65	41	799
1975-76 (estimate) .	1,241	1,046	449	333	434	113	3,616

State Migrant Centres

The Australian Government has since 1947-48 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. Payments to each State from 1970-71 to 1974-75 are shown in the following table. No provision has been made for any payment in 1975-76. Figures for earlier years are given in Appendix IV.

TABLE 77—GRANTS FOR CAPITAL EXPENDITURES ON MIGRANT CENTRES

\$'000

—	New South Wales	Victoria	Queens- land	South Australia	Western Australia	Tasmania	Total
1970-71 . . .	2	..	..	75	65	..	142
1971-72 . . .	214	..	123	12	23	..	372
1972-73 . . .	10	..	14	..	..	..	24
1973-74 . . .	2	4	18	..	..	..	24
1974-75 . . .	..	..	163	17	..	..	180

ECONOMIC SERVICES—OTHER ECONOMIC SERVICES

Burdekin River Regional Study

The Australian Government agreed, in April 1973, to participate in a joint Federal/State Burdekin Project Committee to undertake a comprehensive study of the Burdekin River Basin region in Queensland with particular reference to water availability and requirements for urban, irrigation, power generation, industrial and flood mitigation purposes and, against the background of such a study, to develop proposals for the future development of the region.

Payments totalling \$152,599 were made to Queensland in 1973-74 and a further \$33,759 was paid in 1974-75 as a final payment on the 1973-74 study program.

The Australian Government's contribution to this study in 1974-75 was met directly and this arrangement will continue in 1975-76.

Pilbara Feasibility Study

The Australian Government agreed, in December 1972, to provide a grant of \$125,000 (one-half of the estimated total cost) towards a feasibility study into the development potential of the Pilbara region of Western Australia. The full amount of the grant was paid in 1973-74. The Australian Government subsequently agreed to extend this grant by an additional \$31,000, which was paid in 1974-75.

GENERAL PUBLIC SERVICES

Law Order and Public Safety

Legal Aid

The Australian Government established a legal aid service, known as the Australian Legal Aid Office, in July 1973. In addition, however, to direct involvement in legal aid in that form, the Australian Government has, since 1973-74, made grants to assist legal aid services otherwise being provided.

Grants totalling \$2 million, all of which was paid to the States, were made in 1973-74. Grants in 1974-75 totalled \$1,550,000 of which \$1,173,000 was paid to the States. An amount of \$1 million has been allocated for 1975-76 for payments to the States or other bodies to supplement legal aid schemes. Apportionments between the States and other bodies are not yet available and the estimates of payments to the States for 1975-76 in this document do not include any amounts for legal aid.

The following table shows grants made to the States in 1973-74 and 1974-75.

TABLE 78—RECURRENT GRANTS FOR LEGAL AID
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1973-74 . . .	732	557	296	187	166	62	2,000
1974-75 . . .	404	100	160	273	164	71	1,173

Promotion of Road Safety Practices

In each year from 1947-48 grants have been made to the States to assist in the financing of public education programs for the promotion of road safety practices.

The Road Safety and Standards Authority, established under the *Road Safety and Standards Authority Act 1975* will also contribute nationally to the promotion of road safety. Expenditure by the Authority in 1975-76 is expected to total about \$2.2 million.

Since 1970-71 the annual grants to the States have totalled \$150,000 and the distribution between States has also remained constant. The amounts are set out in the following table.

Grants in earlier years are shown in Appendix IV.

TABLE 79—ANNUAL GRANTS FOR THE PROMOTION OF ROAD SAFETY PRACTICES
1970-71 TO 1975-76
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
Each year 1970-71 to 1975-76 . . .	37	30	28	19	25	11	150

Research Grants

Since 1965-66 the Australian Government has made grants to the States for research projects on the recommendation of the Australian Research Grants Committee. An outline of developments over the period 1965 to 1975 is given in Appendix IV. The Australian Government agreed in 1972 to finance a program of research costing \$20.0 million in the 1973-75 triennium for projects recommended by the Australian Research Grants Committee. As a result of salary and wage increases during the triennium the total allocation was increased to \$22.78 million.

As announced in the Budget Speech the Government has agreed to finance a program of research costing \$20.0 million in the 1976-78 triennium. Payments to the States for this purpose in 1975-76 are expected to total \$6.0 million. This figure is based on the remaining balance of the 1973-75 triennium and the program for the 1976-78 triennium.

The following table shows grants made since 1970-71 and estimates for 1975-76. Figures for earlier years are given in Appendix IV.

TABLE 80—GRANTS FOR RESEARCH PROJECTS
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
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 . . .	2,112	1,620	641	851	370	172	5,767
1973-74 . . .	2,092	1,540	700	955	410	204	5,901
1974-75 . . .	2,584	1,821	853	1,369	470	227	7,324
1975-76 (estimate)(a)	2,112	1,524	702	1,050	402	210	6,000

(a) The State distribution is notional only; it assumes that the proportional distribution will be the same as the average for the years 1973 and 1974.

ASSISTANCE FOR NATURAL DISASTER RELIEF

When natural disasters causing damage and destruction occur in a State, the Australian Government stands ready to join with the State Government concerned on a dollar for dollar basis in meeting expenditure on the immediate relief of personal hardship and distress, except where such expenditure is of a very minor nature. Such expenditures may cover provision of food, clothing, shelter and repair of homes to make them habitable and secure.

In respect of 'major' disasters, the Australian Government also assists with expenditures on other agreed relief and restoration measures when the expenditures are considered to be beyond the capacity of the State concerned to meet from its own resources. In specific terms, the Australian Government meets all expenditures by a State in a year on agreed measures necessitated by major disasters in excess of a certain base amount set for that State. The annual base amount which has applied for each State since 1971 is as follows:—

	\$ million
New South Wales	5.0
Victoria	3.5
Queensland	2.0
South Australia	1.5
Western Australia	1.5
Tasmania	0.6

For these purposes, 'major' disasters are regarded as those necessitating expenditures on agreed relief and restoration measures in excess of one tenth of the State's base annual expenditure.

The relief and restoration measures for each disaster are agreed having regard to the particular circumstances applying. However, assistance for the following measures has commonly been applicable in respect of the types of disasters indicated:—

- (a) relief of personal hardship and distress (cyclones, floods, storms, bushfires);
- (b) grants for the restoration of Government, local and semi-government authority assets and facilities; semi-government and local authorities are expected to bear a proportion of the cost of restoring their assets—generally one-quarter of the expenditure involved up to the first \$100,000 for each authority (as in (a));
- (c) loan assistance on concessional terms to primary producers to enable them to get back into operation where finance is not available from other sources and where they can, with such assistance, continue to operate successfully (drought, floods, bushfires);
- (d) rail rebates for primary producers for certain purposes and free carriage for donations of food, clothing, etc. (as in (c));
- (e) subsidies on road transport of fodder and stock (as in (c));
- (f) loans on concessional terms to small business enterprises (floods); and
- (g) loans on concessional terms to churches, sporting bodies and other non-profit voluntary organisations (floods).

The Australian Government usually does not provide grant assistance for the repair or restoration of private assets damaged or destroyed as a result of a natural disaster. Major exceptions have been where widespread damage has occurred; e.g. bushfires in Tasmania in 1967 and flooding in Queensland in the early part of 1974.

Table 159 in Appendix IV shows payments that have been made to each State since 1962-63 in respect to various types of disaster (droughts, floods and storms, bushfires, cyclones and earthquakes). It will be seen that all States have received some assistance but, reflecting the differing incidence of disasters, the amounts vary considerably from one State to another and from one year to another.

In 1974-75 the Australian Government provided assistance to affected States in respect of an unprecedented number of separate natural disasters. Assistance was provided towards expenditures on agreed relief and restoration measures by New South Wales for various storms, floods and bushfires, to Victoria for a series of floods in 1973 and 1974, to Queensland for floods in early 1974, and to South Australia for floods in 1973 and 1974.

The following table shows payments to the States from 1971-72, including estimated payments in 1975-76. Details of payments for natural disaster relief and restoration purposes in previous years are included in Table 158 in Appendix IV. Table 160 gives a more detailed breakdown of payments in 1973-74 and 1974-75.

TABLE 81—PAYMENTS FOR NATURAL DISASTER RELIEF AND RESTORATION
1971-72 TO 1975-76(a)
\$'000

	New South Wales	Victoria	Queens- land	South Australia	Western Australia	Tasmania	Total
GRANTS FOR RECURRENT PURPOSES							
1971-72 . . .	..	..	1,188	..	..	-45	1,143
1972-73 . . .	..	40	32	..	..	..	72
1973-74 . . .	57	22	3,990	..	..	..	4,069
1974-75 . . .	612	284	84	..	..	..	980
1975-76 (estimate) .	100	..	1	..	..	..	101
PAYMENTS FOR CAPITAL PURPOSES							
1971-72 . . .	..	..	5,701	..	..	68	5,769
1972-73 . . .	..	..	-74	..	..	-3	-77
1973-74 . . .	243	..	23,869	..	..	-3	24,109
1974-75 . . .	15,832	9,523	26,750	114	..	..	52,219
1975-76 (estimate) .	6,475	300	2,499	100	..	-7	9,367
TOTAL PAYMENTS							
1971-72 . . .	..	..	6,889	..	..	23	6,912
1972-73 . . .	..	40	-42	..	..	-3	-5
1973-74 . . .	300	22	27,859	..	..	-3	28,178
1974-75 . . .	16,444	9,807	26,834	114	..	..	53,199
1975-76 (estimate) .	6,575	300	2,500	100	..	-7	9,468

(a) Excludes the cost of emergency services provided by the Defence Services and Australian Government contributions to official disaster relief appeals in the States. The latter totalled \$600,000 in 1973-74. After allowing for refunds received in year in respect of payments in previous years. For an explanation see the schedule of refunds following Table 158 in Appendix IV.

CHAPTER V—PAYMENTS TO OR FOR LOCAL GOVERNMENT AUTHORITIES

Local government authorities in Australia are established under Acts of the State Parliaments¹ for the purpose of providing certain public services within defined geographical boundaries. The functions of these authorities, which are generally prescribed by State legislation, differ significantly between States and, indeed, within States.

In his speech in February 1973 on the opening of the Twenty-eighth Parliament the Governor-General said: 'My Government aims to make local government a genuine partner in the Federal system. To promote financial equality between regions the Commonwealth Grants Commission Act will be amended to authorise the Commission to inquire into and report upon applications made for local government purposes. Discussions will be held with the States aimed at providing local government in each State with a voice and a vote in the deliberations of the Loan Council.'

Developments that have occurred in respect of each of the two specific matters referred to by the Governor-General are summarised below, followed by an outline of other Australian Government programs involving payments to or for local government authorities. The Chapter ends with a summary of various forms of such payments.

While the borrowing arrangements of local government authorities do not involve Australian Government payments to or for such authorities, material on them is included in this Chapter because of their relevance in the general context of Australian/State/Local Government financial relations.

GRANTS RECOMMENDED BY GRANTS COMMISSION

In its Autumn Sitzings of 1973 the Australian Parliament passed the *Grants Commission Act* 1973, repealing and replacing the *Commonwealth Grants Commission Act* 1933-66. The Act came into operation by proclamation on 20 September 1973.

Besides authorising the continuation of the Commission's functions in relation to applications by the States for grants of special financial assistance, the Act lays down procedures for regional organisations of local government to apply for financial assistance from the Australian Government (to be paid in the first instance to the State Government concerned) and for such applications to be the subject of inquiry and report by the Grants Commission.

In his second reading speech on the Bill the Prime Minister said that:

'the financial assistance to local governing bodies which will flow from the Commission's recommendations will in no way be a substitute for the revenues normally raised by them by long established methods such as rates and charges for services, nor will it replace assistance normally provided by State Governments to local governing bodies in one way or another. Rather, it will be in the nature of a 'topping-up' process of the financial resources of lesser endowed bodies to enable them, by reasonable revenue raising efforts on their part, to provide a standard of services to their communities that will be comparable with that enjoyed by communities elsewhere.'

¹ There are also two local government bodies, established by ordinance—that is, under laws of the Australian Parliament—in the Northern Territory. Information on Australian Government payments to these bodies is provided below. Generally, however, references to local government authorities in this Chapter should be taken as *not* including these bodies.

In summary, the Act provides:—

- (i) for the Minister for Urban and Regional Development, in consultation with the States, to approve regional organisations to represent or act on behalf of local government bodies within each region (section 17);
- (ii) that such organisations may apply for the grant, under section 96 of the Constitution, of financial assistance to a State for the purpose of enabling the organisation, or one or more of the local government bodies which it represents, to function, by reasonable effort, at a standard not appreciably below the standards of other regional organisations or other local government bodies (section 18 (1), read in conjunction with section 6); and
- (iii) that such applications may, at the discretion of the Special Minister of State and after consultation with the State Minister concerned, be referred to the Grants Commission for inquiry and report (section 18 (3)).

In December 1973 the Minister for Urban and Regional Development approved 68² regional organisations comprising 889 local government authorities in all States. All of these regional organisations made application for assistance for 1974-75, although 13 individual local government authorities either declined to participate in their regional organisations or did not seek grants.

After a review of regional boundaries, the number of regional organisations approved by the Minister was subsequently increased to 76 comprising 885 local government authorities in all States. All regional organisations again applied for assistance for 1975-76 and on this occasion there were no abstaining local government authorities.

Under its procedures, the Commission receives written and oral evidence from regional organisations, individual local government authorities, the Australian Council of Local Government Associations, representatives from the State Governments, the Australian Treasury and the Department of Urban and Regional Development.

For 1974-75, the Commission recommended grants totalling \$56,345,000 for 806 local government authorities, representing 92 per cent of the 876 authorities which applied for assistance. This recommendation was accepted by the Australian Government as was the Commission's recommendation that the grants be paid without conditions attached as to their use by local government authorities.

For 1975-76, the Commission recommended grants (again without conditions as to their use by local government bodies) totalling \$79,908,000 for 845 local government bodies, representing more than 95 per cent of the 885 bodies which applied for assistance. This recommendation has been accepted by the Australian Government.

² Although the Minister originally approved 68 regions, due to a technicality associated with sections 17 and 27 of the Act, one region in South Australia was subsequently amalgamated with another. Thus for the purposes of the Commission's hearings and recommendations in relation to 1974-75 there were, 67 regions.

The grants paid to each State in 1974-75 and those to be paid in 1975-76 for on-passing to local government authorities on the advice of the Grants Commission, are set out in the following table:—

TABLE 82—GRANTS TO STATES FOR LOCAL GOVERNMENT AUTHORITIES
AS RECOMMENDED BY THE GRANTS COMMISSION
\$'000

—	New South Wales	Victoria	Queens- land	South Australia	Western Australia	Tasmania	Total
1974-75	21,359	14,630	8,954	4,774	4,959	1,669	56,345
1975-76	29,257	20,242	13,808	6,785	7,524	2,292	79,908

BORROWING ARRANGEMENTS FOR LOCAL GOVERNMENT AUTHORITIES

As explained in Chapter III, the borrowings of Australian and State Government authorities, including those of local government authorities, come within the purview of the Loan Council under the 'Gentlemen's Agreement' originating in 1936. The Loan Council determines maximum interest rates and other terms and conditions of loans raised by authorities and also approves annual over-all programs for 'larger' authorities (at present those borrowing more than \$700,000 in a year) in each State. These borrowings are arranged by the individual authorities, with guarantees and other assistance being provided in some cases by the State Governments.

Constitutional Proposals Regarding Local Government Borrowings

In speeches at the first meeting of the Australian Constitutional Convention, held in Sydney in September 1973, the Prime Minister referred to the Australian Government's view that it would be desirable for that Government to be able to borrow moneys on behalf of elected local government bodies and for such bodies to be represented on the Loan Council. He suggested that this could be done in either of two ways—by an amendment to the Financial Agreement (which would require the concurrence of all the States) or by an appropriate amendment to the Constitution.

This matter was discussed during the Convention and, flowing from those discussions, a Heads of Government meeting was held in Canberra on 11 October 1973. At that meeting, the Prime Minister proposed to the States that the Financial Agreement be amended to allow local government representation on the Loan Council and to allow the Australian Government to borrow on behalf of local government authorities and to provide the funds direct to these bodies. The States were not agreeable to these proposals.

The *Constitution Alteration (Local Government Bodies) Act 1974* contained two proposals for Constitutional amendment. First, that a new placitum (iv A.) be added to section 51 of the Constitution to give the Commonwealth Parliament power to make laws with respect to 'the borrowing of money by the Commonwealth for local government bodies' and, secondly, that there be a new section

(96A) stating that 'The Parliament may grant financial assistance to any local government body on such terms and conditions as the Parliament thinks fit'. These proposals were put to referendum on 18 May 1974 and defeated.

Proposals for Constitutional change in regard to local government are under consideration in the context of the Australian Constitutional Convention.

Borrowings by Local Government Authorities in 1974-75 and 1975-76

The table below shows aggregate borrowings by all 'larger' and 'smaller' authorities in 1974-75 and the amounts borrowed within these aggregates by local government authorities, together with corresponding estimates for 1975-76. (Figures for earlier years are given in Appendix III.) It will be seen that a considerable proportion of, but not all, borrowings in the 'smaller' authorities category are made by local government authorities. It will be seen also that the amounts of borrowings by local government authorities vary markedly between the States (after taking account of differences in population). This reflects a number of factors including, importantly, variations between the States in the range of functions allocated to local government. As an example, the particularly high figures for Queensland reflect, in part, large borrowings by the Brisbane City Council, which carries out a number of functions (e.g., metropolitan omnibus services and sewerage) which in other States are undertaken by semi-government authorities.

TABLE 83—NEW MONEY BORROWINGS BY AUSTRALIAN AND STATE GOVERNMENT AUTHORITIES
\$'000

	'Larger' Authorities (a)		'Smaller' Authorities (b)		All Local Government Authorities (c)
	Total	Local Government Authorities	Total	Local Government Authorities	
1974-75 ACTUAL					
Australian Government . . .	78,157	516	..	..	516
New South Wales	(d)244,767	(e)85,217	52,921	(e)47,586	(e)132,803
Victoria	213,907	22,238	43,813	27,950	50,188
Queensland	138,495	83,516	39,854	19,288	102,804
South Australia	31,768	6,000	11,817	7,617	13,617
Western Australia	37,887	4,575	25,920	17,265	21,839
Tasmania	19,256	7,295	5,100	3,416	10,710
Total States	686,080	208,840	179,426	123,122	331,962
Grand Total	764,237	209,356	179,426	123,122	332,478

TABLE 83—NEW MONEY BORROWINGS BY AUSTRALIAN AND STATE GOVERNMENT AUTHORITIES—*continued*

\$'000

	'Larger' Authorities (a)		'Smaller' Authorities (b)		All Local Government Authorities (c)
	Total	Local Government Authorities	Total	Local Government Authorities	
1975-76 ESTIMATES(f)					
Australian Government	110,457	957	..	..	957
New South Wales	(d)303,720	(e)104,000	64,000	(e)58,000	(e)162,000
Victoria	256,693	22,400	52,000	35,000	57,400
Queensland	149,769	71,606	47,141	27,771	99,377
South Australia	38,122	5,300	16,000	9,000	14,300
Western Australia	38,264	5,000	34,683	25,583	30,583
Tasmania	23,107	7,360	7,500	5,000	12,360
Total States	809,675	215,666	221,324	160,354	376,020
Grand Total	920,132	216,623	221,324	160,354	376,977

(a) In 1974-75 'larger' authorities were those borrowing more than \$500,000; in 1975-76 they are those borrowing more than \$700,000. The aggregate of these borrowings in each State is subject to approval by the Loan Council. All borrowings by Australian Government authorities, whatever their magnitude are, however, included in the 'larger' authorities category.

(b) In 1974-75 'smaller' authorities were those borrowing \$500,000 or less; in 1975-76 they are those borrowing \$700,000 or less. No aggregate limit on these borrowings is imposed by the Loan Council. See footnote (a).

(c) The total of borrowings by local government authorities in both the 'larger' and 'smaller' authorities categories.

(d) Includes special permanent addition to the State's larger authorities borrowing program.

(e) Includes borrowing by County Councils.

(f) Amounts shown for borrowings by all 'larger' authorities are the programs approved at the June 1975 meeting of the Loan Council. Other amounts shown are tentative estimates made by the Australian and State Treasuries.

AUSTRALIAN GOVERNMENT PAYMENTS MADE DIRECT TO LOCAL GOVERNMENT AUTHORITIES

As noted above, an Australian Government proposal that the Constitution be altered so as to give the Australian Parliament power to 'grant financial assistance to any local government body on such terms and conditions as the Parliament thinks fit' was defeated at a referendum held on 18 May 1974. There are no Australian Government programs of *direct* payments to local government authorities (as distinct from payments to them via the States), designed for the specific and sole purpose of providing financial assistance to these authorities.

There are, however, a number of programs under which local government authorities are among the bodies that are eligible for, and that have received, Australian Government assistance paid direct to them. The programs concerned are summarised below. It will be noted that in most cases the amounts of payments to local government authorities for particular programs vary widely between the States. This reflects, amongst other things, differences in the extent to which the activities concerned are carried out by local government bodies rather than by private organisations or by State Government Departments or agencies.

Delivered Meals Subsidy

Under the *Delivered Meals Subsidy Act* 1970-1974 eligible organisations—which include local government authorities but not Australian and State Government Departments or agencies—can receive assistance for the provision of what are known as ‘meals on wheels’ services. The assistance was originally set at a rate of 10 cents a meal in 1970; this was increased in 1972 to 20 cents for meals with an approved vitamin C supplement and 15 cents for meals without such a supplement; these amounts were increased to 25 and 20 cents respectively in 1973, and to 30 and 25 cents respectively in 1974.

The table below shows grants that have been paid to local government authorities under this scheme and estimated grants in 1975-76. The lack of grants to local government authorities in some States reflects, in part, a greater degree of activity by private, voluntary bodies in those States. In 1974-75 total payments under the Act were \$1.5 million, of which \$0.5 million was paid to local government authorities. For 1975-76 it is estimated that local government bodies will receive \$0.7 million out of total estimated payments under the Act of \$1.9 million.

TABLE 84—GRANTS MADE DIRECT TO LOCAL GOVERNMENT AUTHORITIES
FOR DELIVERED MEALS
\$'000

—	New South Wales	Victoria	Queens- land	South Australia	Western Australia	Tasmania	Total
1969-70 . .	14	32	..	..	3	..	49
1970-71 . .	50	70	..	..	3	..	123
1971-72 . .	40	68	..	..	4	..	112
1972-73 . .	58	124	..	..	7	..	189
1973-74 . .	104	287	..	..	24	..	415
1974-75 . .	126	366	..	..	30	..	522
1975-76 (estimate) .	163	478	..	..	39	..	680

Aged or Disabled Persons Homes

Under the *Aged or Disabled Persons Homes Act* 1954-1974 local government authorities, along with religious, charitable and certain other organisations, are eligible to receive assistance for the capital and operating costs associated with the provision of certain kinds of accommodation for the aged.

Under the original Act, passed in 1954, local government authorities (along with bodies conducted and controlled by the Australian or State Governments) were ineligible to receive assistance. Under that Act, assistance was available to eligible organisations on a \$1 for \$1 basis towards the capital costs of approved forms of accommodation for the aged. The Act was amended in 1957 to put the assistance on a \$2 for \$1 basis, and in 1967 it was amended to include local government authorities as eligible organisations for purposes of the scheme (organisations conducted or controlled by the Australian or State Governments remain ineligible). The rate of subsidy was further increased to \$4 for \$1 from 31 December 1974 up to a maximum subsidy of \$7,800 for a single unit and \$9,000 for a double unit.

In 1969 the Act was amended to provide for the payment of personal care subsidies of \$20 a month in respect of persons aged eighty years and over resident in accommodation provided by an approved organisation. The subsidy was increased to \$40 a month in 1972, to \$48 in 1973 and to \$60 in 1974. In 1973 the subsidy was also extended to persons aged less than eighty years. However, no subsidies have yet been paid to local government authorities and it is not expected that any will be paid to such authorities in 1975-76.

The greater part of the capital grants under this Act is paid to organisations other than local government authorities. In 1974-75 local government authorities received \$2.6 million out of total capital grants of \$22.8 million. For 1975-76 it is estimated that local government authorities will receive \$3.3 million out of total estimated payments under the Act of \$30.0 million.

The following table shows the grants that have been paid to local government authorities in each State together with estimates for 1975-76:—

TABLE 85—GRANTS DIRECT TO LOCAL GOVERNMENT AUTHORITIES FOR CAPITAL EXPENDITURES ON AGED OR DISABLED PERSONS HOMES
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1967-68	..	27	..	..	..	..	27
1968-69	..	15	8	9	..	..	32
1969-70	173	110	40	..	..	..	323
1970-71	128	125	23	..	..	..	276
1971-72	604	144	38	..	20	..	806
1972-73	124	427	20	175	..	..	746
1973-74	11	132	51	269	227	..	690
1974-75	..	1,545	108	423	415	117	2,608
1975-76 (estimate)	200	1,000	500	500	1,000	100	3,300

Home Nursing

Under the *Home Nursing Subsidy Act* 1956 organisations (other than profit-making bodies and bodies conducted or controlled by a State Government) conducting home nursing services are eligible for annual subsidies depending on the numbers of nurses employed on home nursing duties. The amount of Australian Government assistance cannot exceed the amount received by the organisation from a State Government or a local government authority.

In two States only (New South Wales and Tasmania) have local government authorities received assistance under this scheme. The amounts of grants that have been paid to such authorities since 1965-66 and estimates for 1975-76 are shown in the following table:—

TABLE 86—GRANTS MADE DIRECT TO LOCAL GOVERNMENT AUTHORITIES FOR HOME NURSING
\$'000

—	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (estimate)
New South Wales	34	39	36	44	52	54	67	72	89	139	130
Tasmania	..	1	..	1	1	1	1	1	2	2	2
Total	34	40	36	45	53	55	68	73	91	141	132

Nursing Homes

As foreshadowed in the 1974-75 Budget Speech, the Australian Government has introduced a scheme under which religious, charitable and other non-profit organisations conducting nursing homes may receive assistance from the Australian Government in meeting deficits incurred in running the homes. Local government authorities operating nursing homes on a non-profit basis are eligible to participate in this scheme.

No local government authorities participated in the scheme in 1974-75; however, it is expected that one such authority (the Nedlands City Council) in Western Australia will enter into an agreement with the Government for financial assistance for a new 30 bed nursing home now nearing completion. If occupancy commences, as expected, from September 1975, it is estimated that an amount of \$80,000 will be provided by the Government to meet the home's operating deficit in 1975-76.

Handicapped Persons Assistance

Under the *Sheltered Employment (Assistance) Act* 1967-1973 local government authorities and voluntary non-profit bodies were eligible to receive assistance for the accommodation and employment of disabled people. Capital grants were provided on a \$2 for \$1 basis; assistance with rent (for sheltered workshop premises only) was also on a \$2 for \$1 basis; assistance for staffing was on a \$1 for \$1 basis and certain other forms of assistance were also provided. The *Handicapped Persons Assistance Act* 1974 replaced the *Sheltered Employment (Assistance) Act* and the *Handicapped Children (Assistance) Act*. Under the Act, local government authorities and voluntary non-profit bodies are eligible to receive assistance for the accommodation and employment and training of disabled people. Capital grants are now provided on a \$4 for \$1 basis; assistance with rent is also on a \$4 for \$1 basis and assistance for staffing is on a \$1 for \$1 basis.

At the same time, the capital subsidy was extended to cover activity centres, ancillary rehabilitation and recreational facilities, furnishings, maintenance of premises and the replacement of certain equipment. The rental subsidy has been extended to cover training centres, activity centres and hostels.

In addition a training fee of \$500 is paid to eligible sheltered workshops for each former employee who, after completing more than six months sheltered employment, graduates to, and retains normal employment for 12 months or more.

Only one local government authority, in New South Wales, has received assistance under the scheme. Payments to date and estimated payments for 1975-76 are shown in the following table:—

TABLE 87—GRANTS MADE DIRECT TO
LOCAL GOVERNMENT AUTHORITIES FOR
HANDICAPPED PERSONS
\$'000

—	Recurrent	Capital	Total
1972-73	4	14	18
1973-74	4	1	5
1974-75	3	1	4
1975-76 (estimate)	7	45	52

Homeless Persons Assistance

Under the *Homeless Persons (Assistance) Act* 1974 capital grants are made to voluntary agencies, local and statutory authorities, over a three-year period, for approved projects to upgrade and replace existing inadequate accommodation, and to build new facilities, for homeless men and women. Assistance is also provided towards the cost of accommodation and meals, and to meet half the salaries of welfare officers performing approved services for homeless persons.

In 1974-75 no grants were paid to local government authorities. It is expected that in 1975-76 only one grant, of \$98,000, will be made to a local government authority, that authority being in Victoria.

Child Care and Pre-School Services

Under the *Child Care Act* 1972-1973 non-profit voluntary bodies and local government bodies are eligible for assistance towards the capital and recurrent costs of approved child care centres. State Government Departments and agencies are not eligible. Capital assistance is available up to the total cost of land, buildings and equipment. Recurrent assistance is related to formulae which have regard to the numbers of children and qualified staff in each centre.

In 1974-75 grants paid to local government authorities under the Act totalled \$2.18 million. Payments are also made direct to local government bodies under the expanded Childhood Services Program which commenced in 1975. Grants for these purposes in 1974-75 totalled \$284,000.

Developments in relation to the provision of Australian Government assistance for pre-school and child care in recent years are set out in more detail in Chapter IV and are also referred to below in the section on 'Grants to States for On-Passing to Local Government Authorities'. It was not possible, at the time this document was prepared, to provide useful estimates of the amounts which might be made available to local government authorities in this way in 1975-76.

The following table shows grants paid to local government authorities in 1973-74 and 1974-75 for this purpose:—

TABLE 88—PRE-SCHOOL AND CHILD CARE SERVICES—GRANTS DIRECT TO LOCAL GOVERNMENT AUTHORITIES
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1973-74	..	..	..	..	4	..	4
1974-75	68	44	25	..	12	138	287
CAPITAL							
1973-74	149	76	37	3	90	86	441
1974-75	584	491	471	155	369	108	2,178
TOTAL							
1973-74	149	76	37	3	94	86	445
1974-75	652	535	496	155	381	247	2,465

Aboriginal Advancement

The Australian Government provides direct grants to local government authorities (and also Aboriginal Councils) under its Special Works Projects Scheme for the employment and/or training of Aborigines. It also makes grants for other purposes from time to time on an ad hoc basis. Local government authorities have also received portions of grants which the Australian Government has made to the States for Aboriginal advancement (*see below*).

Grants for Aboriginal advancement made direct to local government authorities in 1973-74 and 1974-75 and estimates for 1975-76 are shown in the following table. Payments in 1972-73 totalled only \$9,000.

TABLE 89—GRANTS DIRECT TO LOCAL GOVERNMENT AUTHORITIES FOR ABORIGINAL ADVANCEMENT
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1973-74—							
Special Works Projects . . .	1,223	175	904	296	411	30	3,039
Other	94	..	166	..	..	..	260
Total	1,317	175	1,070	296	411	30	3,299
1974-75—							
Special Works Projects . . .	1,608	196	1,939	225	594	..	4,562
Other	17	..	95	..	..	..	112
Total	1,625	196	2,034	225	594	..	4,674
1975-76 (estimate)—							
Special Works Projects . . .	972	419	1,853	272	875	36	4,427
Other (a) . . . . .	..	..	..	..	..	..	..
Total	972	419	1,853	272	875	36	4,427

(a) This assistance is provided on an ad hoc basis. No estimates for the year ahead can be made.

Arts

Local government authorities are eligible to receive assistance for community arts activities under a program administered by the Community Arts Committee of the Australia Council. Grants in 1973-74 and 1974-75 to local government authorities are shown in the following table. As these grants depend on the consideration of applications made during the course of a year, no estimate of grants likely to be paid to local government authorities in 1975-76 can be made at this stage.

TABLE 90—GRANTS DIRECT TO LOCAL GOVERNMENT AUTHORITIES FOR COMMUNITY ARTS ACTIVITIES
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1973-74	14	8	..	..	..	..	22
1974-75	34	23	5	..	4	..	66

Aerodrome Local Ownership Plan

Assistance is provided to local government authorities and to other bodies under the Aerodrome Local Ownership Plan to establish, develop and maintain local aerodromes on their own initiative and to take over aerodromes owned by the Australian Government. Funds are provided by the Australian Government for proposals which meet the criteria for both developmental and maintenance work on a \$1 for \$1 basis. Where an authority takes over a Government owned aerodrome, the Australian Government will meet 100 per cent of the cost of any 'pre-transfer' works necessary to bring the aerodrome up to an acceptable standard. The following table shows the payments made to local authorities in each State under the Aerodrome Local Ownership Plan between 1965-66 and 1974-75 and estimated payments in 1975-76:—

TABLE 91—GRANTS DIRECT TO LOCAL GOVERNMENT AUTHORITIES
FOR AERODROMES
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1965-66 . . .	141	35	66	4	3	6	255
1966-67 . . .	124	46	81	4	3	8	266
1967-68 . . .	128	47	85	5	7	14	286
1968-69 . . .	140	59	116	6	9	7	337
1969-70 . . .	184	73	112	8	8	7	391
1970-71 . . .	160	56	123	9	8	6	362
1971-72 . . .	209	61	125	9	12	7	423
1972-73 . . .	230	53	149	12	33	9	486
1973-74 . . .	240	68	163	10	51	8	541
1974-75 . . .	259	77	221	16	47	12	632
1975-76 (estimate) .	395	97	240	20	100	18	870
CAPITAL							
1965-66 . . .	510	69	289	..	15	16	899
1966-67 . . .	362	53	505	..	1	2	923
1967-68 . . .	195	10	398	..	..	3	606
1968-69 . . .	242	107	356	1	33	8	748
1969-70 . . .	148	26	206	2	314	4	699
1970-71 . . .	466	3	240	2	58	..	770
1971-72 . . .	104	2	307	27	55	3	498
1972-73 . . .	101	25	178	25	46	7	382
1973-74 . . .	244	24	84	..	18	14	383
1974-75 . . .	404	34	83	7	20	7	555
1975-76 (estimate) .	140	108	235	16	35	12	546
TOTAL							
1965-66 . . .	651	104	355	4	18	22	1,154
1966-67 . . .	486	99	586	4	4	10	1,189
1967-68 . . .	323	57	483	5	7	17	892
1968-69 . . .	382	166	472	7	42	15	1,085
1969-70 . . .	332	99	318	10	322	11	1,090
1970-71 . . .	626	59	363	11	66	6	1,132
1971-72 . . .	313	63	432	36	67	10	921
1972-73 . . .	331	78	327	37	79	16	868
1973-74 . . .	484	92	247	10	69	22	924
1974-75 . . .	663	111	304	23	67	19	1,187
1975-76 (estimate) .	535	205	475	36	135	30	1,416

Water Supplies—Townsville

In 1967 the Australian Government agreed to provide advances to the Townsville City Council to assist in the provision of additional reservoirs and water mains in order to ensure adequate water supplies to the defence housing and barracks complex at West Townsville. Advances totalling \$1,255,000 were made during 1967-68 and 1968-69. Interest of \$303,000 accruing during the first five years was capitalised. The loan is repayable over 40 years and bears interest at the long term bond rate prevailing when the advances were made. Loan repayments commenced in 1973-74.

Regional Employment Development Scheme

This scheme was introduced by the Australian Government in September 1974. Under the scheme, financial assistance is provided towards expenditures on projects of economic and/or social benefit which provide employment for persons who would otherwise remain out of work. As well as local government authorities, State Government Departments and semi-government authorities and non-government bodies such as community sporting and recreational organisations and charitable bodies have received assistance under the scheme.

Local government projects assisted under the scheme have covered a wide range of local government activities, including road works, improvements to sporting, recreational and tourist facilities, and the establishment of community centres.

When the scheme was first introduced, assistance was confined to bodies in areas 'declared' by the Australian Government to be of high unemployment. In February 1975 eligibility for assistance under the scheme was extended to 'non-declared' areas but subject to limits in total commitments for assistance at any one time of \$350,000 for expenditure in each metropolitan local government authority area and \$100,000 in each rural local government authority area. (No such limits apply in 'declared' areas.)

It is estimated that during the period October 1974 (when the scheme commenced) to end June 1975 more than 52,000 separate jobs of varying duration were created as a result of projects assisted under the scheme.

In 1974-75 payments to local government authorities in the States under the scheme amounted to \$43.6 million out of total expenditures during the year of \$60.4 million. In 1975-76 it is estimated that payments to local government authorities in the States will total \$97.4 million out of total expenditures of \$135.0 million. Details are set out in the following table: —

TABLE 92—PAYMENTS UNDER THE REGIONAL EMPLOYMENT DEVELOPMENT SCHEME
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1974-75—							
Payments to State Government Departments and Semi-Government Authorities . . .	..	4,292	1,916	1,113	608	534	8,463
Payments to Local Government Authorities . . .	21,278	4,435	7,523	3,596	4,895	1,841	(b)43,567
Payments to Other Bodies(a) . . .	6,434	279	543	138	315	646	8,354
Total . . .	27,712	9,006	9,982	4,846	5,817	3,020	(b)60,384
1975-76 (estimate)—							
Payment to State Government Departments and Semi-Government Authorities . . .	..	9,600	4,300	2,500	1,300	1,200	18,900
Payments to Local Government Authorities . . .	47,600	9,900	16,900	8,000	10,900	4,100	97,400
Payments to Other Bodies(a) . . .	14,400	600	1,200	300	700	1,500	18,700
Total . . .	62,000	20,100	22,400	10,800	12,900	6,800	135,000

(a) That is, non-government bodies.

(b) Excludes \$13,000 paid to local government authorities in the Northern Territory.

Summary of Australian Government Payments Direct to Local Government Authorities

The following table shows a State by State dissection of total Australian Government payments made direct to local government authorities from 1965-66 to 1974-75 together with estimates for 1975-76. *The amounts shown in this and the following table need to be interpreted very carefully in the light of comments provided in the foregoing text.*

TABLE 93—SUMMARY, BY STATE, OF AUSTRALIAN GOVERNMENT PAYMENTS DIRECT TO LOCAL GOVERNMENT AUTHORITIES 1965-66 TO 1975-76
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1965-66 . . .	685	104	355	4	18	22	1,188
1966-67 . . .	525	99	586	4	4	11	1,229
1967-68 . . .	359	84	1,086	5	7	17	1,558
1968-69 . . .	426	181	1,132	16	42	16	1,814
1969-70 . . .	571	241	358	10	325	12	1,515
1970-71 . . .	858	254	386	11	69	7	1,586
1971-72 . . .	1,024	275	470	36	92	10	1,907
1972-73 . . .	604	629	650	212	94	17	2,206
1973-74 . . .	2,173	770	1,405	578	825	140	5,891
1974-75 . . .	24,521	7,211	10,470	4,422	6,386	2,226	55,234
1975-76 (estimate)(a)	50,000	13,000	20,000	9,000	13,000	5,000	111,000

(a) For the basis of the total figure shown, see footnote (a) to Table 105. All figures shown are very rough estimates.

The following table shows a dissection, by program, of total Australian Government payments made direct to local government authorities from 1965-66 to 1974-75 together with estimates for 1975-76.

TABLE 94—SUMMARY, BY PROGRAM, OF AUSTRALIAN GOVERNMENT PAYMENTS DIRECT TO LOCAL GOVERNMENT AUTHORITIES
IN THE STATES, 1965-66 TO 1975-76
\$'000

	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)
Aged or Disabled Persons Homes . . . . .	..	..	27	32	323	276	806	746	690	2,608	3,300
Delivered Meals Subsidy . . . . .	..	..	..	..	49	123	112	189	415	522	680
Home Nursing	34	40	36	45	53	55	68	73	91	141	132
Nursing Homes . . . . .	..	..	..	..	..	..	..	..	..	..	80
Handicapped Persons Assistance . . . . .	..	..	..	..	..	..	..	18	5	4	52
Homeless Persons Assistance . . . . .	..	..	..	..	..	..	..	..	..	..	98
Child Care and Pre-schools . . . . .	..	..	..	..	..	..	..	..	445	2,465	(a)
Aboriginal Advancement . . . . .	..	..	..	..	..	..	..	9	3,299	4,674	4,427
Arts . . . . .	..	..	..	..	..	..	..	..	22	66	(a)
Aerodrome Local Ownership Plan	1,154	1,189	892	1,085	1,090	1,132	921	868	924	1,187	1,416
Water Supplies—Townsville . . . . .	..	..	603	652	..	..	..	(b)303	..	..	..
Regional Employment Development Scheme . . . . .	..	..	..	..	..	..	..	..	..	43,567	97,400
Total Direct Payments to Local Government Authorities	1,188	1,229	1,558	1,814	1,515	1,586	1,907	(b)2,206	5,891	55,234	a111,000

(a) See footnote (a) to Table 105.

(b) Interest capitalised in the first five years and treated as a further advance—See text for further details.

PAYMENTS TO STATES FOR ON-PASSING TO LOCAL GOVERNMENT AUTHORITIES

As noted above, the grants for local government authorities on the recommendation of the Grants Commission take the form of payments to the State Governments for on-passing to the local government authorities concerned. This, and the scheme of payments to the States for the purpose of assisting regional organisations of local government (*see below*), are the only Australian Government programs designed specifically and solely to provide financial assistance for local government. There are also other programs of payments to the States under which *portions* of the funds provided are passed on to local government authorities. These programs may be divided into two categories; first, those under which the amounts paid to local government authorities are determined by the States themselves and, secondly, those under which the amounts so passed on are decided either by the Australian Government or by agreement between that Government and the State Government concerned.

This chapter is *not* concerned with programs of the first kind, relevant examples of which are grants made under successive roads arrangements and grants for the relief of unemployment.

The number of programs in the second category, that is, those under which the allocation of the Australian Government's grants to local government authorities (and to other bodies) is based on the approval of that Government, increased considerably from 1973-74. This is consistent with the policy of the Australian Government that it should become more closely involved in the details of the programs which it is financing (*see on this the statement by the Prime Minister quoted at the beginning of Chapter IV of this document*).

Each of the programs concerned is summarised, in general terms, in Chapter IV. The purpose of this section is to outline the way in which local government is involved and to provide details of the amounts paid to the States for on-passing to local government authorities. As with the programs of direct payments, differences between the States in the amounts of payments in this category which have been made to local government authorities reflect, in part, differences in the extent to which the functions concerned are undertaken by local government authorities rather than by State Government Departments or agencies or private bodies. *It is emphasised that the payments referred to in this section are included in the totals of payments to the States shown in this document.*

Because of the lag, in some cases, between payment of the funds concerned to the States and their allocation by the States, the amounts of funds paid to the States for local government authorities under a particular program in any year is not necessarily precisely equal to the amounts paid to authorities in that year. The figures provided below generally relate to payments made to the States for local government authorities.

Regional Organisations Assistance Program

An amount of \$333,000 has been provided in the 1975-76 Budget for the program of payments to the States to provide financial assistance for regional organisations of local government. This compares with an amount of \$312,000 provided for

this purpose in 1974-75. The purpose of the program is to encourage local government authorities to manage regional problems through co-operation with one another; the assistance will be made available to meet basic administrative costs and other approved regional purposes. The following table shows the amounts provided to individual States in 1974-75; estimates for 1975-76 are not available:—

TABLE 95—GRANTS TO THE STATES FOR ON-PASSING AS ASSISTANCE FOR REGIONAL ORGANISATIONS OF LOCAL GOVERNMENT
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1974-75	100	76	..	66	46	24	312
1975-76	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	333

Home Care Services and Senior Citizens Centres

Grants for these purposes are provided under the *States Grants (Home Care) Act 1969-73*. Local government authorities are amongst the bodies eligible for assistance. Of the total grants of \$4.6 million paid to the States under this Act in 1974-75 \$3.9 million, or about 85 per cent, were for local government authorities. Assistance under the Act is not available to State Government Departments or agencies.

Grants that have been provided to each State Government for on-passing to local government authorities in respect of *home care services*, together with estimates for 1975-76, are shown in the following table:—

TABLE 96—HOME CARE SERVICES—GRANTS TO STATES FOR ON-PASSING TO LOCAL GOVERNMENT AUTHORITIES
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1971-72	..	137	..	..	..	..	137
1972-73	..	390	..	..	..	..	390
1973-74	..	370	..	..	..	..	370
1974-75	330	441	973	475	6	253	2,478
1975-76 (estimate)	600	843	550	560	30	150	2,733

The grants that have been paid to each State for on-passing to local government authorities in respect of *senior citizens centres*, and estimates for 1975-76, are shown in the following table:—

TABLE 97—SENIOR CITIZENS CENTRES—GRANTS TO STATES FOR ON-PASSING TO LOCAL GOVERNMENT AUTHORITIES
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT(a)							
1970-71	..	..	..	3	..	..	3
1971-72	2	..	1	8	..	..	11
1972-73	1	16	3	4	5	..	29
1973-74	4	35	18	..	15	..	72
1974-75	226	51	11	16	15	..	319
1975-76 (estimate)	70	72	19	24	15	..	200
CAPITAL							
1969-70	..	..	..	16	..	..	16
1970-71	34	..	1	32	..	..	67
1971-72	39	11	37	87	30	..	204
1972-73	102	223	3	132	67	28	555
1973-74	242	158	30	47	123	13	613
1974-75	349	146	113	363	28	154	1,153
1975-76 (estimate)	530	600	1,000	230	200	103	2,663
TOTAL							
1969-70	..	..	..	16	..	..	16
1970-71	34	..	1	35	..	..	70
1971-72	41	11	38	95	30	..	215
1972-73	103	239	6	136	72	28	584
1973-74	246	193	48	47	138	13	685
1974-75	575	197	124	379	43	154	1,472
1975-76 (estimate)	600	672	1,019	254	215	103	2,863

(a) Employment of welfare officers.

Child Care and Pre-School Services

The Australian Government initiated a program of grants to the States for this purpose in 1973-74; a scheme of direct grants to local government authorities and private non-profit bodies for child care had commenced in the previous year.

Developments in relation to the provision of Australian Government assistance for pre-schooling and child care since 1973 are set out in Chapter IV and are also referred to in this Chapter in the section on 'Australian Government Payments Made Direct to Local Government Authorities' (see above). Briefly, the position is that, in addition to direct grants to local government and private bodies, grants will continue to be made to the States. Some of the grants to the States are for on-passing to local government authorities but, at the time this document was prepared, it was not possible to provide useful estimates of the amounts which might be made available to local government authorities in this way in 1975-76.

The following table shows payments made for these purposes in 1973-74 and 1974-75:—

TABLE 98—PRE-SCHOOL AND CHILD CARE SERVICES—GRANTS TO STATES FOR ON-PASSING TO LOCAL GOVERNMENT AUTHORITIES
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1973-74	..	284	..	..	..	..	284
1974-75	547	2,758	41	..	166	..	3,512

Aboriginal Advancement

Grants to the States for Aboriginal advancement are for specific projects and programs approved by the Australian Government; some of these projects have been undertaken by local government authorities. The following table shows payments made since 1971-72. No payments are expected to be made in 1975-76.

TABLE 99—ABORIGINAL ADVANCEMENT—GRANTS TO STATES FOR ON-PASSING TO LOCAL GOVERNMENT AUTHORITIES
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1971-72	147	5	134	6	30	..	322
1972-73	890	37	1,155	140	691	..	2,913
1973-74	..	112	..	10	16	..	138
1974-75	..	..	..	..	152	..	152

National Estate

National Estate projects supported from funds provided to the States under the *Urban and Regional Development (Financial Assistance) Act 1974-75* include many projects that are undertaken by local government authorities. Assistance provided to the States in 1974-75 for projects undertaken by local government authorities totalled approximately \$925,000 out of total payments to the States of over \$7.0 million. As projects to be supported under this program in 1975-76 have not yet been settled, no estimate can be made of payments to local government authorities for that year.

Tourism Development

As noted in Chapter IV, local government authorities are eligible for grants under the development of tourist attractions program, which to date have been made through the State Governments. In 1974-75, \$397,400 was paid to State Governments for on-passing to local government authorities. In 1975-76 it is anticipated that such payments will amount to \$628,000.

TABLE 100—DEVELOPMENT OF TOURIST ATTRACTIONS—GRANTS TO STATES
FOR ON-PASSING TO LOCAL GOVERNMENT AUTHORITIES
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1973-74		50	..	..	..	..	50
1974-75	100	236	..	58	..	3	397
1975-76 (estimate)	100	278	20	120	86	24	628

Capital Assistance for Leisure Facilities

Payments to the States under this program (*see* Chapter IV) have included payments for on-passing to local government authorities in respect of community leisure facilities sponsored by those authorities. Of the total grants of \$5.6 million paid to the States in 1974-75, \$2.8 million was for on-passing to local government authorities. The following table provides details of such payments since 1973-74 together with tentative estimates for 1975-76:—

TABLE 101—CAPITAL ASSISTANCE FOR LEISURE FACILITIES—GRANTS TO STATES
FOR ON-PASSING TO LOCAL GOVERNMENT AUTHORITIES
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1973-74	..	11	..	..	112	125	247
1974-75	473	784	350	341	465	387	2,799
1975-76 (estimate)	1,287	1,250	300	450	580	300	4,167

Area Improvement Program

These programs commenced in 1973-74 with assistance for the western regions of Sydney and Melbourne and was expanded in 1974-75 to cover 13 regions. The assistance is used by State and local government authorities for a wide variety of purposes (*see* Chapter IV), as approved by the Minister for Urban and Regional Development. The total grants of \$13.8 million paid to the States in 1974-75 were on-passed to local government authorities.

The following table shows grants for local government authorities in 1973-74 and 1974-75 together with estimates for 1975-76. Most of the grants in 1973-74 and 1974-75 were for capital purposes and this is expected again to be the case in 1975-76.

TABLE 102—AREA IMPROVEMENT PROGRAMS—GRANTS TO STATES FOR
ON-PASSING TO LOCAL GOVERNMENT AUTHORITIES
\$'000

	New South Wales	Victoria	Queens- land	South Australia	Western Australia	Tasmania	Total
1973-74	4,420	2,065	..	..	..	..	6,485
1974-75	5,500	4,608	2,500	427	741	..	13,776
1975-76 (estimate)	7,250	5,363	3,250	823	1,009	..	17,695

Growth Centres

In 1973-74 payments of \$200,000 were made to both New South Wales and Victoria for on-passing to local government authorities in the Albury-Wodonga area. The payments were in respect of expenditure during 1973-74 on the construction and up-grading of certain specific facilities such as roads, bridges, drainage, water supply, sewerage and parks and reserves. The financial assistance was provided two-thirds by way of loans and one-third by way of grants.

Payments on similar terms and for similar purposes were made to the two States for on-passing to the local government authorities in the Albury-Wodonga area in respect of expenditure during 1974-75. The payments in 1974-75 amounted to \$923,000 to New South Wales and \$1,153,000 to Victoria. Further payments will be made in 1975-76, but estimates are not available at this stage.

Payments of \$593,000 were also made in 1974-75 to New South Wales for on-passing to the local government authorities in the Bathurst-Orange area. The financial assistance was in respect of expenditure during 1974-75 and was provided two-thirds by way of loans and one-third by way of grants. The purposes of the financial assistance were similar to those indicated above for Albury-Wodonga. Further payments will be made in 1975-76, but estimates are again not available at this stage.

Community Facilities—Townsville

To assist the integration into the community of West Townsville of servicemen stationed with their families in this area, the Australian Government agreed, in July 1972, to provide a loan towards the cost of developing community facilities in the area. The loan is being paid as advances carrying an interest rate equivalent to the long-term bond rate at the time of payment of each advance and repayable over thirty years. Interest accruing from the date of the first advance on 28 June 1973 until 15 December 1975 is being capitalised and treated as a further advance. The loan is being made to the Queensland Government for on-lending

to the Townsville City Council. By 30 June 1975, \$428,000 had been advanced to the Queensland Government, and in accordance with the loan agreement, further advances may be approved by the Treasurer in respect of escalation costs incurred in providing the facilities. Repayments of principal and interest will commence during 1975-76.

PAYMENTS UNDER THE AUSTRALIAN ASSISTANCE PLAN

Under the Australian Assistance Plan, introduced on a pilot basis in 1973-74, Regional Councils for Social Development are being established in all States. Geographically, they cover several local government authorities. The composition of the Regional Councils varies, but they can include representatives of Australian, State and local Governments, voluntary bodies engaged in social welfare activities and employer and trade union organisations.

An ongoing evaluation has been an important aspect of the experimental program. Following completion of this evaluation, the Social Welfare Commission will be making recommendations to the Government which will form the basis for drafting of legislation.

Grants are being made for four purposes:

- (i) to encourage bodies to work towards the establishment of a Regional Council in their area;
- (ii) to meet the staffing and other general administrative expenses of the Councils;
- (iii) for the Councils to meet the costs of welfare projects, as approved by the Australian Government on the recommendation of the Councils. These grants are limited to a total of \$2 per head of population residing in the area covered by the Council concerned; and
- (iv) to meet costs associated with the employment of community development officers by the Regional Councils.

Grants for the third and fourth purposes may be made to local government authorities, although in all cases such grants are made by the Regional Councils out of funds they have received from the Australian Government. Payments to Regional Councils which have subsequently been passed on to local government authorities in 1973-74 and 1974-75, and estimates of such payments for 1975-76, are shown in the following table:—

TABLE 103—PAYMENTS TO LOCAL GOVERNMENT AUTHORITIES UNDER THE AUSTRALIAN ASSISTANCE PLAN
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1973-74 . . .	..	60	..	..	..	..	60
1974-75 . . .	89	103	4	..	..	12	208
1975-76 (estimate) .	80	120	5	..	..	15	220
CAPITAL							
1973-74 . . .	..	4	..	..	..	..	4
1974-75 . . .	..	33	..	..	..	..	33
1975-76 (estimate) .	..	20	..	..	..	..	20
TOTAL							
1973-74 . . .	..	64	..	..	..	..	64
1974-75 . . .	89	136	4	..	..	12	241
1975-76 (estimate) .	80	140	5	..	..	15	240

PAYMENTS TO LOCAL GOVERNMENT AUTHORITIES IN THE NORTHERN TERRITORY

Two local government authorities have been established under the Northern Territory Local Government Ordinance—the Corporation of the City of Darwin in 1957 and the Corporation of the Municipality of Alice Springs in 1971. The relationship between the Australian Government and these authorities corresponds with that between the State Governments and their local government authorities and Australian Government assistance to these two authorities can be regarded as the equivalent of assistance received by other local government authorities from the State Governments. This assistance is, therefore, of quite a different character from other forms of assistance referred to earlier in this Chapter.

Initial establishment grants were provided to both Corporations. Continuing operational subsidies are provided to the Corporations to meet the difference between income from ratepayers and the cost of providing municipal services at what are regarded as reasonable standards. These subsidies are subject to quinquennial review.

Capital assistance is also provided to the Corporations and takes the form of matched and unmatched grants for capital works generally.

Additional financial assistance was given to the Corporation of the City of Darwin in 1974-75 to meet the cost of emergency services provided by the Corporation following cyclone Tracy. The two authorities have also received assistance under various specific programs (e.g. for Aboriginal Advancement). These forms of assistance are not included in the tables which follow.

Payments made since 1965-66, and estimated payments in 1975-76, are shown in the following table:—

TABLE 104—PAYMENTS TO LOCAL GOVERNMENT AUTHORITIES IN
THE NORTHERN TERRITORY
\$'000

	Operating Subsidies	Capital Grants	Total
1965-66	n.a.	n.a.	722
1966-67	n.a.	n.a.	795
1967-68	310	526	836
1968-69	302	687	989
1969-70	302	437	739
1970-71	302	286	588
1971-72	662	273	935
1972-73	503	844	1,347
1973-74	491	1,127	1,618
1974-75	547	439	986
1975-76 (estimate)	700	1,685	2,385

SUMMARY OF VARIOUS FORMS OF AUSTRALIAN GOVERNMENT PAYMENTS TO OR FOR LOCAL GOVERNMENT AUTHORITIES

The following table shows totals for the various forms of Australian Government payments made to or for local government authorities in 1973-74 and 1974-75 together with estimates for 1975-76. *The amounts shown in this table need to be interpreted very carefully, in the light of the comments provided in the foregoing text. It is emphasised, in particular, that the amounts shown do not include Australian Government payments to the States passed on to local government authorities where the amounts involved are not subject to the approval of the Australian Government.*

TABLE 105—SUMMARY OF AUSTRALIAN GOVERNMENT PAYMENTS TO OR FOR LOCAL GOVERNMENT AUTHORITIES, 1973-74, 1974-75 AND 1975-76
\$'000

Program	1973-74	1974-75	1975-76(a) (Estimate)
Direct Payments(b)—			
Aged or Disabled Persons Homes	690	2,608	3,300
Delivered Meals Subsidy	415	522	680
Home Nursing	91	141	132
Nursing Homes . . . . .	..	..	80
Handicapped Persons Assistance	5	4	52
Homeless Persons Assistance . . . . .	..	..	98
Child Care and Pre-schools	445	2,465	(a)
Aboriginal Advancement	3,299	4,674	4,427
Arts	22	66	(a)
Aerodrome Local Ownership Plan	924	1,187	1,416
Regional Employment Development Scheme . . . . .	..	(b)43,567	97,400
	5,891	(b)55,234	(a)111,000
Payments through States—			
Home Care Services	370	2,478	2,733
Senior Citizens Centres	685	1,472	2,863
Child Care and Pre-school	284	3,512	(a)
Aboriginal Advancement	138	152	..
National Estate . . . . .	..	925	(a)
Development of Tourist Attractions	50	397	628
Capital Assistance for Leisure Facilities	247	2,799	4,167
Grants Commission . . . . .	..	56,345	79,908
Regional Organizations Assistance Program . . . . .	..	312	333
Area Improvement Program	6,485	13,776	17,695
Growth Centres	400	2,669	(a)
Community Facilities Townsville	301	67	..
	8,960	84,904	(a)116,000
Australian Assistance Plan	64	241	240
Northern Territory(c)	1,618	986	2,385
Total	16,533	(b)141,365	(a)230,000

(a) In respect of the individual items indicated, the Departments/agencies concerned have not been able to make estimates for 1975-76. The aggregate figures shown represent rough Australian Treasury estimates.

(b) Does not include payments to local government authorities in the Northern Territory.

(c) Payments set out in the previous table only. Does not include payments under various specific programs (e.g. R.E.D.S. or Aboriginal advancement).

APPENDIX I—SUMMARY TABLES

TABLE NO.

SUBJECT

- 106 Payments to or for the States and State Government Loan Council Borrowing Programs, 1974-75.
- 107 Payments to or for the States and State Government Loan Council Borrowing Programs, Estimates 1975-76.
- 108 Summary of Payments to or for the States and State Government Loan Council Programs, 1956-57 to 1975-76.
- 109 Summary of Payments to or for the States and State Government Loan Council Programs per Head of Population, 1956-57 to 1975-76.
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- 112 Total Payments to or for the States and State Government Loan Council Programs—Dissection between Grants and Loans—1956-57 to 1975-76.
- 113 Functional Classification of Payments to or for the States and State Government Loan Council Programs, 1963-64 to 1975-76.
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TABLE 106—AUSTRALIAN GOVERNMENT PAYMENTS TO THE STATES AND LOAN COUNCIL BORROWINGS—1974-75

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
GENERAL REVENUE ASSISTANCE							
Financial Assistance Grants ..	737,522	548,405	414,446	261,737	279,830	131,871	2,373,811
Special Grants ..	..	..	24,750	39,934	..	..	64,684
Special Revenue Assistance ..	18,641	13,861	10,475	16,616	7,073	8,333	75,000
Total General Revenue Assistance ..	756,163	562,266	449,671	318,287	286,903	140,204	2,513,495
GENERAL PURPOSE CAPITAL FUNDS(a)							
State Government Loan Council Borrowing Programs ..	226,996	184,809	107,455	99,261	68,068	54,952	741,541
Capital Grants ..	107,313	87,370	46,112	46,927	32,179	25,977	345,878
Total ..	334,309	272,179	153,567	146,188	100,247	80,929	1,087,419
SPECIFIC PURPOSE PAYMENTS OF A REVENUE NATURE							
Payments under Financial Agreement—							
Interest on State Debt ..	5,835	4,254	2,192	1,525	947	534	15,287
Sinking Fund on State Debt ..	10,079	7,525	4,012	4,072	2,976	2,141	30,805
Debt Charges Assistance ..	18,999	13,914	7,627	7,478	5,528	3,975	57,520
State Emergency Services ..	188	..	114	..	..	23	325
Universities ..	149,997	99,798	49,876	38,067	27,978	12,274	377,990
Colleges of Advanced Education ..	62,122	86,119	27,230	24,531	32,359	6,888	239,249
Technical and Further Education ..	10,333	6,794	2,262	2,639	2,168	426	24,622
Schools ..	84,719	72,113	35,604	19,017	17,184	5,912	234,549
Pre-schools and Child Care ..	5,417	6,660	1,734	3,233	2,316	1,017	20,377
Child Migrant Education ..	3,890	4,482	255	810	229	179	9,845
Educational Research ..	145	187	219	60	28	19	658
Community Health ..	9,371	2,883	1,891	820	697	528	16,190
Tuberculosis Control ..	3,923	4,128	2,979	1,114	992	434	13,570
School Dental Scheme ..	979	916	629	1,700	758	1,239	6,221
Health Education ..	284	174	118	88	106	64	834
Home Dialysis Scheme ..	75	140	30	30	30	5	310
Blood Transfusion Services ..	590	642	416	365	358	57	2,428
Control of Arboencephalitis ..	16	120	..	15	..	..	151
Health Planning Agencies ..	116	52	53	87	127	..	435
Home Care Services ..	611	441	1,245	563	116	124	3,100
Senior Citizens Centres ..	226	51	11	16	15	..	319
Paramedical Services ..	..	242	..	112	..	8	362
Assistance for Deserted Wives ..	1,879	1,256	1,179	1,045	1,152	421	6,932
Employment Grants ..	15,100	11,200	5,600	3,600	3,400	1,103	40,003
Regional Employment Development Scheme ..	..	4,292	1,916	1,113	608	534	8,463
Social Policy Planning Units ..	20	20	20	59	40	31	190
Aboriginal Advancement ..	2,316	494	1,701	1,501	7,096	34	13,142
Housing ..	2,292	1,679	766	1,093	771	388	6,989
Area Improvement ..	389	268	159	44	272	..	1,132
Sewerage ..	113	243	60	256	155	24	851
Local Government (Grants Commission) ..	21,359	14,630	8,954	4,774	4,959	1,669	56,345
Regional Organisations Assistance ..	100	76	..	66	46	24	312
Leisure and Recreation ..	9	29	6	8	10	7	70
Perth Underground Railway Study ..	..	..	..	..	89	..	89
Tasman Bridge Disaster ..	..	..	..	..	..	456	456
Bovine Brucellosis and T.B. Eradication ..	2,012	2,064	1,661	350	498	238	6,823
Agricultural Extension Services ..	2,145	1,877	1,583	856	843	419	7,723
Minor Agricultural Research ..	82	22	14	16	..	..	134
Apples Export Assistance ..	..	..	8	..	516	1,590	2,114
Locust Control ..	..	44	349	4	..	..	396
Trawl and Danish Seine Fishery ..	35	..	..	..	..	..	35
Coal Mining Industry—Long Service Leave ..	2,478	..	429	..	161	5	3,073
Apprenticeship Training ..	161	227	212	93	65	41	799
Burdekin River Regional Study ..	..	..	34	..	..	..	34
Pilbara Feasibility Study ..	..	..	..	..	31	..	31
Legal Aid ..	404	100	160	273	164	71	1,173
Road Safety Practices ..	37	30	28	19	25	11	150
Research Grants ..	2,584	1,821	853	1,369	470	227	7,324
Natural Disaster Relief ..	612	284	84	..	..	..	980
Total Specific Purpose Revenue Payments ..	422,042	352,291	164,273	122,881	116,283	43,140	1,220,910

TABLE 106—AUSTRALIAN GOVERNMENT PAYMENTS TO THE STATES AND LOAN COUNCIL BORROWINGS—1974-75—continued

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
SPECIFIC PURPOSE PAYMENTS OF A CAPITAL NATURE							
Housing for Servicemen ..	16,350	4,193	5,200	130	784	149	26,805
Universities ..	22,526	17,330	9,821	7,320	7,714	1,279	65,990
Colleges of Advanced Education ..	41,197	32,452	13,438	12,579	7,281	2,969	109,916
Technical and Further Education ..	5,859	6,585	4,073	2,800	587	471	20,375
Schools ..	71,707	58,653	27,969	19,159	15,789	6,091	199,368
Pre-Schools and Child Care ..	4,819	2,637	3,806	2,773	1,911	1,177	17,123
Child Migrant Education ..	475	709	106	92	89	6	1,477
Hospitals ..	8,830	7,330	5,084	3,236	4,326	1,500	30,306
Nursing Homes ..	108	112	148				368
Community Health ..	4,916	2,093	1,282	1,597	3,306	498	13,692
Tuberculosis Control ..	34	10	56	31			131
School Dental Scheme ..	3,214	3,181	2,352	2,247	1,309	69	12,372
Disposal of Ships Garbage ..	349	15	18		52		85
Senior Citizens Centres ..		150	153	363	28	154	1,197
Dwellings for Pensioners ..	3,000	1,343	1,314	193	198		6,048
Aboriginal Advancement ..	5,474	1,636	8,661	4,058	3,874	204	23,907
Housing ..	123,411	98,159	43,810	56,360	37,440	26,220	385,400
Growth Centres ..	30,208	24,819		5,820		400	61,247
Area Improvement ..	5,111	4,340	2,341	383	469		12,644
Land Acquisition ..	820	9,003		19,553	11,719		41,095
Sewerage ..	42,000	38,587	12,854	5,750	15,450	2,221	116,862
Community Facilities—Townsville ..			67				67
National Estate ..	1,612	1,471	791	981	1,156	1,032	7,043
Leisure and Cultural Facilities ..	1,217	810	766	620	1,728	439	5,580
Roads ..	115,792	75,951	75,372	31,888	50,449	18,585	368,037
Beef Cattle Roads ..			279				279
Railway Projects ..				909	151		1,060
Urban Public Transport ..	14,863	18,867	2,126	6,215	2,829	359	45,259
Railways—Intersystem Advances ..	597			211	510		1,318
King Island Shipping Service ..						1,309	1,309
Newcastle Dry Dock ..	2,018						2,018
Tasman Bridge Disaster ..			2,000			5,544	5,544
Julius Dam ..				4,400			4,400
Urban Water Supply ..			32,449				32,449
Gladstone Power Station ..	2,100	889	2,340	341	685	769	7,124
Softwood Forestry ..	1,000	5,543	1,008	500	635	250	8,936
Dairy Adjustment Program ..		71	119	105	32	750	1,077
Fruit Growing Industry ..	12,000	6,634	3,716	2,000	3,631	800	28,781
Rural Reconstruction ..	132						132
Copeton Dam ..		20					20
King River Dam ..			2,000				2,000
Bundaberg Irrigation Works ..			315				315
Fairbairn Dam ..					348		348
Ord River Project ..	-198						-198
Blowering Reservoir ..	439		439				879
Glenlyon Dam ..			455				455
Lower Dawson Weirs ..		129		25			154
Soil Conservation ..	2,500	2,500		2,500			7,500
Dartmouth Dam ..			1,799				1,799
Eton (Mackay) Irrigation Scheme ..			100				100
Clare Weir ..	1,467	850	878	413	1,667	135	5,410
Water Resources Investigations ..		11					11
Salinity Reduction ..				835			835
Lock-Kimba Pipeline ..				12			12
Taillem Bend Pipeline ..		600					600
Millewa Pipeline ..	2,317		120				2,437
Flood Mitigation ..			651				651
Brigalow Land Development Scheme ..	228	236	188	172	46	210	1,081
Tourism Development ..			163	17			180
Migrant Centres ..			26,750	114			52,219
Natural Disaster Relief ..	15,832	9,523					
Total Specific Purpose Capital Payments ..	564,324	437,442	297,377	196,702	176,193	73,590	1,745,629
TOTAL AUSTRALIAN GOVERNMENT PAYMENTS (b)							
	1,849,842	1,439,369	957,433	684,797	611,558	282,911	5,825,912
TOTAL AUSTRALIAN GOVERNMENT PAYMENTS AND LOAN COUNCIL BORROWING PROGRAMS							
General Purpose ..	1,090,472	834,445	603,238	464,475	387,150	221,133	3,600,914
Specific Purpose ..	986,366	789,733	461,650	319,583	292,476	116,730	2,966,539
Total ..	2,076,838	1,624,178	1,064,888	784,058	679,626	337,863	6,567,453

- (a) See Chapter III, under heading "Treatment of Loan Council Programs in this and other Budget Documents".
 (b) Comprises all the amounts shown above, with the exception of the Loan Council Borrowing Programs. Includes capital grants.
 See reference in footnote (a).

**TABLE 107.—AUSTRALIAN GOVERNMENT PAYMENTS TO THE STATES AND
LOAN COUNCIL BORROWINGS—ESTIMATES 1975-76(a)**

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
GENERAL REVENUE ASSISTANCE							
Financial Assistance Grants ..	980,300	732,900	557,900	376,300	375,600	161,600	3,184,600
Special Grants	—	—	36,300	2,500	—	—	38,800
Total General Revenue Assist- ance	980,300	732,900	594,200	378,800	375,600	161,600	3,223,400
GENERAL PURPOSE CAPITAL FUNDS(b)							
State Government Loan Council— Borrowing Programs	274,114	217,744	114,919	112,950	80,197	60,743	860,667
Capital Grants	137,057	108,871	57,459	56,475	40,099	30,372	430,333
Total	411,171	326,615	172,378	169,425	120,296	91,115	1,291,000
SPECIFIC PURPOSE PAYMENTS OF A REVENUE NATURE							
Payments under Financial Agree- ment—							
Interest on State Debt	5,835	4,254	2,192	1,408	947	534	15,170
Sinking Fund on State Debt ..	9,900	7,500	3,900	4,000	2,800	2,100	30,200
State Emergency Services	405	196	235	15	74	66	992
Universities	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	406,000
Colleges of Advanced Education ..	63,907	99,058	31,444	26,724	34,435	6,687	262,255
Technical and Further Education ..	17,705	10,245	4,675	3,780	3,282	1,094	40,781
Schools	122,082	93,506	47,346	26,920	25,703	9,917	325,474
Education—Allowance for Cost Escalation	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	55,000*
Pre-schools and Child Care	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	34,000*
Child Migrant Education	2,618	3,688	178	633	236	146	7,499
Educational Research	240	240	170	50	55	20	775
Medibank—Public Hospital Run- ning Costs	245,000	200,000	90,000	68,000	78,000	26,000	707,000*
Community Health	21,625	7,638	4,731	2,742	1,884	1,585	40,205
Tuberculosis Control	2,339	3,065	2,231	581	706	303	9,225
School Dental Scheme	1,788	1,235	1,155	2,085	1,946	1,393	9,602
Health Education	217	151	130	67	84	51	700
Home Dialysis Scheme	570	570	570	228	228	114	2,280
Blood Transfusion Services	895	798	457	400	328	80	2,958
Health Planning Agencies	200	15	87	68	110	20	500
Home Care Services	668	866	612	616	33	205	3,000*
Senior Citizens Centres	70	72	19	24	15	7	200
Paramedical Services .. .. .	..	220	..	120	..	..	347
Assistance for Deserted Wives ..	2,196	1,467	1,377	1,222	1,346	492	8,100*
Employment Grants	11,700	8,200	5,000	2,400	2,000	700	30,000*
Regional Employment Development Scheme .. .. .	..	9,600	4,300	2,500	1,300	1,200	18,900*
Social Policy Planning Units	20	20	20	59	40	32	191
Aboriginal Advancement	3,588	1,136	6,881	2,237	7,497	71	21,411
Housing	2,292	1,679	1,010	1,093	771	388	7,233
Sewerage	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	2,187*
Local Government (Grants Com- mission)	29,257	20,242	13,808	6,785	7,524	2,292	79,908*
Regional Organisations Assistance Leisure and Recreation	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	333
Tasman Bridge Disaster	121	121	97	97	97	167	698
Bovine Brucellosis and T.B. Eradi- cation .. .. .	..	..	..	..	..	486	486*
Agricultural Extension Services ..	2,467	2,564	2,121	396	617	125	8,290*
Minor Agricultural Research	2,359	2,019	1,857	941	955	543	8,674*
Apple Export Assistance	86	61	13	21	..	..	181
Locust Control .. .. .	..	72	14	14	260	856	1,216*
Trawl and Danish Seine Fishery ..	379	..	21	..	..	..	400*
Assistance for A.P.P.M.	35	..	..	..	..	..	35*
Coal Mining Industry—Long Service Leave .. .. .	..	..	..	..	..	650	650*
Apprenticeship Training	2,768	..	480	..	170	6	3,424*
Road Safety Practices	1,241	1,046	449	333	434	113	3,616*
Research Grants	37	30	28	19	25	11	150*
Natural Disaster Relief	2,112	1,524	702	1,050	402	210	6,000*
.. .. .	100	..	1	..	..	..	101
Total Specific Purpose Revenue Payments	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	2,156,347

TABLE 107.—AUSTRALIAN GOVERNMENT PAYMENTS TO THE STATES AND
LOAN COUNCIL BORROWINGS—ESTIMATES 1975-76—*continued*

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
SPECIFIC PURPOSE PAYMENTS OF A CAPITAL NATURE							
Housing for Servicemen	18,005	6,350	13,321	1,260	959	105	40,000
Universities	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	42,200
Colleges of Advanced Education ..	21,648	36,710	8,920	6,103	9,908	5,750	89,039
Technical and Further Education ..	8,500	7,400	3,100	1,200	3,100	1,300	24,600
Schools	47,676	49,854	21,784	11,135	11,335	4,442	146,226
Education—Allowance for Cost							
Escalation	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	15,000
Pre-Schools and Child Care	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	21,537
Child Migrant Education	225	974	..	319	..	..	1,518
Hospitals	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	108,000
Nursing Homes	69	..	925	..	..	..	994
Community Health	4,202	6,310	4,148	1,293	3,166	225	19,344
Tuberculosis Control	4	2	68	..	..	2	76
School Dental Scheme	2,918	2,888	4,826	2,230	2,858	678	16,398
Blood Transfusion Services	20	90	29	5	12	5	161
Senior Citizens Centres	530	630	1,300	230	200	110	3,000
Dwellings for Pensioners	5,140	3,889	1,666	1,300	1,202	560	13,757
Rehabilitation Centre—Hobart ..	..	..	..	..	..	550	550
Aboriginal Advancement	4,666	1,011	4,190	3,188	6,110	215	19,379
Housing	123,411	98,159	31,010	56,360	33,440	22,220	364,600
Growth Centres	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	72,939
Area Improvement	7,250	5,363	3,250	823	1,009	..	17,695
Land Acquisition	13,898	17,055	..	19,699	8,286	500	59,438
Urban Flood Mitigation .. ..	..	200	2,650	..	..	..	2,850
Woolloomooloo Redevelopment ..	14,670	..	..	..	..	..	14,670
Captains Flat Project	1,500	..	..	..	..	..	1,500
Air Quality Monitoring	34	34	33	33	33	33	200
Sewerage	42,800	35,400	14,489	5,702	12,400	2,054	112,845
National Estate	834	834	833	833	833	833	5,000
Nature Conservation	n.a.	n.a.	..	n.a.	n.a.	n.a.	1,800
Leisure and Cultural Facilities ..	1,780	1,360	345	1,075	700	432	5,692
Roads	137,872	91,955	90,659	41,855	62,461	20,161	444,963
Second Hobart Bridge .. ..	..	..	..	..	..	900	900
Railway Projects .. ..	..	..	..	..	110	..	110
Urban Public Transport	7,658	12,196	11,673	7,891	1,137	2,442	42,997
Railways—Intersystem Advances ..	85	..	..	..	50	..	135
King Island Harbour Works .. ..	..	..	..	..	..	242	242
Newcastle Dry Dock	2,400	..	..	..	..	..	2,400
Tasman Bridge Disaster .. ..	..	..	1,350	..	..	12,514	12,514
Ross River Dam .. ..	..	..	..	9,800	..	..	1,350
Urban Water Supply .. ..	..	..	37,000	..	..	840	10,640
Gladstone Power Station	2,500	1,000	2,400	390	747	900	37,000
Softwood Forestry .. ..	..	..	1,700	..	..	..	1,700
Karumba Development .. ..	..	..	2,969	1,685	1,609	1,435	19,152
Dairy Adjustment Program	1,513	9,941	10,000	1,500	800	300	19,600
Beef Industry Assistance	5,000	2,000	25	100	25	400	750
Fruit Growing Industry	100	100	5,900	3,800	5,000	600	30,000
Rural Reconstruction	8,000	6,700	17	..	..	..	17
King River Dam .. ..	..	..	2,510	..	..	..	2,510
Bundaberg Irrigation Works .. ..	..	..	..	..	50	..	50
Ord River Project .. ..	..	531	860	85	210	35	1,721
Soil Conservation .. ..	..	..	..	4,000	..	..	12,000
Dartmouth Dam	4,000	4,000	2,800	..	..	..	2,800
Eton (Mackay) Irrigation Scheme ..	..	..	700	..	..	..	700
Clare Weir .. ..	..	891	932	468	1,981	147	5,918
Water Resources Investigation ..	1,498	53	..	..	..	..	53
Salinity Reduction .. ..	..	..	..	305	..	..	305
Lock-Kimba Pipeline .. ..	..	..	..	80	..	..	80
Taillem Bend Pipeline .. ..	..	..	120	..	..	..	2,100
Flood Mitigation	1,980	..	1,796	..	..	..	1,796
Brigalow Land Development Scheme ..	541	589	281	477	276	336	2,500
Tourism Development .. ..	..	300	2,499	100	..	-7	9,367
Natural Disaster Relief	6,475	..	..	..	..	..	..
Total Specific Purpose Capital Payments	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	1,895,315
TOTAL AUSTRALIAN GOVERNMENT PAYMENTS (c)							
	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	7,705,395
TOTAL AUSTRALIAN GOVERNMENT PAYMENTS AND LOAN COUNCIL BORROWING PROGRAMS							
General Purpose	1,391,471	1,059,515	766,578	548,225	495,896	252,715	4,514,400
Specific Purpose	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	4,051,662
Total	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	8,566,062

(a) Important qualifications attach to some of the figures shown in this table. See text.

(b) See Chapter III, under heading "Treatment of Loan Council Programs in This and Other Budget Documents".

(c) Comprises all amounts shown above, with the exception of the Loan Council Borrowing Programs. Includes capital grants. See reference in footnote (a).

n.a.—not available.

TABLE 108—SUMMARY OF PAYMENTS TO OR FOR THE STATES AND STATE
GOVERNMENT LOAN COUNCIL PROGRAMS, 1956-57 TO 1975-76

\$'000

				New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
GENERAL REVENUE ASSISTANCE										
1956-57	..	..	..	130,558	92,126	54,524	43,033	45,811	19,048	385,100
1957-58	..	..	..	141,471	100,811	59,389	46,362	50,231	20,736	419,000
1958-59	..	..	..	152,188	109,165	63,789	48,469	54,549	23,340	451,500
1959-60	..	..	..	166,900	121,250	72,750	58,202	57,924	28,626	505,652
1960-61	..	..	..	183,977	134,743	79,901	61,454	64,572	32,578	557,225
1961-62	..	..	..	198,498	146,029	87,460	66,451	72,483	35,821	606,742
1962-63	..	..	..	206,642	152,267	91,083	69,552	74,900	36,698	631,142
1963-64	..	..	..	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	..	..	..	307,917	233,091	141,948	104,465	111,670	57,857	956,946
1968-69	..	..	..	337,383	253,562	157,830	116,117	125,674	59,019	1,049,585
1969-70	..	..	..	378,683	293,643	178,704	127,396	140,380	70,414	1,189,219
1970-71	..	..	..	484,975	361,584	223,275	161,252	168,343	80,768	1,480,198
1971-72	..	..	..	498,017	362,085	249,209	171,420	176,974	79,473	1,537,178
1972-73	..	..	..	536,963	396,087	281,946	202,430	196,369	87,098	1,700,893
1973-74	..	..	..	593,433	443,624	332,472	227,582	225,243	101,101	1,923,455
1974-75	..	..	..	756,163	562,266	449,671	318,287	286,903	140,204	2,513,495
1975-76 (estimate)	..	..	..	980,300	732,900	594,200	378,800	375,600	161,600	3,223,400
ADDITIONAL ASSISTANCE GRANTS										
1957-58	..	..	..	3,978	2,122	2,250	736	630	283	10,000
1961-62	..	..	..	4,480	3,600	6,680	1,940	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
GENERAL PURPOSE CAPITAL FUNDS(a)										
1956-57	..	..	..	99,900	79,600	38,500	45,100	33,800	22,800	319,700
1957-58	..	..	..	105,900	84,840	40,000	47,060	31,680	24,200	333,680
1958-59	..	..	..	110,180	88,400	42,500	48,600	33,520	25,180	348,380
1959-60	..	..	..	116,280	92,810	45,500	50,770	35,400	27,080	367,840
1960-61	..	..	..	121,388	97,610	49,000	51,934	37,280	28,388	385,600
1961-62	..	..	..	124,596	100,150	51,000	50,296	39,162	28,996	394,200
1962-63	..	..	..	130,808	105,360	53,400	51,458	41,044	30,708	412,778
1963-64	..	..	..	140,020	112,270	60,200	55,184	44,006	32,020	443,700
1964-65	..	..	..	149,470	120,954	66,752	59,020	46,968	34,136	477,300
1965-66	..	..	..	152,150	123,206	68,016	61,892	47,902	34,834	488,000
1966-67	..	..	..	163,640	132,520	72,510	67,680	51,070	37,580	525,000
1967-68	..	..	..	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	..	..	..	212,510	172,690	93,200	87,420	67,080	48,550	681,450
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
1973-74	..	..	..	269,629	220,527	115,223	117,212	80,393	64,016	867,000
1974-75	..	..	..	334,309	272,179	153,567	146,188	100,247	80,929	1,087,419
1975-76	..	..	..	411,171	326,615	172,378	169,425	120,296	91,115	1,291,000
TOTAL GENERAL PURPOSE FUNDS										
1956-57	..	..	..	230,458	171,726	93,024	88,133	79,611	41,848	704,800
1957-58	..	..	..	251,349	187,773	101,639	94,158	82,541	45,219	762,680
1958-59	..	..	..	262,368	197,565	106,289	97,069	88,069	48,520	799,880
1959-60	..	..	..	283,180	214,060	118,250	108,972	93,324	55,706	873,492
1960-61	..	..	..	305,365	232,353	128,901	113,388	101,852	60,966	942,825
1961-62	..	..	..	327,574	249,779	145,140	118,687	112,965	66,797	1,020,942
1962-63	..	..	..	346,742	265,081	152,963	125,016	118,672	70,446	1,078,920
1963-64	..	..	..	368,548	282,032	159,821	133,437	125,511	73,218	1,142,567
1964-65	..	..	..	380,007	292,704	167,863	137,175	134,586	78,033	1,190,369
1965-66	..	..	..	407,151	315,128	181,372	148,359	150,414	84,697	1,287,121
1966-67	..	..	..	448,434	341,310	200,774	162,026	156,872	93,019	1,402,435
1967-68	..	..	..	480,157	372,791	218,508	176,285	164,900	98,467	1,511,106
1968-69	..	..	..	519,453	400,182	238,370	193,957	180,484	101,139	1,633,585
1969-70	..	..	..	573,273	451,513	264,684	210,066	199,670	115,784	1,814,989
1970-71	..	..	..	697,485	534,274	316,475	248,672	235,423	129,318	2,161,648
1971-72	..	..	..	781,727	589,645	362,009	293,710	260,284	141,803	2,429,178
1972-73	..	..	..	849,299	646,607	406,127	337,058	288,085	155,717	2,682,893
1973-74	..	..	..	863,062	664,151	447,695	344,794	305,636	165,117	2,790,455
1974-75	..	..	..	1,090,472	834,445	603,238	464,475	387,150	221,133	3,600,914
1975-76 (estimate)	..	..	..	1,391,471	1,059,515	766,578	548,225	495,896	252,715	4,514,400

TABLE 108—SUMMARY OF PAYMENTS TO OR FOR THE STATES AND STATE
GOVERNMENT LOAN COUNCIL PROGRAMS, 1956-57 TO 1975-76—continued

\$'000

			New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
SPECIFIC PURPOSE PAYMENTS—CURRENT									
1956-57	..	..	16,470	10,064	6,554	4,097	3,385	1,762	42,334
1957-58	..	..	17,175	10,375	6,190	4,383	3,554	1,874	43,552
1958-59	..	..	18,623	11,016	6,921	4,857	4,060	2,003	47,480
1959-60	..	..	18,763	11,626	6,320	5,775	4,259	2,118	49,061
1960-61	..	..	20,533	12,660	7,862	5,663	4,781	2,306	53,806
1961-62	..	..	22,803	13,459	8,254	6,018	4,507	2,472	57,514
1962-63	..	..	24,122	14,767	8,766	6,388	4,759	2,556	61,356
1963-64	..	..	25,729	16,200	9,567	6,749	5,053	2,720	66,016
1964-65	..	..	28,549	18,563	10,605	7,717	5,622	3,085	74,142
1965-66	..	..	39,065	20,477	15,511	8,254	5,909	3,255	92,471
1966-67	..	..	40,308	24,087	15,798	9,251	6,567	4,880	100,891
1967-68	..	..	40,395	33,248	16,787	11,162	7,926	4,135	113,653
1968-69	..	..	42,737	36,035	16,685	12,017	8,551	4,465	120,494
1969-70	..	..	48,080	38,603	28,059	13,462	11,617	5,104	144,925
1970-71	..	..	65,980	51,378	33,476	17,618	15,193	7,419	191,061
1971-72	..	..	87,830	69,280	36,417	23,615	21,408	10,554	249,106
1972-73	..	..	136,001	106,211	57,270	38,125	35,084	17,303	389,998
1973-74	..	..	203,341	177,755	84,863	63,903	57,866	22,211	609,936
1974-75	..	..	422,042	352,291	164,273	122,881	116,283	43,140	1,220,910
1975-76 (estimate)	..	..	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	2,156,347
SPECIFIC PURPOSE PAYMENTS—CAPITAL									
1956-57	..	..	45,301	36,563	19,210	16,276	20,377	7,274	145,000
1957-58	..	..	47,265	40,028	21,724	18,609	22,231	7,753	157,609
1958-59	..	..	50,153	42,923	23,980	20,519	23,672	9,298	170,545
1959-60	..	..	57,137	49,871	24,817	21,057	24,802	9,206	186,890
1960-61	..	..	56,430	52,521	26,197	22,657	26,644	9,746	194,195
1961-62	..	..	69,916	60,377	37,012	30,605	30,825	11,599	240,334
1962-63	..	..	70,895	56,366	44,920	35,174	36,306	11,045	254,706
1963-64	..	..	72,956	55,525	50,643	37,224	41,066	12,524	269,938
1964-65	..	..	93,119	69,960	46,665	43,925	48,492	15,274	317,435
1965-66	..	..	116,153	70,451	51,646	47,652	59,658	17,711	363,270
1966-67	..	..	115,576	75,792	57,596	49,042	62,447	19,675	380,128
1967-68	..	..	126,317	88,178	81,613	52,529	69,886	30,346	448,868
1968-69	..	..	125,935	91,351	63,533	65,660	68,723	24,182	439,386
1969-70	..	..	142,830	98,956	76,990	65,006	71,776	29,489	486,046
1970-71	..	..	163,706	116,936	89,106	67,519	74,212	25,781	537,260
1971-72	..	..	133,837	88,127	102,177	44,173	68,096	22,455	458,862
1972-73	..	..	160,793	112,046	113,744	53,109	78,613	23,237	541,540
1973-74	..	..	300,342	208,964	185,206	118,399	109,087	38,209	960,205
1974-75	..	..	564,324	437,442	297,377	196,702	176,193	73,590	1,745,629
1975-76 (estimate)	..	..	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	1,895,315
TOTAL SPECIFIC PURPOSE PAYMENTS									
1956-57	..	..	61,771	46,627	25,764	20,373	23,762	9,036	187,334
1957-58	..	..	64,440	50,403	27,914	22,992	25,785	9,627	201,161
1958-59	..	..	68,776	53,939	30,901	25,376	27,732	11,301	218,025
1959-60	..	..	75,900	61,497	31,337	26,832	29,061	11,324	235,951
1960-61	..	..	76,963	65,181	34,059	28,320	31,425	12,052	248,001
1961-62	..	..	92,719	73,836	45,266	36,623	35,332	14,071	297,848
1962-63	..	..	95,017	71,133	53,686	41,562	41,065	13,601	316,062
1963-64	..	..	98,685	71,725	60,210	43,973	46,119	15,244	335,954
1964-65	..	..	121,668	88,523	57,270	51,642	54,114	18,359	391,577
1965-66	..	..	155,218	90,928	67,157	55,906	65,567	20,966	455,741
1966-67	..	..	155,884	99,879	73,394	58,293	69,014	24,555	481,019
1967-68	..	..	166,712	121,426	98,400	63,691	77,812	34,481	562,521
1968-69	..	..	168,672	127,386	80,218	77,677	77,274	28,647	559,880
1969-70	..	..	190,910	137,559	105,049	79,468	83,393	34,593	630,971
1970-71	..	..	229,686	168,314	122,582	85,137	89,405	33,200	728,321
1971-72	..	..	221,667	157,407	138,594	67,788	89,504	33,009	707,968
1972-73	..	..	296,794	218,257	171,014	91,234	113,697	40,540	931,538
1973-74	..	..	503,683	386,719	270,069	182,302	166,953	60,420	1,570,141
1974-75	..	..	986,366	789,733	461,650	319,583	292,476	116,730	2,966,539
1975-76 (estimate)	..	..	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	4,051,662
TOTAL PAYMENTS(b)									
1956-57	..	..	192,329	138,753	80,288	63,406	69,573	28,084	572,434
1957-58	..	..	209,889	153,336	89,553	70,090	76,646	30,646	630,161
1958-59	..	..	220,964	163,104	94,690	73,845	82,281	34,641	669,525
1959-60	..	..	242,800	182,747	104,087	85,034	86,985	39,950	741,603
1960-61	..	..	260,940	199,924	113,960	89,774	95,997	44,630	805,226
1961-62	..	..	295,697	223,465	139,406	105,014	109,135	51,872	924,590
1962-63	..	..	310,951	230,854	153,249	115,120	118,693	53,339	982,204
1963-64	..	..	327,213	241,487	159,831	122,226	127,624	56,442	1,034,821
1964-65	..	..	352,205	260,273	158,381	129,797	141,732	62,256	1,104,646
1965-66	..	..	410,219	282,850	180,513	142,373	168,079	70,829	1,254,862
1966-67	..	..	440,678	308,669	201,658	152,639	174,816	79,994	1,358,454
1967-68	..	..	474,629	354,517	240,348	168,156	189,482	92,338	1,519,467
1968-69	..	..	506,055	380,948	238,048	193,794	202,948	87,666	1,609,465
1969-70	..	..	569,593	431,202	283,753	206,864	223,773	105,007	1,820,190
1970-71	..	..	778,271	580,918	371,147	273,809	276,428	127,948	2,408,519
1971-72	..	..	789,374	575,382	415,513	269,238	286,948	127,792	2,464,246
1972-73	..	..	912,808	677,749	484,389	327,738	332,779	145,005	2,880,970
1973-74	..	..	1,183,667	901,132	639,528	447,509	418,002	182,070	3,771,903
1974-75	..	..	1,849,842	1,439,369	957,433	684,797	611,558	282,911	5,825,912
1975-76 (estimate)	..	..	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	7,705,395

TABLE 108—SUMMARY OF PAYMENTS TO OR FOR THE STATES AND STATE
GOVERNMENT LOAN COUNCIL PROGRAMS, 1956-57 TO 1975-76—continued

\$'000

		New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
TOTAL PAYMENTS AND LOAN COUNCIL BORROWING PROGRAMS								
1956-57	.. .. .	292,229	218,353	118,788	108,506	103,373	50,884	892,134
1957-58	.. .. .	315,789	238,176	129,553	117,150	108,326	54,846	963,841
1958-59	.. .. .	331,144	251,504	137,190	122,445	115,801	59,821	1,017,905
1959-60	.. .. .	359,080	275,557	149,587	135,804	122,385	67,030	1,109,443
1960-61	.. .. .	382,328	297,534	162,960	141,708	133,277	73,018	1,190,826
1961-62	.. .. .	420,293	323,615	190,406	155,310	148,297	80,868	1,318,790
1962-63	.. .. .	441,759	336,214	206,649	166,578	159,737	84,047	1,394,982
1963-64	.. .. .	467,233	353,757	220,031	177,410	171,630	88,462	1,478,521
1964-65	.. .. .	501,675	381,227	225,133	188,817	188,700	96,392	1,581,946
1965-66	.. .. .	562,369	406,056	248,529	204,265	215,981	105,663	1,742,862
1966-67	.. .. .	604,318	441,189	274,168	220,319	225,886	117,574	1,883,454
1967-68	.. .. .	646,869	494,217	316,908	239,976	242,712	132,948	2,073,627
1968-69	.. .. .	688,125	527,568	318,588	271,634	257,758	129,786	2,193,465
1969-70	.. .. .	764,183	589,072	369,733	289,534	283,063	150,377	2,445,960
1970-71	.. .. .	927,171	702,588	439,057	333,809	324,828	162,518	2,889,969
1971-72	.. .. .	1,003,394	747,052	500,603	361,498	349,788	174,812	3,137,146
1972-73	.. .. .	1,146,093	864,864	577,141	428,292	401,782	196,257	3,614,431
1973-74	.. .. .	1,366,745	1,050,870	717,764	527,096	472,589	225,537	4,360,596
1974-75	.. .. .	2,076,838	1,624,178	1,064,888	784,058	679,626	337,863	6,567,433
1975-76 (estimate)	.. .. .	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	8,566,062

(a) See Chapter III, under heading "Treatment of Loan Council Programs in this and other budget documents".

(b) Comprises all the amounts shown above, with the exception of the borrowing program component of general purpose capital funds.
See reference in footnote (a).

**TABLE 109—SUMMARY OF PAYMENTS TO OR FOR THE STATES AND STATE
GOVERNMENT LOAN COUNCIL PROGRAMS, 1956-57 TO 1975-76**

\$ Per Head of Population

				New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
GENERAL REVENUE ASSISTANCE										
1956-57	..	..	..	36.38	35.09	39.11	49.96	67.28	58.66	40.64
1957-58	..	..	..	38.65	37.52	41.76	52.33	72.42	62.46	43.28
1958-59	..	..	..	40.81	39.70	43.98	53.36	77.28	68.93	45.69
1959-60	..	..	..	43.96	43.00	49.22	62.34	80.75	83.19	50.12
1960-61	..	..	..	47.47	46.57	53.14	64.21	88.48	93.05	54.05
1961-62	..	..	..	50.22	49.39	56.81	67.86	95.90	101.42	57.58
1962-63	..	..	..	51.39	50.56	58.26	69.66	96.35	102.45	58.82
1963-64	..	..	..	52.88	51.89	59.45	71.07	97.32	105.79	60.27
1964-65	..	..	..	55.65	54.76	62.15	74.28	107.22	119.81	64.00
1965-66	..	..	..	60.57	60.09	68.28	79.92	122.43	134.91	70.39
1966-67	..	..	..	66.75	64.25	76.02	85.53	122.53	148.51	76.01
1967-68	..	..	..	71.12	70.58	82.75	93.63	124.52	153.22	81.53
1968-69	..	..	..	76.63	75.54	90.32	102.63	134.27	154.22	87.78
1969-70	..	..	..	84.34	85.85	100.40	110.87	143.96	182.09	97.46
1970-71	..	..	..	106.08	103.86	123.20	138.05	166.10	207.26	119.02
1971-72	..	..	..	107.17	102.44	134.63	144.82	169.09	202.53	121.47
1972-73	..	..	..	114.35	110.67	148.66	169.31	184.52	220.56	132.61
1973-74	..	..	..	125.26	122.60	170.97	187.94	207.65	253.39	148.02
1974-75	..	..	..	158.03	153.33	225.90	258.27	257.82	346.78	190.53
1975-76 (estimate)	..	..	..	203.80	198.07	292.77	304.45	331.10	396.08	241.88
ADDITIONAL ASSISTANCE GRANTS										
1957-58	..	..	..	1.09	0.79	1.58	0.83	0.91	0.85	1.03
1961-62	..	..	..	1.13	1.22	4.34	1.98	1.75	5.61	1.90
1962-63	..	..	..	2.31	2.47	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
GENERAL PURPOSE CAPITAL FUNDS										
1956-57	..	..	..	27.83	30.32	27.62	52.36	49.64	70.22	33.74
1957-58	..	..	..	28.93	31.57	28.12	53.12	45.67	72.89	34.46
1958-59	..	..	..	29.55	32.15	29.30	53.50	47.49	74.37	35.25
1959-60	..	..	..	30.63	32.91	30.78	54.38	49.35	78.70	36.46
1960-61	..	..	..	31.32	33.74	32.59	54.26	51.08	81.09	37.40
1961-62	..	..	..	31.52	33.87	33.13	51.36	51.82	82.10	37.41
1962-63	..	..	..	32.53	34.98	34.16	51.54	52.80	85.73	38.47
1963-64	..	..	..	34.33	36.53	37.74	53.92	55.09	88.26	40.59
1964-65	..	..	..	36.08	38.57	41.03	56.10	57.47	93.17	42.84
1965-66	..	..	..	36.14	38.57	40.97	57.21	57.21	94.25	42.99
1966-67	..	..	..	38.35	40.78	42.97	61.35	59.14	100.67	45.48
1967-68	..	..	..	39.78	42.30	44.63	64.37	59.36	107.55	47.21
1968-69	..	..	..	41.36	43.68	46.09	68.80	58.56	110.06	48.84
1969-70	..	..	..	43.34	46.15	48.30	71.94	60.80	117.33	51.29
1970-71	..	..	..	46.48	49.60	51.43	74.84	66.19	124.58	54.79
1971-72	..	..	..	61.05	64.38	60.94	103.31	79.60	158.84	70.49
1972-73	..	..	..	66.51	70.00	65.48	112.60	86.18	173.76	76.56
1973-74	..	..	..	56.91	60.94	59.25	96.80	74.12	160.44	66.72
1974-75	..	..	..	69.87	74.22	77.15	118.62	90.09	200.17	82.43
1975-76	..	..	..	85.48	88.27	84.93	136.17	106.04	223.32	96.87
TOTAL GENERAL PURPOSE FUNDS										
1956-57	..	..	..	64.21	65.40	66.73	102.31	116.92	128.88	74.38
1957-58	..	..	..	68.66	69.88	71.46	106.27	119.00	136.20	78.77
1958-59	..	..	..	70.36	71.84	73.28	106.86	124.76	143.30	80.94
1959-60	..	..	..	74.59	75.92	80.00	116.72	130.10	161.89	86.58
1960-61	..	..	..	78.79	80.30	85.72	118.47	139.56	174.14	91.45
1961-62	..	..	..	82.88	84.48	94.27	121.21	149.46	189.12	96.89
1962-63	..	..	..	86.24	88.01	97.85	125.20	152.65	196.67	100.55
1963-64	..	..	..	90.35	91.77	100.20	130.39	157.12	201.81	104.51
1964-65	..	..	..	91.73	93.33	103.18	130.38	164.69	212.97	106.84
1965-66	..	..	..	96.72	98.66	109.25	137.13	179.64	229.16	113.38
1966-67	..	..	..	105.10	105.02	118.99	146.88	181.67	249.18	121.49
1967-68	..	..	..	110.90	112.88	127.38	158.00	183.88	260.77	128.74
1968-69	..	..	..	117.99	119.22	136.41	171.43	192.82	264.28	136.63
1969-70	..	..	..	127.68	132.00	148.70	182.81	204.77	299.42	148.75
1970-71	..	..	..	152.56	153.47	174.63	212.89	232.29	331.84	173.81
1971-72	..	..	..	168.23	166.82	195.57	248.13	248.69	361.37	191.95
1972-73	..	..	..	180.86	180.66	214.13	281.92	270.71	394.32	209.17
1973-74	..	..	..	182.18	183.55	230.22	284.74	281.77	413.83	214.73
1974-75	..	..	..	227.90	227.55	303.04	376.89	347.91	546.95	272.96
1975-76 (estimate)	..	..	..	289.28	286.33	377.70	440.62	437.14	619.40	338.75

TABLE 109—SUMMARY OF PAYMENTS TO OR FOR THE STATES AND STATE GOVERNMENT LOAN COUNCIL PROGRAMS, 1956-57 TO 1975-76—continued

\$ Per Head of Population

			New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
SPECIFIC PURPOSE PAYMENTS—CURRENT									
1956-57	..	..	4.59	3.83	4.70	4.76	4.97	5.43	4.47
1957-58	..	..	4.69	3.86	4.35	4.95	5.12	5.64	4.50
1958-59	..	..	4.99	4.01	4.77	5.35	5.75	5.92	4.80
1959-60	..	..	4.94	4.12	4.41	6.19	5.94	6.16	4.86
1960-61	..	..	5.30	4.38	5.23	5.92	6.55	6.59	5.22
1961-62	..	..	5.77	4.55	5.36	6.15	5.96	7.00	5.46
1962-63	..	..	6.00	4.90	5.61	6.40	6.12	7.14	5.72
1963-64	..	..	6.31	5.27	6.00	6.59	6.33	7.50	6.04
1964-65	..	..	6.89	5.92	6.52	7.33	6.88	8.42	6.65
1965-66	..	..	9.28	6.41	9.34	7.63	7.06	8.81	8.15
1966-67	..	..	9.45	7.41	9.36	8.39	7.61	13.07	8.74
1967-68	..	..	9.33	10.07	9.79	10.00	8.84	10.95	9.68
1968-69	..	..	9.71	10.73	9.55	10.62	9.14	11.67	10.08
1969-70	..	..	10.71	11.29	15.76	11.72	11.91	13.20	11.88
1970-71	..	..	14.43	14.76	18.47	15.08	14.99	19.04	15.36
1971-72	..	..	18.90	19.60	19.67	19.95	20.45	26.90	19.68
1972-73	..	..	28.96	29.68	30.20	31.89	32.97	43.82	30.41
1973-74	..	..	42.92	49.12	43.64	52.77	53.35	55.67	46.94
1974-75	..	..	88.20	96.07	82.52	99.71	104.50	106.70	92.55
1975-76 (estimate)	..	..	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	161.81
SPECIFIC PURPOSE PAYMENTS—CAPITAL									
1956-57	..	..	12.62	13.93	13.78	18.89	29.93	22.40	15.30
1957-58	..	..	12.91	14.90	15.27	21.00	32.05	23.35	16.28
1958-59	..	..	13.45	15.61	16.53	22.59	33.53	27.46	17.26
1959-60	..	..	15.05	17.69	16.79	22.55	34.58	26.75	18.52
1960-61	..	..	14.56	18.15	17.42	23.67	36.51	27.84	18.84
1961-62	..	..	17.69	20.42	24.04	31.26	40.78	32.84	22.81
1962-63	..	..	17.63	18.72	28.73	35.23	46.70	30.83	23.74
1963-64	..	..	17.89	18.07	31.75	36.37	51.41	34.52	24.69
1964-65	..	..	22.48	22.31	28.68	41.75	59.34	41.69	28.49
1965-66	..	..	27.59	22.06	31.11	44.04	71.25	47.92	32.00
1966-67	..	..	27.09	23.32	34.14	44.46	72.32	52.71	32.93
1967-68	..	..	29.17	26.70	47.58	47.08	77.93	80.37	38.24
1968-69	..	..	28.61	27.21	36.36	58.03	73.42	63.19	36.75
1969-70	..	..	31.81	28.93	43.25	57.44	73.61	76.26	39.83
1970-71	..	..	35.81	33.59	49.17	57.80	73.22	66.16	43.20
1971-72	..	..	28.80	24.93	55.20	37.32	65.06	57.22	36.26
1972-73	..	..	34.24	31.31	59.97	44.42	73.87	58.84	42.22
1973-74	..	..	63.40	57.75	95.24	97.78	100.57	95.76	73.89
1974-75	..	..	117.94	119.29	149.39	159.61	158.33	182.02	132.32
1975-76 (estimate)	..	..	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	142.22
TOTAL SPECIFIC PURPOSE PAYMENTS									
1956-57	..	..	17.21	17.76	18.48	23.65	34.90	27.83	19.77
1957-58	..	..	17.60	18.76	19.63	25.95	37.18	29.00	20.78
1958-59	..	..	18.44	19.61	21.30	27.93	39.29	33.38	22.06
1959-60	..	..	19.99	21.81	21.20	28.74	40.51	32.91	23.39
1960-61	..	..	19.86	22.53	22.65	29.59	43.06	34.42	24.05
1961-62	..	..	23.46	24.97	29.40	37.40	46.75	39.84	28.27
1962-63	..	..	23.63	23.62	34.34	41.62	52.82	37.97	29.46
1963-64	..	..	24.19	23.34	37.75	42.97	57.74	42.02	30.73
1964-65	..	..	29.37	28.23	35.20	49.08	66.22	50.11	35.15
1965-66	..	..	36.87	28.47	40.45	51.67	78.31	56.73	40.14
1966-67	..	..	36.53	30.73	43.50	52.84	79.92	65.78	41.67
1967-68	..	..	38.50	36.77	57.36	57.09	86.77	91.32	47.92
1968-69	..	..	38.31	37.95	45.91	68.66	82.56	74.85	46.83
1969-70	..	..	42.52	40.21	59.02	69.16	85.52	89.46	51.71
1970-71	..	..	50.24	48.35	67.64	72.89	88.21	85.19	58.56
1971-72	..	..	47.70	44.53	74.88	57.27	85.52	84.12	55.94
1972-73	..	..	63.20	60.98	90.17	76.31	106.84	102.66	72.63
1973-74	..	..	106.32	106.87	138.88	150.55	153.92	151.43	120.83
1974-75	..	..	206.14	215.36	231.92	259.32	262.83	288.72	224.87
1975-76 (estimate)	..	..	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	304.03
TOTAL PAYMENTS									
1956-57	..	..	53.59	52.85	57.59	73.61	102.18	86.49	60.41
1957-58	..	..	57.34	57.06	62.96	79.11	110.50	92.31	65.09
1958-59	..	..	59.31	59.31	65.28	81.29	116.56	102.31	67.75
1959-60	..	..	63.95	64.81	70.42	91.08	121.27	116.10	73.50
1960-61	..	..	67.32	69.10	75.79	93.80	131.54	127.48	78.10
1961-62	..	..	74.82	75.58	90.55	107.24	144.40	146.86	87.75
1962-63	..	..	77.34	76.65	98.03	115.29	152.68	148.91	91.54
1963-64	..	..	80.22	78.57	100.21	119.43	159.77	155.57	94.66
1964-65	..	..	85.02	82.99	97.35	123.37	173.44	169.91	99.15
1965-66	..	..	97.45	88.56	108.74	131.60	200.74	191.64	110.54
1966-67	..	..	103.28	94.98	119.52	138.37	202.45	214.29	117.68
1967-68	..	..	109.62	107.35	140.11	150.72	211.29	244.54	129.45
1968-69	..	..	114.95	113.49	136.23	171.29	216.82	229.07	149.18
1969-70	..	..	126.86	126.06	159.41	180.02	228.49	271.55	181.18
1970-71	..	..	170.23	166.86	204.79	234.41	272.75	328.32	193.66
1971-72	..	..	169.87	162.79	224.48	227.45	274.17	325.67	194.72
1972-73	..	..	194.39	189.36	255.40	274.12	313.17	367.19	224.62
1973-74	..	..	249.85	249.03	328.87	369.57	385.36	456.32	290.26
1974-75	..	..	386.60	392.51	480.98	555.66	549.57	699.76	441.62
1975-76 (estimate)	..	..	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	578.19

TABLE 109—SUMMARY OF PAYMENTS TO OR FOR THE STATES AND STATE
GOVERNMENT LOAN COUNCIL PROGRAMS, 1956-57 TO 1975-76—*continued*

\$ Per Head of Population

—				New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
TOTAL PAYMENTS AND LOAN COUNCIL BORROWING PROGRAMS										
1956-57	..	..	..	81.42	83.16	85.21	125.96	151.82	156.71	94.15
1957-58	..	..	..	86.26	88.64	91.09	132.22	156.18	165.20	99.55
1958-59	..	..	..	88.80	91.46	94.58	134.79	164.05	176.67	103.00
1959-60	..	..	..	94.58	97.73	101.20	145.46	170.62	194.80	109.96
1960-61	..	..	..	98.64	102.83	108.37	148.06	182.62	208.56	115.50
1961-62	..	..	..	106.34	109.45	123.67	158.61	196.21	228.96	125.16
1962-63	..	..	..	109.87	111.63	132.19	166.83	205.48	234.64	130.01
1963-64	..	..	..	114.55	115.10	137.95	173.35	214.86	243.83	135.24
1964-65	..	..	..	121.10	121.55	138.38	179.47	230.91	263.08	141.99
1965-66	..	..	..	133.59	127.13	149.71	188.80	257.95	285.88	153.52
1966-67	..	..	..	141.63	135.75	162.49	199.73	261.59	314.96	163.15
1967-68	..	..	..	149.40	149.65	184.74	215.09	270.64	352.09	176.67
1968-69	..	..	..	156.30	157.16	182.32	240.09	275.38	339.13	183.45
1969-70	..	..	..	170.20	172.21	207.72	251.97	290.29	388.87	200.46
1970-71	..	..	..	202.80	201.81	242.27	285.77	320.50	417.03	232.37
1971-72	..	..	..	215.93	211.35	270.45	305.40	334.21	445.49	247.90
1972-73	..	..	..	244.07	241.64	304.30	358.22	377.54	496.98	281.80
1973-74	..	..	..	288.49	290.42	369.11	435.29	435.69	565.26	335.56
1974-75	..	..	..	434.04	442.91	534.96	636.20	610.74	835.67	497.84
1975-76 (estimate)	..	..	..	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	642.77

TABLE 110—TOTAL PAYMENTS TO OR FOR THE STATES/AND STATE GOVERNMENT
LOAN COUNCIL PROGRAMS—DISSECTION BETWEEN FUNDS FOR RECURRENT
AND CAPITAL PURPOSES, 1956-57 TO 1975-76(a)

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
FUNDS FOR RECURRENT PURPOSES							
1956-57	147,028	102,190	61,078	47,130	49,196	20,810	427,434
1957-58	162,624	113,308	67,829	51,481	54,415	22,893	472,552
1958-59	170,811	120,181	70,710	53,326	58,609	25,343	498,980
1959-60	185,663	132,876	79,270	63,977	62,183	30,744	554,713
1960-61	204,510	147,403	87,763	67,117	69,353	34,884	611,031
1961-62	225,781	163,088	102,394	74,409	78,310	40,273	684,256
1962-63	240,056	174,488	108,329	79,946	82,387	42,294	727,498
1963-64	254,257	185,962	109,188	85,002	86,558	43,918	764,883
1964-65	259,086	190,313	111,716	85,872	93,240	46,982	787,211
1965-66	294,066	212,399	128,867	94,721	108,421	53,118	891,592
1966-67	325,102	232,877	144,062	103,597	112,369	60,319	978,326
1967-68	348,312	266,339	158,735	115,627	119,596	61,992	1,070,599
1968-69	380,120	289,597	174,515	128,134	134,225	63,484	1,170,079
1969-70	426,763	332,246	206,763	140,858	151,997	75,518	1,334,144
1970-71	550,955	412,962	256,751	178,870	183,536	88,187	1,671,259
1971-72	585,847	431,365	285,626	195,035	198,382	90,027	1,786,284
1972-73	672,964	502,298	339,216	240,555	231,453	104,401	2,090,891
1973-74	796,774	621,379	417,335	291,485	283,109	123,312	2,533,391
1974-75	1,178,205	914,557	613,944	441,168	403,186	183,344	3,734,405
1975-76 (estimate)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	5,379,747
FUNDS FOR CAPITAL PURPOSES							
1956-57	145,201	116,163	57,710	61,376	54,177	30,074	464,700
1957-58	153,165	124,868	61,724	65,669	53,911	31,953	491,289
1958-59	160,333	131,323	66,480	69,119	57,192	34,478	518,925
1959-60	173,417	142,681	70,317	71,827	60,202	36,286	554,730
1960-61	177,818	150,131	75,197	74,591	63,924	38,134	579,795
1961-62	194,512	160,527	88,012	80,901	69,987	40,595	634,534
1962-63	201,703	161,726	98,320	86,632	77,350	41,753	667,484
1963-64	212,976	167,795	110,843	92,408	85,072	44,544	713,638
1964-65	242,589	190,914	113,417	102,945	95,460	49,410	794,735
1965-66	268,303	193,657	119,662	109,544	107,560	52,545	851,270
1966-67	279,216	208,312	130,106	116,722	113,517	57,255	905,128
1967-68	298,557	227,878	158,173	124,349	123,116	70,956	1,003,028
1968-69	308,005	237,971	144,073	143,500	123,533	66,302	1,023,386
1969-70	337,420	256,826	162,970	148,676	131,066	74,859	1,111,816
1970-71	376,216	289,626	182,306	154,939	141,292	74,331	1,218,710
1971-72	417,547	315,687	214,977	166,463	151,406	84,785	1,350,862
1972-73	473,129	362,566	237,925	187,737	170,329	91,856	1,523,540
1973-74	569,971	429,491	300,429	235,611	189,480	102,225	1,827,205
1974-75	898,633	709,621	450,944	342,890	276,440	154,519	2,833,048
1975-76 (estimate)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	3,186,315

(a) See footnotes to previous tables in this Appendix.

TABLE 111—TOTAL PAYMENTS TO OR FOR THE STATES AND STATE GOVERNMENT
LOAN COUNCIL PROGRAMS—DISSECTION BETWEEN FUNDS FOR RECURRENT
AND CAPITAL PURPOSES, 1956-57 TO 1975-76

\$ Per Head of Population

—				New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
FUNDS FOR RECURRENT PURPOSES										
1956-57	..	..	..	40.97	38.92	43.81	54.71	72.25	64.09	45.11
1957-58	..	..	..	44.42	42.17	47.69	58.10	78.45	68.95	48.81
1958-59	..	..	..	45.81	43.70	48.75	58.70	83.03	74.85	50.49
1959-60	..	..	..	48.90	47.12	53.63	68.53	86.69	89.35	54.98
1960-61	..	..	..	52.76	50.94	58.36	70.13	95.03	99.64	59.27
1961-62	..	..	..	57.13	55.16	66.51	75.99	103.61	114.02	64.94
1962-63	..	..	..	59.70	57.93	69.30	80.07	105.98	118.07	67.80
1963-64	..	..	..	62.33	60.51	68.46	83.06	108.36	121.05	69.16
1964-65	..	..	..	62.54	60.68	68.67	81.62	114.10	128.23	70.66
1965-66	..	..	..	69.85	66.50	77.63	87.55	129.49	143.72	78.54
1966-67	..	..	..	76.19	71.66	85.38	93.91	130.13	161.58	84.75
1967-68	..	..	..	80.45	80.65	92.54	103.64	133.36	164.17	91.21
1968-69	..	..	..	86.34	86.27	99.87	113.25	143.40	165.88	97.86
1969-70	..	..	..	95.05	97.13	116.16	122.58	155.88	195.29	109.34
1970-71	..	..	..	120.51	118.62	141.67	153.13	181.09	226.29	132.04
1971-72	..	..	..	126.08	122.04	154.31	164.77	189.55	229.43	141.15
1972-73	..	..	..	143.31	140.34	178.85	201.20	217.49	264.37	163.02
1973-74	..	..	..	168.18	171.72	214.61	240.72	261.00	309.05	194.95
1974-75	..	..	..	246.23	249.40	308.42	357.97	362.32	453.49	283.08
1975-76 (estimate)	..	..	..	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	403.68
FUNDS FOR CAPITAL PURPOSES										
1956-57	..	..	..	40.46	44.24	41.40	71.25	79.57	92.62	49.04
1957-58	..	..	..	41.84	46.47	43.40	74.12	77.73	96.24	50.74
1958-59	..	..	..	43.00	47.75	45.83	76.09	81.02	101.83	52.51
1959-60	..	..	..	45.68	50.60	47.57	76.94	83.93	105.45	54.98
1960-61	..	..	..	45.88	51.89	50.01	77.93	87.59	108.92	56.24
1961-62	..	..	..	49.21	54.29	57.17	82.62	92.60	114.93	60.22
1962-63	..	..	..	50.16	53.70	62.89	86.76	99.50	116.56	62.21
1963-64	..	..	..	52.21	54.60	69.49	90.30	106.50	122.78	65.28
1964-65	..	..	..	58.56	60.87	69.71	97.85	116.81	134.85	71.33
1965-66	..	..	..	63.73	60.63	72.08	101.25	128.46	142.17	74.98
1966-67	..	..	..	65.44	64.10	77.11	105.81	131.46	153.38	78.41
1967-68	..	..	..	68.95	69.00	92.21	111.45	137.28	187.91	85.45
1968-69	..	..	..	69.96	70.89	82.45	126.83	131.98	173.25	85.59
1969-70	..	..	..	75.15	75.08	91.56	129.38	134.41	193.58	91.12
1970-71	..	..	..	82.29	83.19	100.59	132.64	139.41	190.74	97.99
1971-72	..	..	..	89.86	89.31	116.14	140.63	144.66	216.07	106.74
1972-73	..	..	..	100.76	101.30	125.45	157.02	160.05	232.61	118.78
1973-74	..	..	..	120.31	118.69	154.49	194.58	174.68	256.20	140.61
1974-75	..	..	..	187.81	193.51	226.54	278.23	248.42	382.19	214.76
1975-76 (estimate)	..	..	..	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	239.09

TABLE 112—TOTAL PAYMENTS TO OR FOR THE STATES AND STATE GOVERNMENT
LOAN COUNCIL PROGRAMS—DISSECTION BETWEEN GRANTS AND LOANS
1956-57 TO 1975-76

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
AUSTRALIAN GOVERNMENT PAYMENTS—GRANTS							
1956-57	166,643	114,783	74,568	55,749	63,352	24,034	499,130
1957-58	183,589	128,246	82,980	61,417	70,617	26,577	553,427
1958-59	195,847	138,808	87,838	63,357	76,074	30,202	592,126
1959-60	213,753	157,224	96,883	74,827	80,888	36,036	659,611
1960-61	234,030	175,774	106,703	78,124	89,886	40,626	725,144
1961-62	259,863	193,064	123,112	86,906	101,692	46,016	810,654
1962-63	276,050	203,466	131,630	95,336	108,839	48,139	861,458
1963-64	291,994	213,859	133,991	101,941	115,445	50,442	907,670
1964-65	309,618	225,913	143,191	107,964	127,502	55,856	970,046
1965-66	350,310	249,283	161,708	119,400	146,919	63,381	1,091,001
1966-67	385,132	275,709	180,643	129,738	153,502	71,994	1,196,718
1967-68	421,198	318,086	200,762	144,711	164,845	76,218	1,325,474
1968-69	453,787	341,410	222,964	160,155	180,395	75,272	1,433,987
1969-70	517,346	383,896	262,283	181,374	203,135	87,459	1,635,491
1970-71	721,046	535,855	351,667	244,282	256,329	115,743	2,224,920
1971-72	757,320	567,699	403,162	264,686	278,562	123,099	2,394,555
1972-73	875,812	660,941	460,246	320,981	323,376	140,702	2,782,060
1973-74	1,070,486	824,366	581,830	396,521	397,195	164,716	3,432,130
1974-75	1,632,818	1,263,224	856,627	592,096	547,016	251,905	5,143,687
1975-76 (estimate)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	6,967,195
AUSTRALIAN GOVERNMENT PAYMENTS—LOANS (GROSS)							
1956-57	25,686	23,970	5,720	7,657	6,221	4,050	73,304
1957-58	26,300	25,090	6,573	8,673	6,029	4,069	76,734
1958-59	25,117	24,296	6,852	10,488	6,207	4,439	77,399
1959-60	29,047	25,523	7,204	10,207	6,097	3,914	81,992
1960-61	26,910	24,150	7,257	11,650	6,111	4,004	80,082
1961-62	35,834	30,401	16,294	18,108	7,443	5,856	113,936
1962-63	34,901	27,388	21,619	19,784	9,854	5,200	118,746
1963-64	35,219	27,628	25,840	20,285	12,179	6,000	127,151
1964-65	42,587	34,360	15,190	21,833	14,230	6,400	134,600
1965-66	59,909	33,567	18,805	22,973	21,160	7,448	163,861
1966-67	55,546	32,960	21,015	22,901	21,314	8,000	161,736
1967-68	53,431	36,775	39,586	23,445	24,637	16,120	193,993
1968-69	52,268	39,538	15,084	33,639	22,553	12,394	175,478
1969-70	52,247	47,306	21,470	25,490	20,638	17,548	184,699
1970-71	57,225	45,063	19,480	29,527	20,099	12,205	183,599
1971-72	32,027	7,683	12,351	4,552	8,386	4,693	69,691
1972-73	36,996	16,808	24,143	6,757	9,903	4,303	98,910
1973-74	113,181	76,766	57,698	50,988	23,806	17,354	339,793
1974-75	217,024	176,145	100,806	92,701	64,542	31,006	682,225
1975-76 (estimate)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	738,200
TOTAL OF AUSTRALIAN GOVERNMENT LOANS AND LOAN COUNCIL BORROWINGS							
1956-57	125,586	103,570	44,220	52,757	40,021	26,850	393,004
1957-58	132,200	109,930	46,573	55,733	37,709	28,269	410,414
1958-59	135,297	112,696	49,352	59,088	39,727	29,619	425,779
1959-60	145,327	118,333	52,704	60,977	41,497	30,994	449,832
1960-61	148,298	121,760	56,257	63,584	43,391	32,392	465,682
1961-62	160,430	130,551	67,294	68,404	46,605	34,852	508,136
1962-63	165,709	132,748	75,019	71,242	50,898	35,908	531,524
1963-64	175,239	139,898	86,040	75,469	56,185	38,020	570,851
1964-65	192,057	155,314	81,942	80,853	61,198	40,536	611,900
1965-66	212,059	156,773	86,821	84,865	69,062	42,282	651,861
1966-67	219,186	165,480	93,525	90,581	72,384	45,580	686,736
1967-68	225,671	176,475	116,146	95,265	77,867	56,730	748,153
1968-69	234,338	186,158	95,624	111,479	77,363	54,514	759,478
1969-70	246,837	205,176	107,450	108,160	79,928	62,918	810,469
1970-71	206,125	166,733	87,390	89,527	68,499	46,775	665,049
1971-72	246,047	179,353	97,441	96,812	71,226	51,713	742,591
1972-73	270,281	203,923	116,895	107,311	78,406	55,555	832,371
1973-74	296,259	226,504	135,934	130,575	78,393	60,821	928,486
1974-75	444,020	360,954	208,261	191,962	132,610	85,958	1,423,766
1975-76 (estimate)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	1,598,867

**TABLE 113—FUNCTIONAL CLASSIFICATION OF PAYMENTS TO OR FOR THE STATES
AND STATE GOVERNMENT LOAN COUNCIL PROGRAMS, 1963-64 TO 1975-76**

'\$000

Functional Classification	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)
CURRENT													
Defence												325	992
Education	21,081	28,529	31,551	36,734	45,185	49,967	73,668	100,916	118,923	153,385	433,469	910,637	1,138,077
Health	11,066	10,764	14,059	12,199	12,140	12,649	11,770	12,352	11,901	13,759	26,570	46,919	784,003
Social Security and Welfare ..	23	22	22	23	224	1,178	2,059	4,249	34,119	118,763	22,422	62,185	63,661
Housing	45	130	213	142	44	60	74	131	4,152	6,892	6,874	7,168	7,385
Urban and Regional Development n.e.c. and the Environment ..											439	1,983	2,697
Culture and Recreation											218	70	698
Economic Services—													
Transport											188	545	486
Industry Assistance and Development ..	1,810	1,660	1,578	2,451	3,218	4,267	5,282	6,862	8,635	10,935	14,082	17,225	19,446
Labour and Employment ..	910	1,021	893	920	918	892	985	1,063	1,241	2,141	2,698	3,872	7,040
Other Economic Services ..											278	65	
Total Economic Services ..	2,720	2,681	2,471	3,371	4,136	5,159	6,267	7,925	9,876	13,076	17,246	21,707	26,972
General Public Services ..	100	100	1,478	2,154	3,270	2,995	3,562	4,320	4,491	5,917	8,051	8,647	6,150
Outlays Not Allocated to Function—													
General Revenue Assistance (a) ..	698,867	713,069	799,121	877,435	956,946	1,049,585	1,189,219	1,480,198	1,537,178	1,700,893	1,923,455	2,513,495	3,223,400
Assistance Related to State Debts ..	30,861	31,816	32,931	34,121	35,557	36,789	38,441	51,224	64,501	77,661	90,578	103,612	45,370
Assistance for Local Government ..												56,657	80,241
Natural Disaster Payments ..	120	100	9,746	12,147	13,097	11,697	9,084	9,944	1,143	72	4,069	980	101
Total Not Allocated to Function ..	729,848	744,985	841,798	923,703	1,005,600	1,098,071	1,236,744	1,541,366	1,602,822	1,778,626	2,018,102	2,674,744	3,349,112
Grand Total	764,883	787,211	891,592	978,326	1,070,599	1,170,079	1,334,144	1,671,259	1,786,284	2,090,891	2,533,391	3,734,405	5,379,747
CAPITAL													
Defence	3,964	12,415	7,242	7,753	7,103	6,899	9,461	9,227	7,034	6,163	7,766	26,805	40,000
Education	12,779	32,650	32,074	40,091	53,958	55,377	71,160	74,035	85,969	105,569	189,064	415,473	340,986
Health	2,194	3,200	5,236	5,501	5,062	5,861	7,053	5,404	6,076	7,150	25,099	60,734	148,505
Social Security and Welfare ..						125	1,081	5,419	8,600	7,683	7,261	7,795	17,592
Housing	100,300	102,700	117,000	120,000	122,840	128,202	135,775	146,371	5,276	17,284	233,304	402,856	378,296
Urban and Regional Development n.e.c. and the Environment ..		380	750	1,952	417		59	584	12	977	55,340	232,811	283,137
Culture and Recreation											1,562	12,623	12,492
Economic Services—													
Transport	146,206	157,462	176,346	183,143	200,578	208,745	221,140	237,196	263,178	294,798	328,565	424,824	504,261
Water Supply and Electricity ..					5,300	3,200	9,700	3,211	2,500	15,500	26,607	38,849	48,990
Industry Assistance and Development ..	4,447	8,626	12,628	12,760	38,327	20,097	25,663	46,192	74,076	86,469	61,505	70,459	111,689
Labour and Employment ..	48	2		2	426	446	65	142	372	24	24	180	
Total Economic Services ..	150,701	166,090	188,974	195,905	244,631	232,488	256,568	286,741	340,126	396,791	416,701	534,312	664,940
Outlays Not Allocated to Function—													
Loan Council Borrowings ..	443,700	477,300	488,000	525,000	554,160	584,000	625,770	481,450	672,900	733,461	588,693	741,541	860,667
Capital Grants								200,000	219,100	248,539	278,307	345,878	430,333
Natural Disaster Payments ..			11,994	8,926	14,857	10,434	4,889	9,479	5,769	—77	24,109	52,219	9,367
Total Not Allocated to Function ..	443,700	477,300	499,994	533,926	569,017	594,434	630,659	690,929	897,769	981,923	891,109	1,139,638	1,300,367
Grand Total	713,638	794,735	851,270	905,128	1,003,028	1,023,386	1,111,816	1,218,710	1,350,862	1,523,540	1,827,205	2,833,048	3,186,315

TABLE 113—FUNCTIONAL CLASSIFICATION OF PAYMENTS TO OR FOR THE STATES AND STATE GOVERNMENT LOAN COUNCIL PROGRAMS, 1963-64 TO 1975-76—continued

\$'000

Functional Classification	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)
TOTAL CURRENT AND CAPITAL													
Defence	3,964	12,415	7,242	7,753	7,103	6,899	9,461	9,227	7,034	6,163	7,766	27,130	40,992
Education	33,860	61,179	63,625	76,825	99,143	105,344	144,828	174,951	204,892	259,427	622,533	1,326,130	1,479,063
Health	13,260	13,964	19,295	17,700	17,202	18,510	18,823	17,756	17,977	20,909	51,669	107,653	932,508
Social Security and Welfare	23	22	22	23	224	1,303	3,140	9,668	42,719	126,446	29,683	69,980	81,253
Housing	100,345	102,830	117,213	120,142	122,884	128,262	135,849	146,502	9,428	24,176	240,178	410,024	385,681
Urban and Regional Development n.e.c. and the Environment		380	750	1,952	417		59	584	12	977	55,779	234,795	285,834
Culture and Recreation											1,780	12,693	13,190
Economic Services—													
Transport	146,206	157,462	176,346	183,143	200,578	208,745	221,140	237,196	263,178	294,798	328,753	425,369	504,747
Water Supply and Electricity					5,300	3,200	9,700	3,211	2,500	15,500	26,607	38,849	48,990
Industry Assistance and Development	6,257	10,286	14,206	15,211	41,545	24,364	30,945	53,054	82,711	97,404	75,587	87,684	131,135
Labour and Employment	958	1,023	893	922	1,344	1,338	1,050	1,205	1,613	2,165	2,722	4,052	7,040
Other Economic Services											278	65	
Total Economic Services	153,421	168,771	191,445	199,276	248,767	237,647	262,835	294,666	350,002	409,867	433,947	556,019	691,912
General Public Services	100	100	1,478	2,154	3,270	2,995	3,562	4,320	4,491	5,917	8,051	8,647	6,150
Outlays Not Allocated to Function—													
General Revenue Assistance(a)	698,867	713,069	799,121	877,435	956,946	1,049,585	1,189,219	1,480,198	1,537,178	1,700,893	1,923,455	2,513,495	3,223,400
Loan Council Borrowings	443,700	477,300	488,000	525,000	554,160	584,000	625,770	481,450	672,900	733,461	588,693	741,541	860,667
Capital Grants								200,000	219,100	248,539	278,307	345,878	430,333
Assistance Related to State Debts	30,861	31,816	32,931	34,121	35,557	36,789	38,441	51,224	64,501	77,661	90,578	103,612	45,370
Assistance for Local Government												56,657	80,241
Natural Disaster Payments	120	100	21,740	21,073	27,954	22,131	13,973	19,423	6,912	—5	28,178	53,199	9,468
Total Not Allocated to Function	1,173,548	1,222,285	1,341,792	1,457,629	1,574,617	1,692,505	1,867,403	2,232,295	2,500,591	2,760,549	2,909,211	3,814,382	4,649,479
Grand Total	1,478,521	1,581,946	1,742,862	1,883,454	2,073,627	2,193,465	2,445,960	2,889,969	3,137,146	3,614,431	4,360,596	6,567,453	8,566,062

(a) Including additional assistance grants in 1963-64. See footnote (c) to Table No. 172.

**TABLE 114—FUNCTIONAL CLASSIFICATION OF PAYMENTS TO OR FOR THE STATES
AND STATE GOVERNMENT LOAN COUNCIL PROGRAMS, BY STATES, 1974-75**

\$'000

Functional Classification	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
Defence	16,538	4,193	5,314	130	784	172	27,130
Education	463,752	394,848	177,003	133,802	118,014	38,711	1,326,130
Health	33,753	21,946	17,063	12,356	18,120	4,416	107,653
Social Security and Welfare	21,737	19,132	11,493	7,146	8,087	2,384	69,980
Housing	131,049	101,352	51,540	61,060	38,211	26,812	410,024
Urban and Regional Development n.e.c. and the Environment	78,691	77,260	16,205	31,928	28,065	2,645	234,795
Culture and Recreation	2,838	2,310	1,563	1,609	2,894	1,478	12,693
Economic Services—							
Transport	133,270	94,818	77,777	39,223	54,028	26,253	425,369
Water Supply and Electricity			34,449	4,400			38,849
Industry Assistance and Development	26,259	21,490	17,743	8,129	8,901	5,161	87,684
Labour and Employment	2,639	227	804	110	226	46	4,052
Other Economic Services			34		31		65
Total Economic Services	162,168	116,535	130,807	51,862	63,186	31,460	556,019
General Public Services	3,025	1,951	1,041	1,661	659	309	8,647
Outlays Not Allocated to Function—							
General Revenue Assistance	756,163	562,266	449,671	318,287	286,903	140,204	2,513,495
Loan Council Borrowings	226,996	184,809	107,455	99,261	68,068	54,952	741,541
Capital Grants	107,313	87,370	46,112	46,927	32,179	25,977	345,878
Assistance Related to State Debts	34,913	25,693	13,831	13,075	9,451	6,650	103,612
Assistance for Local Government	21,459	14,706	8,954	4,840	5,005	1,693	56,657
Natural Disaster Payments	16,444	9,807	26,834	114			53,199
Total Not Allocated to Function	1,163,288	884,651	652,857	482,504	401,606	229,476	3,814,382
GRAND TOTAL	2,076,838	1,624,178	1,064,888	784,058	679,626	337,863	6,567,453

TABLE 115—SUMMARY OF PAYMENTS TO OR FOR THE STATES, DIRECT PAYMENTS TO LOCAL GOVERNMENT AUTHORITIES AND STATE GOVERNMENT LOAN COUNCIL PROGRAMS 1965-66 TO 1975-76(a)

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1965-66	563,054	406,160	248,884	204,269	215,999	105,685	1,744,050
1966-67	604,843	441,288	274,754	220,323	225,890	117,585	1,884,683
1967-68	647,228	494,301	317,994	239,981	242,719	132,965	2,075,185
1968-69	688,551	527,749	319,720	271,650	257,800	129,802	2,195,279
1969-70	764,754	589,313	370,091	289,544	283,388	150,389	2,447,475
1970-71	928,029	702,842	439,443	333,820	324,897	162,525	2,891,555
1971-72	1,004,418	747,327	501,073	361,534	349,880	174,822	3,139,053
1972-73	1,146,697	865,493	577,791	428,504	401,876	196,274	3,616,637
1973-74	1,368,918	1,051,640	719,169	527,674	473,414	225,677	4,366,487
1974-75	2,101,359	1,631,389	1,075,358	788,480	686,012	340,089	6,622,687
1975-76 (estimate)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	8,677,062

(a) The amounts in this table are arrived at by addition of the amounts shown in Tables 105 and 108. The footnotes to those tables should be referred to when interpreting the amounts in this table.

APPENDIX II—PART 1—HISTORY OF GENERAL REVENUE ASSISTANCE TO THE STATES

INTRODUCTION

Under Section 87 of the Constitution the Australian Government 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 Australian Government '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 Australian Government was to be paid to the States.

Payments to the States of surplus revenue of the Australian Government ceased in 1907-08 when that Government 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 was 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 Australian and State Governments it was provided that the Australian Government 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 Australian Government 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 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. Australian Government 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 Australian Government 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 Australian Government to maximise its revenue from all sources. The incidence of State income taxes, which were then levied concurrently with Australian Government 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 untapped sources of income tax revenue.

This problem was the subject of discussion between the Australian 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 Treasurer appointed a Committee to consider the questions of the Australian Government 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 Australian Government 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 Australian 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 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 Australian Government 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 Australian Government 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 Australian Government, 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 a table in Part II of 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 Grants Commission, the additional financial assistance given by the Australian Government 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 a table in Part II of this Appendix.

THE CONTINUATION OF UNIFORM TAXATION AFTER THE WAR

At a Premiers' Conference in January 1946 the States were informed that the Australian Government proposed to continue uniform income tax indefinitely. The Conference decided that the total tax reimbursements 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 Australian Government 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 a table in Part II of 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 Australian Government informed the States that it was willing to discuss with them the possibility of resumption of State income tax. A report subsequently prepared by Australian and State Treasury officers on the technical problems involved was presented to a Premiers' Conference held in February 1953. At that Conference Australian and State Treasury officers were asked to prepare a further report as a basis for discussions on the extent to which the Australian Government 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 Australian Government and the States on the extent to which the income tax field should be vacated by the Australian Government.

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 Australian Government to make tax reimbursement grants conditional upon the States not levying income tax; and
- (b) the Australian Government's power to provide an absolute priority for payment of Australian Government income tax over 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 income tax was paid to the Australian Government, was invalid.

THE MARCH 1959 PREMIERS' CONFERENCE

At a special Premiers' Conference held in March 1959 all the main aspects of the financial relations between the Australian and State Governments 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 Australian Government 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 Australian Government's 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 general revenue grants.

With these ends in view, the Australian Government 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 the 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 Australian Government 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 Australian Government 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 it 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 Australian Government by Queensland and Victoria.

The Australian Government 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 Australian Government 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 Australian Government stated that its proposals were based on the assumptions that the States and their authorities would continue to meet pay-roll tax levied by the Australian Government and that the distribution of taxing powers between the Australian Government and the States would remain unchanged. If any changes between the Australian and State Governments' 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 Australian Government 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 Australian 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 Australian Government 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.

ADDITIONAL ASSISTANCE GRANTS IN 1961-62, 1962-63 AND 1963-64

As one of the measures adopted by the Australian Government in February 1962 to stimulate employment, an additional assistance grant of \$20 million was made available to the States for expenditure on employment-giving activities, chiefly in the works field, in the remainder of that financial year. This grant was allocated by first setting aside \$5 million for Queensland and \$1 million for Tasmania, the two States in which unemployment as a percentage of the work force was significantly above the national level, and then allocating the remaining \$14 million among all States on the same basis as the State works and housing programmes for 1961-62 as determined by the Loan Council.

At the Loan Council meeting and Premiers' Conference in June 1962 the Australian Government offered to make available to the States in 1962-63 a further grant of \$25 million to be expended by the States at their discretion on employment-giving activities. As some of the Premiers indicated at the Conference that their budgetary problems were likely to be more difficult in 1962-63 than in the previous year, the Australian Government made it clear that, while the overall purpose of the grant was to stimulate employment, in pursuing that general objective each State was free to

utilise any part of its share of the grant to assist its budget. This grant was allocated on the same basis as the \$20 million grant made available in 1961-62 with the extra \$5 million distributed in proportion to the States' works and housing programmes for 1962-63.

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

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

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 Australian Government to collect the tax on its behalf. The Australian Government 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 Australian Government 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 Australian Government 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 Australian Government 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, formed 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 Australian Government 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 Australian Government 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 Australian Government 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 Australian Government 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*.

DEVELOPMENTS IN 1966-67 AND 1967-68

At a Premiers' Conference in February 1967 it was agreed to reduce the time lag before increases in average wages were 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 Australian Government also agreed at the 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.

In 1966-67 the Australian Government also provided special financial assistance of a general revenue nature to New South Wales and Queensland to help those States meet budgetary problems arising from the effects of drought on State revenues. This assistance, which was additional to the assistance provided by the Australian Government in meeting the two States' expenditures on drought measures, amounted to \$8 million in the case of New South Wales and \$2.75 million in the case of Queensland.

At a Premiers' Conference in June 1967 the Australian Government 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.

The amendments to the financial assistance grants arrangements were authorised by the *States Grants Act* 1967 and the *States Grants Act (No. 2)* 1967.

In 1967-68 further special revenue assistance totalling \$14 million was provided to help offset the adverse effects of drought on the revenues of New South Wales, Victoria, Queensland and South Australia. An amount of \$13 million was divided among these four States in proportion to the financial assistance grants they received in 1967-68 under the grants formula. The other \$1 million was provided to Victoria.

THE JUNE 1968 PREMIERS' CONFERENCE

The Australian Government 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 a new form of receipts duty introduced in Western Australia and Victoria in 1966-67 and 1967-68 respectively.) The Australian Government 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 Australian Government 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 Australian Government 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.)

It was also stated at the Conference that the Australian Government 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 Australian Government's ability to carry out national policies or to raise revenue. However, the Australian Government 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 Australian Government 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.

SPECIAL ASSISTANCE 1968-69

In 1968-69 the Australian Government provided an amount of \$14 million by way of special revenue assistance in recognition of the budgetary difficulties experienced by the States. An amount of \$12 million was divided among the States in proportion to the financial assistance grants they received in 1968-69 under the grants formula. South Australia received an additional \$2 million in recognition of its special budgetary difficulties.

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 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 Australian Government 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 recognized 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 equalisation 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 Australian Government did not accept the proposal that the States re-enter the field of income taxation, or that the annual increases in the general revenue grants to the States should be related to increases in income tax collections. Allowing the States access to income taxation could make the Australian Government'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 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 Australian Government taking over part of existing State debt and also by providing portion of future borrowing programs for State works in the form of interest-free grants. In addition, the Australian Government 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 Australian Government 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 Australian Government's proposals could be left to be settled at the usual Premiers' Conference in June and that, before then, Australian and State Treasury officers could meet to discuss them. The Premiers accepted this suggestion and, at two subsequent meetings, Australian and State Treasury officers reached tentative agreement on the procedures for the progressive take-over by the Australian Government of responsibility for \$1,000 million of State debt and for an annual capital grant in lieu of loan raisings.

SPECIAL ASSISTANCE IN 1969-70

At the Premiers' Conference in February 1970 the States submitted that they were facing considerable budgetary difficulties on account of increases in wage and interest rates and other factors and the Australian Government agreed to pay \$12 million special revenue assistance in 1969-70, which was distributed between the States in proportion to their formula grants but which was not incorporated in the base used for calculating grants in future years. In pursuance of an undertaking given by the Australian Government when the income tax rebate on Australian Government loan interest was removed in November 1968, a further \$2.5 million was paid to the States to compensate them for the estimated additional interest cost incurred by them up to 30 June 1970 as a result of the removal of the rebate. This additional cost was one of the factors taken into account by the Australian Government in the new revenue assistance arrangements applying from 1970-71.

Subsequent to the February 1970 Premiers' Conference it was decided to make an additional payment of \$1.5 million to Tasmania for 1969-70, representing special assistance of a temporary nature to help the State finance its expected revenue deficit. It was part of the understanding between the Australian Government and the State that the \$1.5 million would result in the final adjustment to the 1969-70 advance payment of Tasmania's special grant being less by that much.

These three forms of special revenue assistance in 1969-70, totalling \$16 million, were authorised by the *State Grants (Special Financial Assistance) Act 1970*.

A \$10 million special repayable advance to Victoria was made on 30 June 1970 to help the State finance its revenue deficit for 1969-70. This advance bore 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 was payable semi-annually on 31 December and 30 June in each of the subsequent four years on the outstanding balance of the loan. The advance was repayable over five years by annual instalments of \$2 million on 30 June each year with the provisos, first, that Victoria undertook to repay more than \$2 million in any year if its budgetary

position permitted and, secondly, that the Australian Government would agree to postponement of an annual instalment if it was satisfied that the Victorian budgetary position in the year concerned did not permit repayment to be made without deficit financing. This latter proviso, however, did not affect the requirement that the whole of the loan be repaid by 30 June 1975. The Treasurer agreed to requests by the State for the postponement of the four repayments which were due on 30 June from 1971 to 1974. The whole of the \$10 million was repaid on 30 June 1975.

THE JUNE 1970 PREMIERS' CONFERENCE

At this Conference the Prime Minister gave details of four ways in which the Australian Government 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 program. 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 Australian Government 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 Australian Government 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 Australian Government would, in the Loan Council, support increases in Western Australia's share of the borrowing programs 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 Australian Government had indicated that it expected each of the then non-claimant 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 and the additional \$2 per capita payable to New South Wales and Victoria, 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 Australian Government 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 Australian Government would be prepared to have Australian 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 included 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 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.

After the June 1970 Premiers' Conference, the Australian Government agreed to transfer \$10 million of Tasmania's special grant to the State's financial assistance grant.

LEGAL CHALLENGE TO PAY-ROLL TAX AS APPLIED TO STATE GOVERNMENTS

In the Victorian Budget for 1970-71 no appropriation was made to meet pay-roll tax levied by the Australian Government 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 Australian Government 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 Australian Government's Budget was not impaired. Before judgment in the case had been delivered the *States Grants Bill* 1971 was passed by the Australian 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 Australian Government. 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 Australian Government 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 STATE 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 Australian Government 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 Australian Government 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 Australian Government legislation should have continuing operation beyond 30 June 1970.

The Prime Minister agreed to the Premiers' requests on the basis that the Australian Government legislation would apply only to business receipts. Such 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 Australian Government 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 Australian Government 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 Australian Government 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 Australian Government 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 Australian Government in effect provided for the continued payment to the States of compensation for loss of receipts duty revenue.

Legislation imposing duty on business receipts up to 30 September 1970 was introduced into the Australian Parliament and passed in November 1970. The *States Grants Act* 1971 was passed in May 1971 and embodied the receipts duty compensation arrangements. For the 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 Australian and State Government legislation continued in operation, were settled in discussions between Australian 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'.)

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 Australian Government, 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 own 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 Australian Government 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.

TRANSFER OF PAY-ROLL TAX TO THE STATES

At the June 1970 Premiers' Conference the Australian Government 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) the Prime Minister informed the States that the Australian Government had under examination alternative means by which the States might be given access to a new growth tax.

At the Premiers' Conference in June 1971 the Australian Government agreed to transfer pay-roll tax to the States on the basis that, subject to certain qualifications noted below, the resulting losses to the Australian Government 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 Australian Government'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 Australian Government 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 Australian Government 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.

It was agreed that the off-setting deductions from the financial assistance grant for 1971-72 would be less than the amount of pay-roll tax receivable by the States (at the then rate of 2.5 per cent) 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 further amounts for the 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—these extra amounts, estimated at \$2.7 million at the time of the Conference, totalled \$2.3 million, giving total assistance of \$22.3 million;
- (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 amounts referred to under (a) in the preceding paragraph—thus ensuring that these amounts 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 Australian Government 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 had not been 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 somewhat 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 amounts involved in 1971-72 were given in Table 2 of 'Commonwealth Payments to or for the States 1972-73' and corresponding details in respect of 1972-73 were given in Table 4 of 'Payments to or for the States 1973-74'.

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*.

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 Australian Government 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 Australian Government 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 under *Transfer of Pay-roll Tax* above.) Payment of this additional assistance was authorized by the *States Grants Act (No. 2) 1971*.

At the February 1972 Premiers' Conference, the Australian Government 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 the purpose of the 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 section 'Special Assistance in 1969-70'). As with the loan to Victoria, no interest was payable in the first year. For the following four years interest is payable semi-annually at 5.3 per cent, this being the short-term bond rate offered in the February 1972 cash loan. The repayments due on 30 June 1973, 30 June 1974 and 30 June 1975 were deferred in accordance with the terms of the loan.

The additional assistance of \$15 million was authorised by the *States Grants Act 1972*. The special advance 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.

ADDITIONAL GRANTS AGREED TO AT THE JUNE 1972 PREMIERS' CONFERENCE

At the June 1972 Premiers' Conference the Australian Government 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 would 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 increased the grants payable to New South Wales and Victoria in 1972-73 by \$7.0 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.

These amendments were authorised in the *States Grants Act (No. 2) 1972* which amended the *States Grants Act 1971-1972*.

SPECIAL ASSISTANCE IN 1972-73

On 20 September 1972 the Australian Government announced that, having regard to the extraordinarily difficult budget situation which was confronting New South Wales, it was prepared to provide special budgetary assistance to the State in 1972-73 in the form of a loan of \$15 million. The loan was authorised in the *Appropriation Act (No. 4) 1972-73* and was paid to the State on 29 June 1973. The terms of the loan provide that it be repaid by 30 June 1978 by annual instalments of \$3 million with provision for the advancement or deferment of repayments similar to the provisions applying to the loans of \$10 million made to Victoria in 1969-70 and \$17.5 million made to New South Wales in 1971-72. No interest was payable in the first year. In the following four years interest is payable semi-annually at a rate determined to be the rate which would have been applied on five-year securities if they had been issued in the Australian Government loan immediately prior to 29 June 1973—that is, the May 1973 loan. The repayments due on 30 June 1974 and 30 June 1975 were deferred.

ADDITIONAL GRANTS AGREED TO AT THE JUNE 1973 PREMIERS' CONFERENCE

It was decided to vary the arrangements which had been agreed to at the June 1970 Premiers' Conference (*see above*) under which Western Australia had received financial assistance grants additional to those calculated under the formula. These additional grants were \$12.5 million in 1970-71, \$9.5 million in 1971-72 and \$6.5 million in 1972-73 and were to have been \$3.5 million and \$0.5 million in 1973-74 and 1974-75 respectively. At the June 1973 Premiers' Conference it was agreed that the additional grant payable to Western Australia in 1973-74 should remain at \$6.5 million instead of being reduced to \$3.5 million as provided in the then existing legislation. As a corollary, the special temporary addition to the State's borrowing program for larger authorities in 1973-74 was reduced from the \$9 million it would otherwise have been to \$6 million.

It was also agreed at the Conference that Western Australia would receive an additional temporary grant in 1973-74, the amount of which would be the subject of further discussion between the Australian and Western Australian Governments. It was subsequently agreed, following such discussion, that a special temporary addition of \$3.5 million—the same as the amount added in the previous year—would be made to the State's revenue grants in 1973-74. Furthermore, it was agreed that the additional financial assistance grant for Western Australia would remain at \$6.5 million in 1974-75 (in lieu of the amount of \$0.5 million authorised by the legislation then in force), and that the special temporary addition to the State's borrowing program for larger authorities in that year would remain at \$6 million (instead of being increased as it would have been under the arrangements existing prior to the Premiers' Conference).

At this Conference the Australian Government, in recognition of the States' expected budgetary problems in 1973-74, also agreed to provide special additional revenue assistance of \$25 million, to be distributed among the States in proportion to the financial assistance grants payable under the formula. The foregoing changes were authorised by the *States Grants Act 1973*.

Details of developments after the June 1973 Premiers' Conference are given in Chapter II.

**APPENDIX II—PART II—TABLES OF GENERAL REVENUE ASSISTANCE
TO THE STATES**

TABLE No.	SUBJECT
116	General Revenue Assistance, 1950-51 to 1975-76
117	Tax Reimbursement Grants—Formula and Supplementary Grants, 1942-43 to 1958-59
118	Special Grants, 1910-11 to 1975-76
119	Escalation Factors Used in the Calculation of Financial Assistance Grants 1965-66 to 1975-76.

TABLE 116.—GENERAL REVENUE ASSISTANCE, 1950-51 TO 1975-76
\$'000

			New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
TAX REIMBURSEMENT GRANTS(a)									
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	..	..	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	..	..	198,498	146,029	87,460	66,451	60,171	25,671	584,280
1962-63	..	..	206,642	152,267	91,083	69,552	62,480	26,616	608,640
1963-64	..	..	215,712	159,482	94,821	72,729	65,597	27,626	635,967
1964-65	..	..	230,537	171,750	101,111	78,155	70,498	29,297	681,349
1965-66	..	..	255,001	191,922	113,356	86,467	78,474	32,131	757,351
1966-67	..	..	276,794	208,790	125,514	94,346	86,396	34,773	826,616
1967-68	..	..	302,827	228,254	139,601	102,738	96,152	37,968	907,533
1968-69	..	..	333,393	250,563	155,963	112,768	123,796	41,710	1,018,193
1969-70	..	..	373,908	280,008	176,522	125,706	138,835	46,340	1,141,319
1970-71	..	..	470,835	351,024	216,672	151,602	163,313	65,071	1,418,518
1971-72	..	..	462,204	348,464	231,603	158,491	170,960	69,156	1,440,878
1972-73	..	..	521,963	396,087	271,946	181,430	196,369	79,498	1,647,293
1973-74	..	..	585,507	437,604	318,245	204,918	222,388	91,243	1,859,905
1974-75	..	..	737,522	548,405	414,446	261,737	279,830	131,871	2,373,811
1975-76 (estimate)	..	..	980,300	732,900	557,900	376,300	375,600	161,600	3,184,600
SPECIAL GRANTS									
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	41,050
1959-60	..	..	..	..	..	2,852	7,000	6,800	16,562
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	..	..	..	..	..	..	582	16,810	17,392
1969-70	..	..	..	..	..	..	..	21,900	21,900
1970-71	..	..	..	..	..	5,000	..	13,680	18,680
1971-72	..	..	..	..	9,000	7,000	..	7,800	23,800
1972-73	..	..	..	..	10,000	21,000	..	7,600	38,600
1973-74	..	..	..	..	10,000	19,900	..	8,650	38,550
1974-75	..	..	..	..	24,750	(b)39,934	..	..	(b)64,684
1975-76	..	..	..	..	36,300	2,500	..	..	38,800
SPECIAL REVENUE ASSISTANCE									
1966-67	..	..	8,000	..	2,750	..	..	..	10,750
1967-68	..	..	5,090	4,837	2,347	1,727	..	..	14,000
1968-69	..	..	3,990	2,999	1,867	3,350	1,296	499	10,000
1969-70	..	..	4,775	13,635	2,182	1,690	1,545	2,174	26,000
1970-71	..	..	14,140	10,560	6,603	4,650	5,030	2,017	43,000
1971-72	..	..	35,813	13,621	8,606	5,929	6,014	2,517	72,500
1972-73	..	..	15,000	..	..	..	..	..	15,000
1973-74	..	..	7,926	6,020	4,228	2,764	2,855	1,207	25,000
1974-75	..	..	18,641	13,861	10,475	(c)16,616	7,073	(c)8,333	75,000
1975-76 (estimate)	..	..	..	..	..	..	..	..	..
TOTAL GENERAL REVENUE ASSISTANCE									
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(d)	..	..	141,471	100,811	59,389	46,362	50,231	20,736	419,000
1958-59	..	..	152,188	109,165	63,789	48,469	54,549	23,340	451,500
1959-60	..	..	166,900	121,250	72,750	58,202	57,924	28,626	505,652
1960-61	..	..	183,977	134,743	79,901	61,454	64,572	32,578	557,225
1961-62	..	..	198,498	146,029	87,460	66,451	72,483	35,821	606,742
1962-63(d)	..	..	206,642	152,267	91,083	69,552	74,900	36,698	631,142
1963-64(d)	..	..	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	..	..	276,794	208,790	128,264	94,346	105,802	55,439	877,435
1967-68	..	..	307,917	233,091	141,948	104,465	111,670	57,857	956,946
1968-69	..	..	337,383	253,562	157,830	116,117	125,674	59,019	1,049,585
1969-70	..	..	378,683	293,643	178,704	127,396	140,380	70,414	1,189,219
1970-71	..	..	484,975	361,584	223,275	161,252	168,343	80,768	1,480,198
1971-72	..	..	498,017	362,085	249,209	171,420	176,974	79,473	1,537,178
1972-73	..	..	536,963	396,087	281,946	202,430	196,369	87,098	1,700,893
1973-74	..	..	593,433	443,624	332,472	227,582	225,243	101,101	1,923,455
1974-75	..	..	756,163	562,266	449,671	318,286	286,903	140,204	2,513,496
1975-76 (estimate)	..	..	980,300	732,900	594,200	378,800	375,600	161,600	3,222,400

(a) The amounts include supplementary grants where these were paid. See following Table.

(b) Includes grants totalling \$16,434,000 paid in connection with South Australia's withdrawal from the Grants Commission system and not on recommendation of the Grants Commission.

(c) Includes special payments of \$10 million for South Australia and \$5 million for Tasmania in connection with railway transfers.

(d) Not including additional assistance grants.

TABLE 117.—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	27,545	12,381	349,126
SUPPLEMENTARY GRANTS							
1945-46(b)	..	..	..	1,106	..	..	1,106
1946-47(b)	..	..	..	2,202	1,826	238	4,266
1947-48	..	..	..	..	..	..	..
1948-49	..	..	..	..	..	..	..
1949-50	6,522	3,660	2,618	1,374	1,322	504	16,000
1950-51	16,554	11,820	5,628	2,458	2,820	720	40,000
1951-52	26,147	18,247	10,011	5,581	4,780	2,388	67,154
1952-53	20,991	14,263	8,442	4,509	4,220	1,866	54,291
1953-54	17,038	11,244	6,877	3,705	3,435	1,531	43,830
1954-55	15,517	9,919	6,396	3,492	3,133	1,347	39,804
1955-56	14,219	6,797	4,246	2,390	2,121	922	30,695
1956-57	13,852	11,652	5,785	3,335	2,908	1,278	38,810
1957-58(c)	17,978	12,811	7,547	4,443	3,804	1,708	48,291
1958-59	22,596	16,208	9,471	5,637	4,803	2,159	60,874
TOTAL TAX REIMBURSEMENT GRANTS							
1942-43(a)	30,952	13,594	11,642	4,868	5,240	1,830	68,126
1943-44(a)	31,034	13,780	11,642	4,916	5,288	1,850	68,510
1944-45(a)	31,034	13,780	11,642	4,916	5,288	1,850	68,510
1945-46(a)	31,034	13,780	11,642	4,916	5,288	1,850	68,510
1946-47	32,954	17,720	13,202	9,118	8,594	2,678	84,266
1947-48	37,074	19,934	14,852	7,780	7,614	2,746	90,000
1948-49	44,044	24,196	17,664	9,260	8,990	3,334	107,488
1949-50	57,502	32,268	23,080	12,114	11,666	4,444	141,074
1950-51	73,632	44,496	28,558	14,538	14,354	5,218	180,796
1951-52	95,800	59,000	38,000	20,400	18,800	8,000	240,000
1952-53	107,973	66,433	43,423	23,194	21,709	9,069	271,801
1953-54	112,571	70,000	45,434	24,481	22,695	9,664	284,844
1954-55	116,948	74,757	48,209	26,321	23,612	10,153	300,000
1955-56	122,672	78,934	49,309	27,753	24,627	10,705	314,000
1956-57	130,558	92,126	54,524	31,433	27,411	12,048	348,100
1957-58(c)	141,471	100,811	59,389	34,962	29,931	13,436	380,000
1958-59	152,188	109,165	63,789	37,969	32,349	14,540	410,000

* Formula altered in these years.

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

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

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

(b) Paid on recommendation of the Grants Commission.

(c) An additional assistance grant was also provided in this year to meet special circumstances. See Chapter IV of 'Commonwealth Payments to or for the States, 1967-68'.

TABLE 118.—SPECIAL GRANTS 1910-11 TO 1975-76
\$'000

	Queensland	South Australia	Western Australia	Tasmania	Total
SPECIAL GRANTS PAID PRIOR TO ESTABLISHMENT OF 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
SPECIAL GRANTS PAID SUBSEQUENT TO ESTABLISHMENT OF 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	..	10,000	..	7,800	23,800
1972-73	..	21,000	..	7,600	38,600
1973-74	..	10,000	..	8,650	38,550
1974-75	..	24,750	(e) 39,934	..	(e) 64,684
1975-76	..	36,300	(g) 2,500	(f) ..	38,800

(a) From 1949-50 special grants have generally 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 1968-69 are given in Chapter II. Figures for previous years may be found in the Thirty-seventh Report of the Grants Commission, page 119 and in the Forty-first Report, page 147.

(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 was transferred to the State's financial assistance grant for 1970-71.

(e) See footnote (b) to Table 116 in this Appendix.

(f) Tasmania withdrew from Grants Commission system at the end of 1973-74. It has since reapplied for special grants but no grant is provided for in the Budget.

(g) South Australia withdrew from the special grants system at the end of 1974-75. Amount shown is completion payment in respect of 1973-74.

TABLE 119.—ESCALATION FACTORS USED IN CALCULATION OF FINANCIAL ASSISTANCE GRANTS
1965-66 TO 1975-76 (ESTIMATED)

Per Cent

				Increase in Average Wages(a)	Betterment Factor(a)
1965-66 .. .. .	..	..	..	7.27	1.2
1966-67 .. .. .	..	..	..	5.08	1.2
1967-68 .. .. .	..	..	..	6.27	1.2
1968-69 .. .. .	..	..	..	6.75	1.2
1969-70 .. .. .	..	..	..	8.35	1.2
1970-71 .. .. .	..	..	..	9.86	1.2
1971-72 .. .. .	..	..	..	11.31	1.8
1972-73 .. .. .	..	..	..	8.57	1.8
1973-74 .. .. .	..	..	..	16.03	1.8
1974-75 .. .. .	..	..	..	26.78	1.8
1975-76 (estimate) ..	..	..	..	21.00	1.8

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	All States(c)
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POPULATION FACTOR(b)

1965-66	1.89	2.29	1.27	1.91	2.54	1.23	1.93
1966-67	1.46	1.69	1.70	1.99	2.91	1.16	1.75
1967-68	1.73	1.65	1.80	1.26	3.49	1.53	1.84
1968-69	1.91	1.61	1.95	1.60	4.26	1.69	2.04
1969-70	2.28	1.92	1.92	1.66	3.87	1.33	2.20
1970-71	2.07	1.77	1.94	1.95	3.58	1.13	2.09
1971-72	1.70	1.56	2.16	1.30	3.41	0.70	1.83
1972-73	0.96	1.17	2.47	0.93	1.61	0.69	1.32
1973-74	0.87	0.97	2.52	1.22	1.75	0.90	1.31
1974-75	1.26	1.56	2.63	2.32	2.93	1.47	1.88
1975-76 (estimate) ..	0.45	1.00	1.74	0.57	1.98	0.75	1.01

COMBINED ESCALATION FACTOR(d)

1965-66	10.61	11.05	9.94	10.64	11.31	9.90	10.65
1966-67	7.89	8.13	8.15	8.45	9.43	7.57	8.19
1967-68	9.41	9.32	9.48	8.89	11.23	9.19	9.52
1968-69	10.09	9.77	10.14	9.76	12.63	9.85	10.24
1969-70	12.15	11.75	11.75	11.47	13.89	11.10	12.06
1970-71	13.48	13.15	13.34	13.34	15.15	12.44	13.50
1971-72	15.24	15.08	15.76	14.78	17.18	14.11	15.39
1972-73	11.59	11.82	13.26	11.56	12.31	11.30	11.98
1973-74	19.15	19.27	21.10	19.56	20.19	19.18	19.67
1974-75	30.68	31.08	32.45	32.05	32.83	30.96	31.49
1975-76 (estimate) ..	23.73	24.41	25.32	23.88	25.62	24.10	24.42

- (a) The average wages factor is the Statistician's estimate of the 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 in average wages for the year ending 30 June 1965 was used). Both the average wages and the betterment factors are the same for each State.
- (b) Calculated from the Statistician's estimates of increases in States' populations in the year ended 31 December in the year of payment.
- (c) Weighted average for the six States.
- (d) The method used to calculate the combined escalation factor is illustrated as follows for New South Wales in 1965-66:
 1.0727 (average wages factor) $\times 1.012$ (betterment factor) $\times 1.0189$ (population factor) = 1.1061 ;
that is a combined increase of 10.61 per cent.

42-43

1966-67 4266000
9496000
80000000

11.27%

84266000

1958-59
410000000
415000000

10.12%

APPENDIX III—TABLES OF GENERAL PURPOSE CAPITAL FUNDS

TABLE No.	SUBJECT
120	General Purpose Capital Funds for State Governments, 1951-52 to 1975-76.
121	Semi-Government and Local Authority Borrowings, 1951-52 to 1975-76.
122	Semi-Government and Local Authority Borrowings, per Head of Population, 1951-52 to 1975-76.
123	General Purpose Capital Funds for State Governments, and State Semi-Government and Local Authority Borrowings, 1951-52 to 1975-76.
124	General Purpose Capital Funds for State Governments, and State Semi-Government and Local Authority Borrowings, per Head of Population, 1951-52 to 1975-76.
125	Borrowings by Local Government Authorities, 1951-52 to 1975-76.
126	Summary of the Financing of State Government Loan Council Programs, 1951-52 to 1974-75.
127	Details of the Financing of State Government Loan Council Programs, 1963-64 to 1974-75.

TABLE 120—GENERAL PURPOSE CAPITAL FUNDS FOR STATE GOVERNMENTS
1951-52 TO 1975-76(a)
\$'000

				New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
APPROVED LOAN COUNCIL BORROWING PROGRAMS										
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	(b) 313,600
1956-57	..	..	..	99,900	79,600	38,500	45,100	(c) 33,800	22,800	319,700
1957-58	..	..	..	105,900	84,840	40,000	47,060	31,680	24,200	333,680
1958-59	..	..	..	110,180	88,400	42,500	48,600	33,520	25,180	348,380
1959-60	..	..	..	116,280	92,810	45,500	50,770	35,400	27,080	367,840
1960-61	..	..	..	121,388	97,610	49,000	51,934	37,280	28,388	385,600
1961-62	..	..	..	124,596	100,150	51,000	50,296	39,162	28,996	394,200
1962-63	..	..	..	130,808	105,360	53,400	51,458	41,044	30,708	412,778
1963-64	..	..	..	140,020	112,270	60,200	55,184	44,006	32,020	443,700
1964-65	..	..	..	149,470	120,954	66,752	59,020	46,968	34,136	477,300
1965-66	..	..	..	152,150	123,206	68,016	61,892	47,902	34,834	488,000
1966-67	..	..	..	163,640	132,520	72,510	67,680	51,070	37,580	525,000
1967-68	..	..	..	172,240	139,700	76,360	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	..	..	..	148,900	121,670	67,910	60,000	(d) 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
1973-74	..	..	..	183,078	149,738	78,236	79,587	54,587	43,467	588,693
1974-75	..	..	..	226,996	184,809	107,455	99,261	68,068	54,952	741,541
1975-76(e)	..	..	..	274,114	217,744	114,919	112,950	80,197	60,743	860,667
CAPITAL GRANTS										
1970-71	..	..	..	63,610	51,020	25,290	27,420	18,680	13,980	200,000
1971-72	..	..	..	69,690	55,890	27,710	30,030	20,470	15,310	219,100
1972-73	..	..	..	79,051	63,405	31,429	34,074	23,213	17,367	248,539
1973-74	..	..	..	86,551	70,789	36,987	37,625	25,806	20,549	278,307
1974-75	..	..	..	107,313	87,370	46,112	46,927	32,179	25,977	345,878
1975-76(e)	..	..	..	137,057	108,871	57,459	56,475	40,099	30,372	430,333
TOTAL GENERAL PURPOSE CAPITAL FUNDS (f)										
1970-71	..	..	..	212,510	172,690	93,200	87,420	67,080	48,550	681,450
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
1973-74	..	..	..	269,629	220,527	115,223	117,212	80,393	64,016	867,000
1974-75	..	..	..	334,309	272,179	153,567	146,188	100,247	80,929	1,087,419
1975-76(e)	..	..	..	(g)411,171	326,615	172,378	169,425	120,296	91,115	1,291,000
TOTAL WORKS AND HOUSING PROGRAMS 1951-52 TO 1970-71(h)										
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	55,060	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

(a) For an explanation of the amounts shown in this table, see Chapter III, particularly under the heading 'Treatment of Loan Council Programs in This and Other Budget Documents'.

(b) Excludes \$6,362,000 allocated to the Australian Government for emergency wheat storage.

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

(d) Includes special allocation of \$3 million.

(e) Amounts approved at the June 1975 meeting of the Loan Council.

(f) For years prior to 1970-71 the borrowing programs represent the total of the general purpose capital funds.

(g) Includes special permanent addition of \$10 million.

(h) That is, amounts shown above plus advances under Commonwealth-State Housing Agreements. For the relevance of these aggregates in this context, see reference mentioned in footnote (a) above. For amounts of housing advances, see Appendix IV.

TABLE 121—SEMI-GOVERNMENT AND LOCAL AUTHORITY BORROWINGS
1951-52 to 1975-76
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total States	Australian Government	Total
BORROWINGS BY LARGER AUTHORITIES(a)									
1951-52	30,115	61,576	20,205	3,175	2,620	117,691	..	..	117,691
1952-53	44,880	76,396	25,021	10,307	7,238	10,720	174,562	..	174,562
1953-54	33,322	54,783	30,838	4,990	4,000	4,365	132,298	212	132,510
1954-55	36,232	62,373	26,421	3,050	5,920	4,257	138,251	400	138,651
1955-56	32,653	51,867	21,518	3,860	4,700	2,910	117,508	320	117,828
1956-57	32,568	61,820	25,018	6,023	5,000	2,998	133,427	410	133,837
1957-58	42,020	62,036	29,946	6,699	5,900	4,488	151,088	540	151,628
1958-59	45,443	63,196	33,191	7,720	4,817	4,396	158,764	755	159,519
1959-60	52,977	64,774	34,755	9,154	5,899	5,857	173,417	1,000	174,417
1960-61	52,300	66,889	35,325	9,712	5,158	5,640	175,024	510	175,534
1961-62	60,730	78,927	42,148	11,476	7,038	7,098	207,417	1,171	208,588
1962-63(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	324,049	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) ..	175,485	168,717	93,822	25,050	34,159	15,193	512,426	45,276	557,702
1973-74	199,949	182,667	106,609	26,850	33,233	15,679	564,987	30,015	595,002
1974-75	244,767	213,907	138,495	31,768	37,887	19,256	686,080	78,157	764,237
1975-76(d) ..	303,720	256,693	149,769	38,122	38,264	23,107	809,675	110,457	920,132
BORROWINGS BY SMALLER AUTHORITIES(a)									
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	5,070	5,382	446	2,420	1,656	25,451	..	25,451
1954-55	12,323	5,406	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	1,458	2,554	1,518	36,889	..	36,889
1959-60	10,263	10,212	8,505	758	2,983	1,183	33,904	..	33,904
1960-61	11,466	10,580	8,369	810	4,079	1,284	36,588	..	36,588
1961-62(e) ..	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(c) ..	42,477	30,927	26,127	7,039	20,556	3,645	130,772	..	130,772
1973-74	46,948	35,817	32,117	9,461	25,470	3,025	152,838	..	152,838
1974-75	52,921	43,813	39,854	11,817	25,920	5,100	179,426	..	179,426
1975-76 (estimate)(f) ..	64,000	52,000	47,141	16,000	34,683	7,500	221,324	..	221,324
BORROWINGS BY ALL SEMI-GOVERNMENT AND LOCAL AUTHORITIES									
1951-52	41,150	65,919	23,264	3,587	1,490	3,619	139,029	..	139,029
1952-53	53,801	82,405	29,293	10,503	8,802	11,696	196,501	150	196,651
1953-54	43,830	59,822	36,220	5,436	6,420	6,020	157,749	212	157,961
1954-55	48,554	67,849	32,235	3,706	8,908	6,293	167,546	400	167,946
1955-56	44,183	57,112	26,277	4,266	7,059	4,112	143,010	320	143,330
1956-57	45,340	70,010	31,438	7,065	7,323	4,483	165,659	410	166,069
1957-58	53,846	71,022	37,206	7,389	8,583	6,238	184,284	540	184,824
1958-59	59,140	73,311	40,740	9,178	7,371	5,914	195,653	754	196,408
1959-60	63,240	74,986	43,260	9,912	8,882	7,040	207,321	1,000	208,322
1960-61	63,766	77,469	43,694	10,522	9,238	6,924	211,612	510	212,122
1961-62	85,660	90,113	53,821	13,355	11,439	8,690	263,077	1,171	264,248
1962-63	84,958	94,617	60,168	14,268	12,582	9,046	275,638	1,264	276,902
1963-64	94,274	98,127	64,309	15,385	15,151	9,682	296,928	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	217,962	199,644	119,950	32,089	54,715	18,838	643,198	45,276	688,474
1973-74	246,897	218,484	138,726	36,311	58,703	18,704	717,825	30,015	747,840
1974-75	297,688	257,720	178,349	43,585	63,807	24,356	865,506	78,157	943,663
1975-76 (estimate) ..	367,720	308,693	196,910	54,122	72,947	30,607	1,030,999	110,457	1,141,456

- (a) See Chapter III under the heading 'Borrowing Programs for State 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 program for the larger authorities. The excess is in the figures for the larger authorities.
 (c) Following a decision of the Loan Council in March 1973 to increase the borrowing programs of the larger authorities by \$27.5 million, a number of smaller authorities were permitted to borrow in excess of \$400,000. This excess was charged against the increase of \$27.5 million and is included in the borrowings of the larger authorities in 1972-73.
 (d) Borrowing programs approved by the Loan Council in June 1975.
 (e) 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.
 (f) Tentative estimates by State Treasuries.

TABLE 122—SEMI-GOVERNMENT AND LOCAL AUTHORITY BORROWINGS
1951-52 TO 1975-76, PER HEAD OF POPULATION (a)

—			New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
			\$	\$	\$	\$	\$	\$	\$
BORROWINGS BY LARGER AUTHORITIES									
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	..	..	37.37	47.14	49.47	20.95	32.10	38.47	39.95
1973-74	..	..	42.21	50.48	54.82	22.17	30.64	39.30	43.48
1974-75	..	..	51.15	58.33	69.57	25.78	34.05	47.63	52.01
1975-76	..	..	63.14	69.37	73.79	30.64	33.73	56.63	60.76
BORROWINGS BY SMALLER AUTHORITIES									
1951-52	..	..	3.33	1.88	2.47	0.55	2.53	3.41	2.51
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	0.49	3.41	4.57	3.40
1957-58	..	..	3.23	3.34	5.10	1.21	3.41	5.27	3.43
1958-59	..	..	3.67	3.68	5.20	0.78	3.87	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	..	..	9.05	8.64	13.78	5.89	19.32	9.23	10.20
1973-74	..	..	9.91	9.90	16.52	7.81	23.48	7.58	11.76
1974-75	..	..	11.06	11.95	20.02	9.59	23.29	12.61	13.60
1975-76 (estimate)	..	..	13.31	14.05	23.23	12.86	30.57	18.38	16.61
BORROWINGS BY ALL SEMI-GOVERNMENT AND LOCAL AUTHORITIES									
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	..	..	46.42	55.78	63.24	26.84	51.41	47.70	50.15
1973-74	..	..	52.12	60.38	71.34	29.99	54.12	46.88	55.24
1974-75	..	..	62.21	70.28	89.60	35.37	57.34	60.24	65.61
1975-76 (estimate)	..	..	76.45	83.42	97.02	43.50	64.30	75.02	77.36

(a) See footnotes to Table 121.

TABLE 123—GENERAL PURPOSE CAPITAL FUNDS FOR STATE GOVERNMENTS AND STATE SEMI-GOVERNMENT AND LOCAL AUTHORITY BORROWINGS, 1951-52 TO 1975-76

\$'000

			New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
GENERAL PURPOSE CAPITAL FUNDS FOR STATE GOVERNMENTS(a)									
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	313,600
1956-57	..	..	99,900	79,600	38,500	45,100	33,800	22,800	319,700
1957-58	..	..	105,900	84,840	40,000	47,060	31,680	24,200	333,680
1958-59	..	..	110,180	88,400	42,500	48,600	33,520	25,180	348,380
1959-60	..	..	116,280	92,810	45,500	50,770	35,400	27,080	367,840
1960-61	..	..	121,388	97,610	49,000	51,934	37,280	28,388	385,600
1961-62	..	..	124,596	100,150	51,000	50,296	39,162	28,996	394,200
1962-63	..	..	130,808	105,360	53,400	51,458	41,044	30,708	412,778
1963-64	..	..	140,020	112,270	60,200	55,184	44,006	32,020	443,700
1964-65	..	..	149,470	120,954	66,752	59,020	46,968	34,136	477,300
1965-66	..	..	152,150	123,206	68,016	61,892	47,902	34,834	488,000
1966-67	..	..	163,640	132,520	72,510	67,680	51,070	37,580	525,000
1967-68	..	..	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	..	..	212,510	172,690	93,200	87,420	67,080	48,550	681,450
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
1973-74	..	..	269,629	220,527	115,223	117,212	80,393	64,016	867,000
1974-75	..	..	334,309	272,179	153,567	146,188	100,247	80,929	1,087,419
1975-76	..	..	411,171	326,615	172,378	169,425	120,296	91,115	1,291,000
BORROWINGS BY STATE SEMI-GOVERNMENT AND LOCAL AUTHORITIES(b)									
1951-52	..	..	41,150	65,919	23,264	3,587	1,490	3,619	139,029
1952-53	..	..	53,801	82,405	29,293	10,503	8,802	11,696	196,501
1953-54	..	..	43,830	59,822	36,220	5,436	6,420	6,020	157,749
1954-55	..	..	48,554	67,849	32,235	3,706	8,908	6,293	167,546
1955-56	..	..	44,183	57,112	26,277	4,266	7,059	4,112	143,010
1956-57	..	..	45,340	70,010	31,438	7,065	7,323	4,483	165,659
1957-58	..	..	53,846	71,022	37,206	7,389	8,583	6,238	184,284
1958-59	..	..	59,140	73,311	40,740	9,178	7,371	5,914	195,653
1959-60	..	..	63,240	74,986	43,260	9,912	8,882	7,040	207,321
1960-61	..	..	63,766	77,469	43,694	10,522	9,238	6,924	211,612
1961-62	..	..	85,660	90,113	53,821	13,355	11,439	8,960	263,348
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	..	..	217,962	199,644	119,950	32,089	54,715	18,838	643,198
1973-74	..	..	246,897	218,484	138,726	36,311	58,703	18,704	717,825
1974-75	..	..	297,688	257,720	178,349	43,585	63,807	24,357	865,506
1975-76 (estimate)	..	..	367,720	308,693	196,910	54,122	72,947	30,607	1,030,999
TOTAL OF GENERAL PURPOSE CAPITAL FUNDS FOR STATE GOVERNMENTS AND BORROWINGS BY STATE SEMI-GOVERNMENT AND LOCAL AUTHORITIES									
1951-52	..	..	169,150	177,919	68,264	56,413	34,490	33,819	540,055
1952-53	..	..	156,157	162,347	66,355	54,153	40,032	37,820	516,865
1953-54	..	..	150,330	141,122	73,120	49,436	34,420	34,920	483,349
1954-55	..	..	143,594	143,719	68,189	45,422	36,108	32,213	469,246
1955-56	..	..	144,083	135,112	64,277	49,366	32,859	30,912	456,610
1956-57	..	..	145,240	149,610	69,938	52,165	41,123	27,283	485,359
1957-58	..	..	159,746	155,862	77,206	54,449	40,263	30,438	517,964
1958-59	..	..	169,320	161,711	83,240	57,778	40,891	31,094	544,033
1959-60	..	..	179,520	167,796	88,760	60,682	44,282	34,120	575,161
1960-61	..	..	185,154	175,079	92,694	62,456	46,518	35,312	597,212
1961-62	..	..	210,256	190,263	104,821	63,651	50,601	37,956	657,548
1962-63	..	..	215,766	199,977	113,568	65,726	53,626	39,754	688,416
1963-64	..	..	234,294	210,397	124,509	70,569	59,157	41,702	740,628
1964-65	..	..	248,528	219,964	129,968	75,157	64,710	43,989	782,315
1965-66	..	..	254,744	221,433	134,037	78,910	66,745	44,575	800,444
1966-67	..	..	275,250	240,415	143,119	86,431	71,098	49,441	865,754
1967-68	..	..	308,179	274,893	161,665	93,903	79,435	56,931	975,006
1968-69	..	..	328,113	287,074	170,101	115,207	84,075	59,537	1,044,107
1969-70	..	..	347,859	305,199	178,712	111,781	91,023	62,256	1,096,830
1970-71	..	..	376,200	329,533	191,444	114,607	101,027	65,477	1,178,288
1971-72	..	..	462,270	399,072	221,122	150,903	125,040	80,130	1,438,538
1972-73	..	..	530,298	450,164	244,131	166,717	139,096	87,457	1,625,198
1973-74	..	..	516,526	439,011	253,949	153,523	139,096	82,720	1,584,825
1974-75	..	..	631,997	529,899	331,916	189,773	164,054	105,286	1,952,925
1975-76 (estimate)	..	..	778,891	635,308	369,288	223,547	193,243	121,722	2,321,999

(a) See footnotes to Table 120.

(b) See footnotes to Table 121.

TABLE 124—GENERAL PURPOSE CAPITAL FUNDS FOR STATE GOVERNMENTS AND STATE SEMI-GOVERNMENT AND LOCAL AUTHORITY BORROWINGS, PER HEAD OF POPULATION, 1951-52 TO 1975-76

				New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
				\$	\$	\$	\$	\$	\$	\$
GENERAL PURPOSE CAPITAL FUNDS FOR STATE GOVERNMENTS										
1951-52	..	..	..	38.65	48.49	36.29	71.07	55.94	102.97	47.25
1952-53	..	..	..	30.41	33.70	29.13	56.95	51.10	86.36	36.86
1953-54	..	..	..	31.27	33.56	28.37	55.98	44.40	93.41	36.77
1954-55	..	..	..	27.47	30.53	27.07	51.66	41.96	82.89	33.37
1955-56	..	..	..	28.34	30.52	27.92	54.04	38.69	84.20	33.86
1956-57	..	..	..	27.83	31.36	27.62	52.36	49.64	70.22	33.74
1957-58	..	..	..	28.93	31.56	28.12	53.12	45.67	72.89	34.46
1958-59	..	..	..	29.55	32.15	29.30	53.50	47.49	74.37	35.25
1959-60	..	..	..	30.63	32.91	30.78	54.38	49.35	78.70	36.46
1960-61	..	..	..	31.32	33.74	32.59	54.26	51.03	81.09	37.40
1961-62	..	..	..	31.52	33.87	33.13	51.36	51.82	82.10	37.41
1962-63	..	..	..	32.53	34.98	34.16	51.54	52.80	85.73	38.47
1963-64	..	..	..	34.33	36.53	37.74	53.92	55.09	88.26	40.59
1964-65	..	..	..	36.08	38.57	41.03	56.10	57.47	93.17	42.84
1965-66	..	..	..	36.14	38.57	40.97	57.21	57.21	94.25	42.99
1966-67	..	..	..	38.35	40.78	42.97	61.35	59.14	100.67	45.48
1967-68	..	..	..	39.78	42.30	44.63	64.37	59.36	107.55	47.21
1968-69	..	..	..	41.36	43.68	46.09	68.80	58.56	110.06	48.84
1969-70	..	..	..	43.34	46.15	48.30	71.94	60.80	117.33	51.29
1970-71	..	..	..	46.48	49.60	51.43	74.84	66.19	124.58	54.79
1971-72	..	..	..	61.05	64.38	60.94	103.31	79.60	158.84	70.49
1972-73	..	..	..	66.51	70.00	65.48	112.60	86.18	173.76	76.56
1973-74	..	..	..	56.91	60.94	59.25	96.80	74.12	160.44	66.72
1974-75	..	..	..	69.87	74.22	77.15	118.62	90.09	200.17	82.43
1975-76 (estimate)	..	..	..	85.48	88.27	84.93	136.17	106.04	223.32	96.87
BORROWINGS BY STATE SEMI-GOVERNMENT AND LOCAL AUTHORITIES										
1951-52	..	..	..	12.42	28.54	18.76	4.83	2.53	12.34	16.38
1952-53	..	..	..	15.98	34.73	23.03	13.70	14.40	38.66	22.61
1953-54	..	..	..	12.87	24.69	27.85	6.92	10.18	19.45	17.82
1954-55	..	..	..	14.03	27.30	24.27	4.59	13.74	20.12	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	12.37	18.79	19.03
1958-59	..	..	..	15.86	26.66	28.09	10.10	10.44	17.47	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	25.37	24.99
1962-63	..	..	..	21.13	31.42	38.49	14.29	16.18	25.25	25.69
1963-64	..	..	..	23.11	31.93	40.32	15.03	18.97	26.69	27.16
1964-65	..	..	..	23.91	31.67	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	33.20	41.85	17.00	23.19	31.77	29.52
1967-68	..	..	..	31.40	40.94	49.61	19.79	29.22	43.22	35.85
1968-69	..	..	..	33.17	41.84	51.25	33.03	31.27	45.51	38.48
1969-70	..	..	..	34.14	43.07	52.10	25.33	32.54	43.67	38.61
1970-71	..	..	..	35.80	45.05	54.21	23.27	33.49	43.44	39.95
1971-72	..	..	..	38.43	48.52	58.52	24.17	39.87	45.36	43.19
1972-73	..	..	..	46.42	55.78	63.24	26.84	51.41	47.70	50.15
1973-74	..	..	..	52.12	60.38	71.34	29.99	54.12	46.88	55.24
1974-75	..	..	..	62.21	70.28	89.60	35.37	57.34	60.24	65.61
1975-76 (estimate)	..	..	..	76.45	83.42	97.02	43.50	64.30	75.02	77.36
TOTAL GENERAL PURPOSE CAPITAL FUNDS FOR STATE GOVERNMENTS AND STATE SEMI-GOVERNMENT AND LOCAL AUTHORITIES BORROWINGS										
1951-52	..	..	..	51.07	77.03	55.06	75.90	58.47	115.30	63.63
1952-53	..	..	..	46.39	68.43	52.16	70.65	65.50	125.02	59.47
1953-54	..	..	..	44.14	58.25	56.22	62.90	54.57	112.86	54.59
1954-55	..	..	..	41.50	57.83	51.34	56.25	55.71	103.02	51.90
1955-56	..	..	..	40.87	52.86	47.23	59.16	49.27	97.12	49.30
1956-57	..	..	..	40.47	56.98	50.17	60.56	60.40	84.03	51.22
1957-58	..	..	..	43.64	58.00	54.28	61.45	58.05	91.68	53.50
1958-59	..	..	..	45.41	58.80	57.39	63.60	57.93	91.83	55.05
1959-60	..	..	..	47.29	59.51	60.05	65.30	61.73	99.16	57.01
1960-61	..	..	..	47.77	60.51	61.64	65.26	63.74	100.86	57.93
1961-62	..	..	..	53.20	64.35	68.08	65.00	66.95	107.46	62.40
1962-63	..	..	..	53.66	66.40	72.65	65.82	68.98	110.98	64.16
1963-64	..	..	..	57.44	68.46	78.06	68.96	74.06	114.94	67.75
1964-65	..	..	..	60.00	70.13	79.89	71.44	79.19	120.06	70.22
1965-66	..	..	..	60.51	69.33	80.74	72.94	79.71	120.60	70.51
1966-67	..	..	..	64.51	73.98	84.82	78.35	82.34	132.44	75.00
1967-68	..	..	..	71.18	83.24	94.24	84.17	88.58	150.77	83.07
1968-69	..	..	..	74.53	85.52	97.35	101.83	89.82	155.57	87.32
1969-70	..	..	..	77.47	89.22	100.40	97.28	93.35	160.99	89.89
1970-71	..	..	..	82.29	94.66	105.64	98.11	99.68	168.02	94.74
1971-72	..	..	..	99.48	112.90	119.46	127.48	119.47	204.20	113.67
1972-73	..	..	..	112.93	125.78	128.72	139.44	137.60	221.47	126.71
1973-74	..	..	..	109.03	121.32	130.59	126.78	128.23	207.32	121.96
1974-75	..	..	..	132.08	144.50	166.74	153.99	147.42	260.42	148.04
1975-76 (estimate)	..	..	..	161.92	171.69	181.95	179.67	170.35	298.34	174.24

TABLE 125—BORROWINGS BY LOCAL GOVERNMENT AUTHORITIES(a)

\$'000

	New South Wales(b)	Victoria	Queensland	South Australia	Western Australia	Tasmania	Six State Total	Northern Territory	Total
'LARGER' AUTHORITIES(c)									
1951-52	17,707	750	12,605	407	..	1,160	32,222	..	32,222
1952-53	22,584	3,378	12,188	490	..	1,950	40,507	..	40,507
1953-54	20,479	2,820	11,172	490	..	1,445	36,406	..	36,406
1954-55	18,986	3,721	9,833	1,250	..	1,457	35,247	..	35,247
1955-56	14,015	2,680	8,318	360	500	1,010	26,883	..	26,883
1956-57	12,568	3,520	10,181	1,023	700	1,322	29,314	..	29,314
1957-58	17,640	3,385	12,422	501	1,400	2,103	37,451	..	37,451
1958-59	19,953	4,226	15,224	1,104	2,017	2,425	44,949	95	45,044
1959-60	25,837	5,929	17,298	1,554	2,879	3,645	57,142	20	57,162
1960-61	25,000	8,100	18,487	1,026	2,708	3,430	58,751	60	58,811
1961-62	31,370	11,307	22,869	1,977	2,894	4,286	74,703	21	74,724
1962-63	34,808	13,352	20,941	2,082	2,028	3,705	76,916	64	76,980
1963-64	40,755	15,661	19,539	2,350	1,428	4,044	83,777	28	83,805
1964-65	40,016	18,348	20,939	2,961	1,248	4,850	88,362	75	88,437
1965-66	38,246	16,061	21,354	2,422	1,367	5,061	84,511	211	84,722
1966-67	41,190	19,128	25,392	2,883	1,990	4,600	95,183	80	95,263
1967-68	40,690	16,540	28,838	2,600	2,365	5,005	96,038	100	96,138
1968-69	42,550	14,441	33,717	2,950	3,375	4,780	101,813	782	102,595
1969-70	44,440	15,698	33,132	4,791	2,787	4,495	105,343	690	106,033
1970-71	49,990	14,853	36,615	4,652	3,800	4,493	114,403	327	114,730
1971-72	52,102	19,528	46,014	4,960	3,700	4,675	130,979	407	131,386
1972-73	60,385	20,939	56,913	5,309	5,289	4,810	153,645	426	154,071
1973-74	65,449	18,600	60,434	4,598	4,550	5,874	159,505	515	160,020
1974-75	85,217	22,238	83,516	6,000	4,575	7,295	208,840	516	209,356
1975-76 (estimate)(d)	104,000	22,400	71,606	5,300	5,000	7,360	215,666	957	216,623
'SMALLER' AUTHORITIES(e)									
1951-52	11,035	4,038	n.a.	412	1,470	..	n.a.	..	n.a.
1952-53	8,920	4,708	n.a.	196	1,506	..	n.a.	..	n.a.
1953-54	10,507	3,569	n.a.	446	2,420	..	n.a.	..	n.a.
1954-55	12,323	4,090	n.a.	656	2,988	..	n.a.	..	n.a.
1955-56	11,530	3,666	n.a.	406	2,301	..	n.a.	..	n.a.
1956-57	12,772	6,010	n.a.	1,042	2,283	..	n.a.	..	n.a.
1957-58	11,826	6,930	5,847	690	2,643	..	27,936	..	27,936
1958-59	13,697	7,819	5,884	1,458	2,514	..	31,372	..	31,372
1959-60	10,263	7,692	6,199	758	2,983	..	27,895	..	27,895
1960-61	11,466	7,153	6,337	782	3,679	..	29,417	..	29,417
1961-62	24,930	7,288	7,688	1,746	4,201	..	45,853	..	45,853
1962-63	19,810	8,257	9,038	2,075	4,902	..	44,082	..	44,082
1963-64	19,678	7,483	10,128	2,239	5,723	..	45,251	..	45,251
1964-65	19,552	7,182	10,245	2,592	6,131	..	45,702	..	45,702
1965-66	22,448	7,871	11,156	3,375	6,575	..	51,425	..	51,425
1966-67	23,840	8,508	11,086	3,891	6,768	..	54,093	..	54,093
1967-68	30,930	13,753	14,312	4,513	9,070	..	72,578	..	72,578
1968-69	31,144	11,659	14,530	4,966	10,515	..	72,814	..	72,814
1969-70	29,783	10,793	14,578	4,498	11,813	..	71,465	..	71,465
1970-71	26,815	11,013	13,737	5,185	11,257	2,434	70,441	..	70,441
1971-72	27,896	14,285	13,973	5,149	10,882	2,646	74,831	..	74,831
1972-73	34,906	20,019	14,478	4,389	13,754	3,124	90,670	..	90,670
1973-74	39,091	22,374	17,038	6,221	16,270	2,717	103,711	..	103,711
1974-75	47,586	27,950	19,288	7,617	17,265	3,416	123,122	..	123,122
1975-76 (estimate)(d)	58,000	35,000	27,771	9,000	25,583	5,000	160,354	..	160,354
TOTAL									
1951-52	28,742	4,788	n.a.	412	1,470	1,160	n.a.	..	n.a.
1952-53	31,504	8,086	n.a.	603	1,506	1,950	n.a.	..	n.a.
1953-54	30,986	6,389	n.a.	936	2,420	1,445	n.a.	..	n.a.
1954-55	31,309	7,811	n.a.	1,906	2,988	1,457	n.a.	..	n.a.
1955-56	25,545	6,346	n.a.	766	2,801	1,010	n.a.	..	n.a.
1956-57	25,340	9,530	n.a.	2,063	2,983	1,322	n.a.	..	n.a.
1957-58	29,466	10,315	18,269	1,191	4,043	2,103	65,387	..	65,387
1958-59	33,650	12,045	21,108	2,562	4,531	2,425	76,321	95	76,416
1959-60	36,100	13,621	23,497	2,312	5,862	3,645	85,037	20	85,057
1960-61	36,466	15,253	24,824	1,808	6,387	3,430	88,168	60	88,228
1961-62	56,300	18,595	30,557	3,723	7,095	4,286	120,556	21	120,577
1962-63	54,618	21,609	29,979	4,157	6,930	3,705	120,998	64	121,062
1963-64	60,433	23,144	29,667	4,589	7,151	4,044	129,028	28	129,056
1964-65	59,568	25,530	31,184	5,553	7,379	4,850	134,064	75	134,139
1965-66	60,694	23,932	32,510	5,797	7,942	5,061	135,936	211	136,147
1966-67	65,030	27,636	36,478	6,774	8,758	4,600	149,276	80	149,356
1967-68	71,620	30,293	43,150	7,113	11,435	5,005	168,616	100	168,716
1968-69	73,694	26,100	48,247	7,916	13,890	4,780	174,627	782	175,409
1969-70	74,223	26,491	47,710	9,289	14,600	4,495	176,808	690	177,499
1970-71	76,805	25,866	50,352	9,837	15,057	6,927	184,844	327	185,171
1971-72	79,988	33,813	59,987	10,109	14,582	7,321	205,810	407	206,217
1972-73	95,291	40,958	71,391	9,698	19,043	7,934	244,315	426	244,741
1973-74	104,540	40,974	77,472	10,819	20,820	8,591	263,216	515	263,731
1974-75	132,803	50,188	102,804	13,617	21,839	10,710	331,962	516	332,478
1975-76 (estimate)(d)	162,000	57,400	99,377	14,300	30,583	12,360	376,020	957	376,977

(a) On the interpretation of the figures shown in this table, see Chapter V, under the heading 'Borrowing Arrangements for Local Government Authorities'.

(b) Includes County Councils.

(c) That is, borrowings by local government authorities from within the totals approved for larger authorities. See footnote (a) to Table 83.

(d) Estimates supplied by State Treasuries; tentative only.

(e) That is, borrowings by local government within the smaller authorities category. See footnote (b) to Table 83.

**TABLE 126—SUMMARY OF THE FINANCING OF
STATE GOVERNMENT LOAN COUNCIL PROGRAMS, 1951-52 TO 1974-75(a)**

	Total Programs	Amounts Met from Public Loan Raisings and Overseas Borrowings		Amounts Met from Consolidated Revenue Fund			
		Amount	Percentage of Total Programs	Special Loans	Capital Grants Met Direct from Consolidated Revenue Fund	Total	
						Amount	Percentage of Total Programs
		\$'000	per cent	\$'000	\$'000	\$'000	per cent
1951-52	454,120	202,390(b)	45	251,730(c)	251,730(c)	55
1952-53	380,364	184,090(b)	48	196,274(c)	196,274(c)	52
1953-54	400,000	298,794(b)	75	101,206(c)	101,206(c)	25
1954-55	360,000	327,654(b)	91	32,346(c)	32,346(c)	9
1955-56	380,000	252,742(b)	67	127,258(c)	127,258(c)	33
1956-57	384,000	206,229(b)	54	177,771(c)	177,771(c)	46
1957-58	400,000	252,745(b)	63	147,255(c)	147,255(c)	37
1958-59	420,000	413,094	98	6,906	6,906	2
1959-60	440,000	379,045	86	60,955	60,955	14
1960-61	460,000	283,271	62	176,729	176,729	38
1961-62	495,000	481,015	97	13,985	13,985	3
1962-63	510,000	510,000	100	..	..	..
1963-64	544,000	544,000	100	..	..	..
1964-65	580,000	446,200	77	133,800	133,800	23
1965-66	605,000	436,240	72	168,760	168,760	28
1966-67	645,000	555,078	86	89,922	89,922	14
1967-68	677,000	484,450	72	192,550	192,550	28
1968-69	710,000	598,557	84	111,443	111,443	16
1969-70	758,000	403,000	53	355,000	355,000	47
1970-71	823,000(d)	506,427	62	199,908	316,573	38
1971-72	892,000(d)	860,330	96	31,670	31,670	4
1972-73	982,000(d)	857,000	87	91,000	125,000	13
1973-74	867,000(d)	867,000	100	..	..	..
1974-75	1,087,419(d)	793,190	73	274,969	294,229	27

(a) For further details of the financing of State Government Loan Council programs since 1963-64, including the derivation of the amounts shown above for those years, see following table. Programs in this table refer to the 'works and housing programs' to 1970-71.

(b) Includes the proceeds of overseas borrowings paid into Trust Funds and subscribed to Special Loans or public loans. Also includes a subscription by the Commonwealth Bank to the Special Loan in 1952-53.

(c) Excludes the amounts referred to in footnote (b).

(d) Includes capital grants of \$200 million in 1970-71, \$219.1 million in 1971-72, \$248,539,000 in 1972-73, \$278,307,000 in 1973-74 and \$345,878,000 in 1974-75.

TABLE 127—DETAILS OF THE FINANCING OF STATE GOVERNMENT LOAN COUNCIL PROGRAMS, 1963-64 TO 1974-75 (a)
\$'000

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75
SPECIAL LOANS APPLIED TO BORROWING PROGRAMS AND HOUSING ADVANCES												
Australian Government Subscriptions to Special Loans .. .. .	..	133,800	168,760	89,922	224,550	112,000	355,000	294,908	61,670	91,000	260,000	477,000
Less—Amounts used by Australian Government— for advances for welfare housing .. .. .	..	..	..	..	..	..	..	..	..	..	..	(b)-130,365
for War Service Land Settlement and other purposes .. .. .	..	..	..	..	..	-557	..	..	..	..	..	-416
for redemptions .. .. .	..	..	..	..	-32,000	..	..	-95,000	-30,000	..	-260,000	-71,250
(A) .. .. .	..	133,800	168,760	89,922	192,550	111,443	355,000	199,908	31,670	91,000	..	274,969
LOAN RAISINGS APPLIED TO BORROWING PROGRAMS AND HOUSING ADVANCES												
Public Loans raised in Australia—												
Cash loans	508,107	413,519	463,803	553,382	491,852	521,335	547,056	513,282	753,013	779,392	(c)1,155,460	(c)646,034
Special Bonds	(d)101,559	87,466	80,426	84,252	78,690	73,387	(e)134,034	(e)253,867	139,178	109,189	454,182	343,041
State Domestic Raisings	21,490	20,644	5,930	19,658	17,707	13,362	16,126	14,975	24,484	68,440	48,523	21,093
Overseas Loans applied direct to Borrowing Programs and Housing Advances	49,398	22,108	22,369	53,945	76,795	(f)146,301	(f)55,919	14,795	26,158	27,878	..	42,278
Total Loan Raisings	680,553	543,737	572,528	711,237	665,044	754,384	753,135	796,919	942,834	984,899	1,658,165	1,052,446
Less Amounts Used—												
for redemptions	-61,247	-88,711	-131,219	-149,033	-174,403	-133,130	-327,743	(e)-372,269	-112,325	-115,507	-460,506	-414,448
by Australian Government (chiefly for defence purposes including War Service Land Settlement)	-75,306	-8,826	-5,069	-7,127	-6,191	-2,394	-1,621	-1,558	-6,961	-5,104	(g)-43,909	-2,593
for capital grant for government schools .. .. .	..	..	..	..	..	..	..	..	-6,660	-13,340	..	..
for capital grant for works program .. .. .	..	..	..	..	..	..	..	..	-175,658	-208,486	-278,307	..
for advances for welfare housing .. .. .	..	..	..	..	..	..	..	..	..	..	-218,650	(b)-168,833
Less—Amounts carried forward .. .. .	..	..	..	..	..	(f)-20,303	(e)-20,771	..	..	..	(e)-68,100	..
(B)	544,000	446,200	436,240	555,077	484,450	598,558	403,000	423,092	641,230	642,461	588,693	466,572
CAPITAL GRANTS												
Capital Grants—												
Financed from proceeds of Treasury Note issue .. .. .	..	..	..	..	..	..	..	83,335	43,442	6,053	..	326,618
Financed from other loan proceeds .. .. .	..	..	..	..	..	..	..	..	175,658	208,486	278,307	..
Financed direct from Consolidated Revenue Fund .. .. .	..	..	..	..	..	..	..	116,665	..	34,000	..	19,260
(C) .. .. .	..	..	..	..	..	..	..	200,000	219,100	248,539	278,307	345,878
TOTAL PROGRAMS												
TOTAL PROGRAMS (A + B + C)	544,000	580,000	605,000	645,000	677,000	710,000	758,000	823,000	892,000	982,000	867,000	1,087,419

- (a) See Chapter III under heading 'Financing of State Borrowing Programs and the Capital Grants' for an outline of the arrangements for financing the States' Loan Council programs.
(b) Advances for welfare housing also financed from proceeds of Treasury Note issue (\$10,802,000) and direct from Consolidated Revenue Fund (\$75,400,000).
(c) Includes \$68,100,000 proceeds of cash loan held in Loan Fund to finance the approved Loan Council borrowing program for 1974-75. Programs in this table refer to the 'works and housing' programs to 1970-71.
(d) Includes \$10 million set aside from Special Bond raisings 1962-63 to finance advances to the States for housing in 1963-64.
(e) Includes \$20,771,000 set aside from Special Bond raisings in 1969-70 and applied to redemptions in 1970-71.
(f) Includes \$20,303,000 proceeds of February 1969 public loan in Germany which were held in Loan Fund to finance the approved Loan Council borrowing program for 1969-70.
(g) Includes \$37,773,000 proceeds of cash loan applied to redemption of Treasury Notes.

APPENDIX IV—PART I—HISTORY OF SPECIFIC PURPOSE PAYMENTS

Chapter IV outlines the payments currently being made or proposed to be made to the States for specific purposes. 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

Assistance to the States for universities was first introduced in 1951–52. Details of payments in the period from 1951 to the end of the 1973–75 triennium are given below. A summary of proposed arrangements for 1975–76 is given in Chapter IV.

The States Grants (Universities) Acts of 1951, 1953, 1955, 1956 and 1957 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 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., 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* 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 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 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 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 to the States for university projects in teaching hospitals.

1964–66 Triennium

For the three calendar years 1964 to 1966 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 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.

1967-69 Triennium

After consultation with State Governments the Australian Government agreed to a reduction of approximately \$56 million in the total program recommended in the Third Report of the Australian Universities Commission. As a result, the level of grants authorised by the *Universities (Financial Assistance) Act* 1966 was \$175.6 million, made up of \$116.9 million for recurrent expenditure and \$58.7 million for capital expenditure. The level of recurrent grants was increased in 1967 to \$123.8 million to take account of increased academic salaries from 1 July 1967. The principal Act was amended again in 1968 and 1969 to make minor technical changes to building programs for certain universities and a minor change in the basis upon which matching recurrent funds are made available for teaching hospitals; these modifications did not, however, affect the amount of the triennial program.

In addition to the approved program, as amended, the *Universities (Financial Assistance) Act* 1967 re-appropriated amounts totalling \$701,000 for capital projects at certain universities which had been provided, but were not taken up, in the 1964-66 triennium.

1970-72 Triennium

The recommendations contained in the Fourth Report of the Australian Universities Commission were accepted by the Australian Government in August 1969 and were incorporated in the *States Grants (Universities) Act* 1969. The level of grants provided for the triennium under the Act was \$226.8 million—\$161.2 million for recurrent expenditure and \$65.6 million for capital expenditure. The level of grants for recurrent purposes was increased on four separate occasions over the triennium to take account of—

- (a) the decision to support higher academic salaries from 1 January 1970;
- (b) the flow-on of the 1970 National Wage Case Decision to academic salaries;
- (c) the decision to provide supplementary grants over the last eighteen months of the triennium in recognition of exceptional increases that had occurred in non-academic salaries and wages; and
- (d) the flow-on of the 1972 National Wage Case decision to academic salaries.

The overall effect of these additions to the 1970-72 triennial program was to increase the level of recurrent grants to \$186.0 million.

In addition amounts totalling \$502,000 for capital projects at certain universities which had been provided but not taken up during the previous triennium were re-appropriated by the *States Grants (Universities) Act* 1970.

1973-75 Triennium

In August 1972 the Australian Government announced its acceptance of the recommendations contained in the Fifth Report of the Australian Universities Commission, which sought a program of assistance to State universities totalling \$895.3 million over the 1973-75 triennium. The *States Grants (Universities) Act* (No. 2) 1972 authorised the payment of the Australian Government's share of that amount—\$256.4 million for recurrent expenditure and \$87.1 million for capital expenditure—a total of \$343.5 million. These amounts were based on matching arrangements under which for recurrent expenditures the Australian Government met \$1 for each \$1.85 State grants and university fees combined and for capital expenditures met \$1 for each \$1 of State contribution. The triennial program included a number of changes in the detail of arrangements for financing universities expenditure which the Commission had recommended in its Report. These included a single grant for equipment for each university rather than provision under separate grants, the provision of special earmarked grants for the Universities of Sydney and Melbourne to meet the problems of mature universities in introducing new academic developments, and assistance with building non-collegiate student accommodation.

In addition to the approved triennial program, the *States Grants (Universities) Act (No. 2) 1972* re-appropriated an amount of \$316,000 for the Australian Government's share of a student residence project at the University of Tasmania. This amount had originally been approved as part of a larger grant for the 1970-72 triennium but the project was incomplete at the end of the triennium and the full amount had not been taken up.

The total triennial program has increased from the originally approved amount of \$895.9 million to \$1,152.7 million at December 1974 price levels as a result of the following increases:—

- (a) grants of \$2.1 million met in full by the Australian Government and paid to universities in the first six months of 1973 to help students experiencing hardship in commencing or continuing their tertiary studies during 1973;
- (b) supplementary recurrent grants to meet the costs of academic salary increases from 1 January 1973 and 16 October 1974 as a result of the Government's acceptance of recommendations made by Mr Justice Campbell and the Academic Salaries Tribunal, respectively, and to allow for salary increases resulting from National Wage Case Decisions;
- (c) a contribution towards the cost to the New South Wales Government of the acquisition of a site for the proposed new university at Campbelltown;
- (d) additional funds to provide for new Chairs or new or expanded courses in particular areas (social work, social planning, education of handicapped children, medicine and post-graduate management education);
- (e) additional grants for Deakin University (Geelong), formerly a college of advanced education and previously covered under the *States Grants (Advanced Education) Act 1973*.

Further to the foregoing increases, however, the Australian Government decided that, from the beginning of 1974, it would provide adjustments to the approved programs to take account of variations in costs not allowed for when the programs were adopted. These adjustments being made, on the basis of appropriate indices, quarterly for recurrent and annually for capital grants.

As a result of the above-mentioned factors, and the assumption of full financial responsibility by the Australian Government as from January 1974, the Australian Government's contribution to universities expenditure over the 1973-75 triennium is now estimated to total \$963.9 million.

The assumption of full financial responsibility, and the program increases referred to as (a) through (e) above, were authorised by various *States Grants (Universities) Acts*.

Colleges of Advanced Education

Grants to the States for colleges of advanced education were first introduced in 1965-66. Details of payments in the period from 1965 to the end of the 1973-75 triennium are shown below. A summary of proposed arrangements for 1975-76 is given in Chapter IV.

In March 1965 the Australian Government accepted in principle the recommendations in the Report of the Committee on the Future of Tertiary Education in Australia (under the Chairmanship of Sir Leslie Martin, C.B.E.) that a new type of educational institution should be established to supplement universities and to be developed from, and around, the tertiary segments of existing technical colleges. The Government agreed to make available capital grants totalling approximately \$5 million for the remainder of the 1964-66 triennium. Later that year the Commonwealth Advisory Committee on Advanced Education was established to promote the balanced development of institutions providing advanced education in Australia and to advise the Australian Government on matters of financial assistance for such institutions.

1967-69 Triennium

The recommendations contained in the First Report (and Supplement) of the Commonwealth Advisory Committee on Advanced Education were accepted and incorporated in the *States Grants (Advanced Education) Act 1966*. This Act provided, inter alia, for grants, on the same matching basis as for universities, of \$24.5 million for capital expenditure and \$10.7 million for recurrent expenditure incurred by the States in excess of the level of such expenditure in the base year 1964-65.

Following the February 1967 Premiers' Conference the Australian Government agreed to waive the base year requirement in determining recurrent grants. The *States Grants (Advanced Education) Act 1967* repealed the 1966 Act and provided for total grants of \$42.3 million—\$17.8 million for recurrent expenditure and \$24.5 million for capital (including an unmatched library grant of \$500,000). Additions to the level of recurrent grants were approved for 1969 and 1970 to take account of unforeseen salary and other costs and increases in academic salaries. The effect of these decisions was to increase the level of recurrent grants during the triennium to \$20 million.

1970–72 Triennium

The financial recommendations contained in the Second Report of the Commonwealth Advisory Committee on Advanced Education were accepted and accordingly, the *States Grants (Advanced Education) Act 1969* provided for grants of \$43.2 million for recurrent expenditure and \$49.9 million for capital expenditure, a total program of \$93.1 million for the triennium. The 1969 Act was amended on four separate occasions during the triennium to provide for:—

- (a) increased academic salaries;
- (b) recurrent grants to affiliated residential colleges;
- (c) the flow-on of the 1970 National Wage Case Decision to academic salaries;
- (d) supplementary grants over the last eighteen months of the triennium towards the cost of exceptional increases in non-academic salaries and wages; and
- (e) the flow-on of the 1972 National Wage Case Decision to academic salaries.

The effect of these amendments was to increase the level of recurrent grants during the triennium to \$50.9 million.

The Australian Commission on Advanced Education was established (*Australian Commission on Advanced Education Act 1971*) to succeed the Commonwealth Advisory Committee on Advanced Education with broadly the same responsibilities.

1973–75 Triennium

In August 1972 the Australian Government announced that, with two exceptions, it would accept the recommendations contained in the Third Report of the Australian Commission on Advanced Education relating to the level of assistance to be provided to colleges of advanced education in the States for the 1973–75 triennium. The first exception was that the Australian Government would share on a \$1 for \$1 basis with the States the recommended assistance of \$1 million for residential places in country colleges rather than provide that amount on an unmatched basis as recommended by the Commission. Secondly, the Australian Government would provide an unmatched grant of \$500,000 for library facilities, plus a further \$1 million for that purpose subject to matching by the States, instead of an unmatched grant of \$5 million as the Commission had recommended. The revised program for the 1973–75 triennium thus amounted to \$421.9 million. The Australian Government's share of that amount was \$172.3 million, made up of \$93.6 million towards recurrent and \$78.2 million towards capital expenditure, and \$500,000 by way of an unmatched grant for library facilities.

The Australian Government subsequently decided to amend the existing triennial program for colleges of advanced education by:—

- (a) replacement of the grants arrangement for library facilities, as referred to above, with an unmatched grant of \$5 million as the Commission had originally recommended;
- (b) agreement to a supplementary recommendation made by the Commission, at the time that the report of its Special Committee on Teacher Education was presented, that capital grants totalling \$3.5 million be provided for colleges of advanced education in New South Wales and Victoria for teacher education purposes;
- (c) provision of an unmatched grant to the States of \$806,000 to help students who were experiencing hardship in commencing or continuing their tertiary studies during 1973—this amount was paid to the States in the first six months of 1973;
- (d) provision of grants totalling \$1.3 million for the introduction of special courses in social work, dental therapy and physical education at various colleges of advanced education;

- (e) provision of supplementary recurrent grants of \$1,280,000 to the Tasmanian College of Advanced Education to enable it to carry out activities at the required level;
- (f) provision of an additional recurrent grant of \$3,716,000 to Victoria for its colleges of advanced education;
- (g) provision of an amount of \$405,000 for the Riverina College of Advanced Education for the accelerated development of its Albury/Wodonga Study Centre in 1975; and
- (h) provision of \$185,000 for the introduction of Associate Diploma courses in welfare studies in 1975.

In addition, outside the triennial program, the Australian Government is contributing \$115,000 towards the cost of erecting a Great Hall at the Ballarat Institute of Advanced Education.

In April 1973 the Australian Government accepted the recommendations contained in the Report of the Australian Commission on Advanced Education's Special Committee on Teacher Education for a program of support for teachers colleges and for pre-school teachers colleges in the States over the two and a half year period 1 July 1973 to 31 December 1975. The committee recommended that grants for certain pre-school teachers colleges be contingent on those colleges achieving self-government, but the Australian Government decided to make the grants available without applying that condition. The financial assistance program totalled \$206.6 million, to be shared by the Australian Government and the States on the same basis as for universities and colleges of advanced education in the period July 1973 to December 1973 and thereafter to be met wholly by the Australian Government. In addition to the recommended program the Australian Government approved a grant of \$425,000 for pre-school teachers colleges for 1974 and 1975 to meet the continuing cost associated with an increased student intake for which \$100,000 had already been approved for 1973. (For summary of assistance for teachers colleges in earlier years see the following item "Teachers Colleges.")

This program has since been increased to provide for:—

- (a) increased grants to cover the cost of increased salaries as a result of acceptance of the recommendations in the report of Mr Justice Campbell, the Academic Salaries Tribunal and to meet the cost of the National Wage Case Decisions;
- (b) recurrent grants of up to \$6.4 million for certain non-government teachers colleges in the States in 1974 and 1975; and
- (c) supplementary payments, as from the beginning of 1974, to allow for cost increases beyond those provided for in the original programs.

The triennial program for 1973–75 for colleges of advanced education and teachers colleges, as a result of the foregoing increases, is now expected to total approximately \$798.7 million at December 1974 price levels. As a result of the above-mentioned factors, and the assumption by the Australian Government of full financial responsibility as from January 1974, the Australian Government's contribution to the expenditure of colleges of advanced education and teachers colleges over the 1973–75 triennium, subject to any further variations that might be made, is expected to total \$690.8 million.

Most of the additional grants, both for colleges of advanced education and teachers colleges, referred to above were authorised by various *States Grants (Advanced Education) Acts* between 1972 and 1974. Some of the supplementary grants, however, including allowances for further cost increases, will be authorised by legislation to be introduced in 1975–76.

Teachers Colleges

Assistance to the States for teachers colleges was first introduced in 1967–68. From 1 July 1973, the Government's assistance for teachers colleges was increased significantly and included within the colleges of advanced education program.

The *States Grants (Teachers Colleges) Act* 1967 provided for the payment of unmatched grants for the construction and equipping of colleges conducted by the States for the training of teachers.

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.

Under the Act grants totalling \$24 million were paid to the States in the three-year period ended June 1970.

The *States Grants (Teachers Colleges) Act 1970* extended the operation of the scheme for a further period of three years to 30 June 1973. Under the Act grants totalling \$30 million were paid to the States over that period.

From 1 July 1973 grants for teachers colleges have been included in the advanced education program. A summary of present and proposed arrangements is given in Chapter IV.

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 June 1971 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 programs, 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. Further delays with the building programs resulted in the introduction of the *States Grants (Pre-school Teachers Colleges) Act 1972* which extended the period of operation of the Act to 31 December 1973.

From 1 July 1973 grants for pre-school teachers colleges have been included in the advanced education program. A summary of present and proposed arrangements is given in Chapter IV.

Technical Education

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 and 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.

The *States Grants (Technical Training) Act 1971* provided for a three-year program, to commence in July 1971, of unmatched capital grants of \$36 million, of which not more than one-third was authorised for payment before 30 June 1972 and two-thirds before 30 June 1973. Grants for buildings and equipment for use in technical training were available to technical training institutions accepted as being eligible for technical training grants. The distribution of the basic annual grant of \$12 million between the States was based on State populations as at 30 September 1970.

The *States Grants (Technical Training) Act 1973* gave effect to the Australian Government's decision to provide an additional \$10 million to the States under this program during 1973-74. At the same time this Act amended the *States Grants (Technical Training) Act 1971* by providing that the moneys made available to the States could be used for the purchase of land, and also provided that amounts could be expended under the Act after 30 June 1974 in respect of commitments entered into prior to that date.

As part of its overall policies in the tertiary education field, the Government also provided for the abolition of tuition fees at Government technical training institutions from 1 January 1974; the *States Grants (Technical Training Fees Reimbursement) Act 1974* provided for reimbursement to the States of \$10.3 million in fee revenue lost as a consequence. The Act related to the first six months of 1974.

A summary of the present, and proposed arrangements for the 1976-78 triennium for the payment of grants to the States for technical and further education is given in Chapter IV.

Schools

Arrangements Prior to 1974

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 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 each non-government school sector on the basis of 1966 secondary school enrolment figures. (See also below under a similar heading for continuing arrangements in 1974 and 1975.)

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. (See also below under "School Libraries" for continuing arrangements in 1974 and 1975.)

Capital Grants for Government Schools

The *States Grants (Capital Assistance) Act 1971-1972* provided \$20 million for capital expenditure on government primary and secondary schools in the States over the period January 1972 to July 1973. The payments were made by way of additions to the interest-free capital grants which the Australian Government makes available to the States as part of their annual Loan Council programs as a substitute for loan raisings. These interest-free capital grants are 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 was provided in recognition of the need expressed by the States for additional capital expenditure on primary and secondary schools, the Australian Government expected the States to use the funds for this purpose. The grants were distributed between the States in proportion to their shares of the State Loan Council programs and were amalgamated with the interest-free capital grants for the purpose of determining the proportion of the program to be provided as grants in future years. For further information on the interest-free capital grants see Chapter III.

Recurrent Grants for Non-Government Schools

Payments have been made to the States for transmission to non-government schools since 1969-70. The *States Grants (Independent Schools) Act 1969-1972* authorised payments at the rates of \$35 for each primary pupil and \$50 for each secondary pupil a year as from the beginning of 1970. The *States Grants (Independent Schools) Act 1972* increased these rates to \$50 and \$68 respectively from the beginning of 1972. The *States Grants (Schools) Act 1972-1974* authorised a contribution in 1973 by the Australian Government towards the recurrent costs of non-government 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. The entitlement of each school was calculated on the number of pupils enrolled for full-time education as at the school census date in August of each year. The States were invited to contribute on an equal basis.

Arrangements for 1974 and 1975

The following is a summary of the programs for 1974 and 1975 approved by the Australian Government in 1973 on the recommendations of the Interim Committee for the Australian Schools Commission (including arrangements existing prior to the establishment of the Committee which are to continue). The amounts to which reference is made below have since been increased under the Australian Government's subsequent decision to provide, as from July 1974, supplementary grants to allow for cost increases beyond those allowed for in the original program.

General Recurrent Grants

The *States Grants (Independent Schools) Act 1969–1972* provided grants to the States for transmission to non-government schools as from 1970 (*see above*). Since the beginning of 1974 grants have been made to the States for government schools and for non-government schools on the recommendation of the Interim Committee, under the *States Grants (Schools) Act 1973–1974*.

For 1974 and 1975 the Interim Committee recommended total general recurrent grants for primary and secondary schools, both government and non-government, estimated at \$309.3 million, their purpose being to boost recurrent resources per pupil being used in schools about one-third of the way towards 1979 targets, established by the Committee. The standards are some 35 to 40 per cent above the 1972 levels.

The grants for government schools total \$175.9 million over the two years. The distribution between the States of the general recurrent grants for primary schools (\$97.4 million) was based on expected pupil numbers, but the distribution of the grants for secondary schools (\$78.5 million) also takes into account the Committee's measures of resource use in schools in each State (that is, States with a relatively low resource use per pupil will receive higher per pupil grants than those with a relatively high resource use). It is a matter for the States to decide upon the allocation of these grants within their own school systems.

Of the grants recommended for non-government schools, \$63.0 million is being made through the States to Catholic authorities in each State in 1974 and 1975 for allocation to what the Committee referred to as 'systemic' schools. (Catholic 'systemic' schools are those belonging to the dioceses, generally parochial primary schools. They constitute a system under the supervision of a central authority. 'Non-systemic' non-government schools comprise the remaining non-government schools, including some schools owned by Catholic orders.) The distribution of this total amount between the States again is being based on measures of resource use. For 'non-systemic' non-government schools the Committee recommended specified amounts of assistance per pupil (differing as between primary and secondary schools and as between 1974 and 1975) for schools in eight categories, these categories being based on measures of resource use. It is estimated that 'non-systemic' non-government schools will receive approximately \$70.3 million in 1974 and 1975, bringing total grants for non-government schools to an estimated \$133.3 million.

General Building Grants

The *States Grants (Capital Assistance) Act 1971–1972* provided grants totalling \$6.66 million in 1971–72 and \$13.34 million in 1972–73 for capital expenditure on government primary and secondary schools in the States over the period January 1972 to July 1973.

The *States Grants (Schools) Act 1972–1974* provided capital assistance for government schools and such assistance, for the first time, for non-government schools. For government primary and secondary schools, the Act provided unmatched capital grants over the five-year period commencing July 1973. These grants total \$167 million; \$31 million is to be paid in both 1973–74 and 1974–75 and \$35 million in each of the years 1975–76 to 1977–78. For non-government schools, the Act provided a total of \$48 million over the same five-year period; \$9 million was to be paid in each of the first two years and \$10 million in each of the final three years.

The Act provided that the grants to government and non-government schools will each be distributed between the States in proportion to enrolments. It is a condition of the grants for both government and non-government schools that at least 70 per cent of the funds is used for additional facilities rather than for replacement facilities.

In accordance with recommendations of the Interim Committee the grants for government schools are being made available as provided by that Act; general building grants for government schools which have been recommended by the Interim Committee are additional to them. For non-government schools, grants from 1 July 1973 to 30 June 1974 were made available as set down in the Act. However, for the remaining four years of the program, commencing 1 July 1974, the allocation of the grants will be as recommended by the Schools Commission. The total amounts involved were embraced as from 1 July 1974 by the Interim Committee's recommendations for building grants for non-government schools (*see below*).

The general purpose of the new building grants is to replace and upgrade buildings in both kinds of schools and to provide new places in non-government schools.

Under the Interim Committee's recommendations, general building grants totalling an estimated \$200.2 million will be paid in 1974 and 1975, made up of:—

- (a) grants to government schools authorised by the *States Grants (Schools) Act 1972–1974* estimated at \$64 million;
- (b) additional grants to government schools of \$100 million, bringing the total for such schools to an estimated \$164 million;
- (c) grants to non-government schools, estimated at \$4.5 million, under the *States Grants (Schools) Act 1972–1974* for the period January to June 1974;
- (d) grants to non-government schools for the two years of \$30 million, subsuming grants of \$14 million that would otherwise have been paid over the period July 1974 to December 1975 under the *States Grants (Schools) Act 1972–1974*; and
- (e) an estimated \$1.7 million of outstanding commitments to non-government schools at 30 June 1975 under the science laboratories arrangements (*see below*).

The distribution of the grants for both government and non-government schools between the States is based on pupil numbers, and in the case of non-government schools on the projected rate of increase in these numbers. There are, however, arrangements for re-distribution between States of the grants for non-government schools should that prove desirable.

Science Laboratories and Equipment in Secondary Schools

Grants continued to be paid under the *States Grants (Science Laboratories) Act 1971* which had application over the period 1971–72 to 1974–75. The Act provided for the payment of \$43.3 million, of which not more than one-quarter was authorised for payment before 30 June 1972, one-half before 30 June 1973 and three-quarters before 30 June 1974. Of the total of the \$43.3 million, \$26.1 million was available to government schools and was divided between the States in proportion to their secondary schools enrolments and \$17.2 million was allocated to non-government schools on the basis of needs as assessed by committees representing non-government schools set up in each State to advise the Minister. It was decided that all offers of specific amounts for individual projects in non-government schools be met. Likewise the sums available for government schools were paid in 1974–75.

The Interim Committee for the Australian Schools Commission took the view that the extension of science facilities should be treated like any other school facility and included within general building programs. It did not, therefore, recommend a continuation of this program beyond June 1975.

Some non-government schools had been informed by the previous Australian Government that additional grants up to the total reasonable cost of a project already approved would be made available provided that Parliament agreed to extend the program and provided sufficient funds were available. Commitments for these projects outstanding at 30 June 1975 will be met from the grants recommended by the Committee for general buildings purposes.

School Libraries

Grants continued to be made under the *States Grants (Secondary Schools Libraries) Act 1971* which had application over the period January 1972 to December 1974. The Act provided for the payment of \$30 million over that period, of which not more than one-third was to 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 is 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 was on the basis of relative secondary enrolments. The distribution of the non-government school component as between States and as between the non-government school sectors in each State was based on entitlements as assessed by the Australian Government.

The Interim Committee took the view that there is a strong case for extending the secondary school libraries program and recommended accordingly.

The Committee recommended grants to increase the numbers of trained teacher-librarians, to extend the existing secondary libraries program (particularly in government schools) and to establish a program to provide libraries ultimately for all primary schools.

The distribution of the grants for libraries between government and non-government schools and between the States was based mainly on pupil numbers.

Disadvantaged Schools

The Committee recommended grants to provide additional recurrent resources to schools in which pupils come from especially disadvantaged neighbourhoods, and to refurbish the buildings of such schools, especially in inner-city areas. It based its recommendations, in part, on a socio-economic scale, measuring the degree of disadvantage in particular school catchment areas, constructed by the Department of Education in collaboration with the Australian Bureau of Statistics. The grants totalled \$50 million, of which \$17.55 million was paid as recurrent grants to government schools, \$26.24 million as building grants for government schools, \$2.45 million as recurrent grants for non-government schools and \$3.76 million as building grants for non-government schools.

Schools for Handicapped Children

The Committee recommended grants over 1974 and 1975 to increase the number of trained teachers in government schools for the handicapped (\$9.38 million), to improve standards of existing special schools conducted by the States (\$10.25 million), to assist States to take over those voluntary schools which wish to be taken over (\$3.91 million), and to upgrade existing special school buildings and establish new ones (\$20 million).

Other Programs

The Committee made recommendations for grants for other purposes, not all of which represented payments to the States.

It recommended grants of \$10.3 million over 1974 and 1975 for teacher development—more specifically, to expand in-service training opportunities organised jointly by government and non-government school authorities and to establish Education Centres to be owned and managed corporately by government and non-government teachers together.

The Committee recommended, further, that \$6 million be provided to establish a Special Project Fund for innovative projects at school level on the initiative of teachers or the community, at system level on the initiative of school authorities and at the national level.

Finally, it recommended that \$200,000 be provided to procure better information about schools and school systems.

Payment of the new and additional grants for schools for 1974 and 1975 recommended by the Interim Committee were authorised by the *States Grants (Schools) Act 1973–1974*, which Act also authorised necessary amendments to the *States Grants (Schools) Act 1972–1974*.

A table in Part II of this Appendix shows the grants that have been paid to each State for these purposes.

HEALTH

Mental Health Institutions

The *States Grants (Mental Institutions) Act 1955* authorised the payment of financial assistance of up to \$20 million towards capital expenditure on mental health institutions incurred by the States where the project was approved by the Australian Government. The 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 by the *States Grants (Mental Health Institutions) Act 1964* which authorised assistance to the States amounting to one-third of the total expenditure incurred by them on specific projects approved by the Australian Government 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 Act authorised continued assistance on the previous basis. The 1970 amendment provided for assistance in respect of State expenditure up to 30 June 1973 on projects approved by the Australian Government not later than 30 June 1972.

Final grants under the scheme were made in 1973-74. The annual grants provided to each State since the inception of the program are shown in Part II of this Appendix.

SOCIAL SECURITY AND WELFARE

Housekeeper Services

In 1951 the Australian Government 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 offer and payments were made 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 1962-63 are shown in the tables in Appendix VI. From 1 July 1969, the assistance for housekeeper services has been subsumed in the assistance provided under the *States Grants (Home Care) Act 1969*.

Grants for the Relief of Unemployment

In December 1971 the Australian Government introduced 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 was to reduce significantly the level of unemployment in those areas. The grants were for expenditure on additional labour-intensive activities of a productive kind undertaken by State, semi-government and local government authorities.

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 grants between the States, were agreed with State Governments.

On average, two-thirds of the funds provided over all projects undertaken in a State were required to be devoted to expenditure on labour costs. The Australian Government indicated, however, that it had 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 labour cost component of less than two-thirds could be undertaken. As far as possible, those given employment under the scheme had to be previously registered for employment with the Commonwealth Employment Service.

The detailed administration of the scheme, including the types of activity undertaken with the grants and the allocation of the grants between particular areas, was left to the State Governments, although they were asked to consult closely with the Department of Labour.

Initially, the grants were at the rate of \$2.25 million a month, but an increase to \$4.5 million a month was announced at the February 1972 Premiers' Conference. The grants were further increased to \$6 million per month at the June 1972 Premiers' Conference and operated at that level to the end of 1972.

After consultation with the State Governments, the Australian Government decided, in December 1972, to continue the non-metropolitan unemployment grants scheme during the six months to June 1973 with increases for some States; South Australia was to receive an additional \$120,000 a month while New South Wales and Victoria were to receive additional amounts of \$500,000 and \$250,000 respectively to assist the part-time employment of drought-affected farmers. In addition, the Australian Government agreed to make payments to the States, totalling \$30.35 million during the same six months period, for the relief of unemployment in metropolitan areas.

It was also decided that the State Governments might, at their discretion, deploy some of the non-metropolitan grants to the metropolitan area, and vice versa, and that there would be some relaxation of the rule which formerly applied to the non-metropolitan unemployment grants that at least two-thirds of the funds be expended on labour costs, provided the employment-creating objective of the grants was carefully pursued and that, generally, a high labour cost content was aimed at.

On 26 June 1973 the Prime Minister announced that the Government would, subject to a review of the situation before the end of September 1973, phase out grants under the non-metropolitan relief scheme over the first three months of 1973-74 by providing \$5 million in July, \$4 million in August and \$3 million in September, to be divided amongst the States on the existing proportionate basis.

Although grants for the relief of unemployment in metropolitan areas were terminated earlier, the Australian Government informed the States that, consistent with previous arrangements, they would have discretion to deploy some of the non-metropolitan unemployment relief grants to metropolitan areas should they consider it warranted.

As under the previous arrangements the States, subject to broad guidelines which the Australian Government laid down, administered the scheme and allocated the grants between particular areas. They were asked, however, to continue to consult closely with the Department of Labour.

In September 1973 the Government terminated the non-metropolitan unemployment relief grants scheme because of an improvement in the overall employment situation.

HOUSING

Housing Assistance

Under successive Commonwealth-State Housing Agreements, substantial long-term loans were made to the States over the period 1945-46 to 1970-71 for the provision of housing for families of low or moderate means. The first Agreement was entered into in 1945. A new Agreement was entered into in 1956 and further Agreements in 1961 and 1966 extended to 30 June 1971 the period in which advances under that Agreement could be made. Advances made under these Agreements are shown in a table in Part II of this Appendix.

1945 Agreement

In November 1945 the Australian Government entered into an Agreement with the Governments of the States to provide finance for the construction of dwellings for persons in need of proper housing accommodation. The construction period under this Agreement expired on 30 June 1956.

While the 1945 Housing Agreement provided for advances, repayable over fifty-three years with interest at the long-term bond rate, to be made to the States to assist them in carrying out rental housing projects, the rate of interest actually charged remained at 3 per cent for the whole of the period of the Agreement.

This Agreement provided for the dwellings to be let at an economic rental but provided for the granting of rebates to tenants who did not have the capacity to pay the economic rentals.

Subject to a State observing the terms of the Agreement, there was provision for the Australian Government to contribute three-fifths of any loss incurred in a financial year by the State in connection with the administration of its housing projects.

Initially, dwellings were sold to tenants only upon payment by the State to the Australian Government of the full purchase price of the dwelling payable by the purchaser. However, the 1945 Agreement was amended in 1955 to permit sales on terms specifically laid down and, subsequently, in 1961 was further amended to permit each of the States to determine its own terms and conditions of sale.

Over the eleven years of the 1945 Agreement from 1945-46 to 1955-56, advances totalling \$481 million were made to the States.

1956-1966 Commonwealth-State Housing Agreements

Under the Housing Agreements that operated for fifteen years to 30 June 1971, the level of Commonwealth advances made to the States each financial year for housing was nominated by them individually from within their allocations of the total works and housing borrowing program approved by the Australian Loan Council for that year. Over \$1,509 million was advanced to the States in the fifteen years.

Advances made to each State under the 1956-1966 Housing Agreement were repayable over a period of fifty-three years.

The rates of interest provided by the Agreement were as follows: in 1956-57 and 1957-58 the rate was $\frac{3}{4}$ per cent below the long-term bond rate when the long-term bond rate did not exceed $4\frac{1}{2}$ per cent and 1 per cent below when it did exceed $4\frac{1}{2}$ per cent; from 1958-59 to 1960-61 the rate was as agreed between the Australian Government and the States but was not to exceed the long-term bond rate less $\frac{3}{4}$ of 1 per cent per annum. From 1961-62 on the rate of interest payable on advances was in all cases to be 1 per cent less than the long-term bond rate.

The 1956-1966 Agreement placed more emphasis on the construction of dwellings for private ownership, by providing that not less than 30 per cent of the funds advanced to each State were to be advanced through Home Builders' Accounts to building societies and other approved institutions for lending to private home builders and purchasers. The balance of the advances was to be used by the States for the erection of dwellings for either rental or sale.

Under the Agreement the States were required, as necessary, to set aside in a financial year an amount not exceeding 5 per cent of the amount of the loan funds allocated to its State housing authority, for the erection of dwellings for letting to serving members of the Defence Forces. The Australian Government was obliged to make supplementary advances to the States to match any amount so set aside and when the total funds thus available were not sufficient to finance the number of dwellings sought by the Australian Government for servicemen, additional advances were made to the States to meet the shortfall.

The 1956-1966 Housing Agreement expired on 30 June 1971 and was not renewed.

Subsequent housing arrangements are dealt with in Chapter IV.

Exmouth Township

Commencing in 1964-65 the Australian Government 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 ceased in 1972-73 and no further payments are expected. Annual figures totalling \$4,182,000, including \$340,140 by way of loans, appear in Appendix VI.

ECONOMIC SERVICES

TRANSPORT

Roads

Commonwealth Aid Roads Arrangements

Payments have been made 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 Australian Government.

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 Australian Government 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 expenditure on strategic roads and roads of access to Australian Government 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 on strategic roads and road safety, which had previously been provided separately, 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 Australian Government. 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, special assistance for roads of \$6 million in each of the years 1957-58 and 1958-59 was provided. \$100,000 was retained for Australian Government road purposes and the balance of this special assistance was distributed between the States on an arbitrary basis.

Following a special conference on roads in February 1959, proposals for a new scheme of 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 payments totalling \$500 million were made 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. 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 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 operated for the five year period 1969-70 to 1973-74, inclusive. The main arrangements to apply under the Act were announced at a special Premiers' Conference held in March 1969. In considering the new arrangements the Australian Government was guided 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 Australian 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 five years under consideration. On this basis grants totalling \$1,252.05 million were paid to the States over the five-year period 1969-70 to 1973-74. This represented an increase of about 67 per cent on the amount provided in the preceding five years.

It had been the aim of these arrangements to bring the distribution of Australian Government financial assistance for roads among the States more closely into accord with relative needs for roads expenditure, but the Australian Government also 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 was therefore divided into two parts; a principal grant and supplementary grants. The principal grant totalling \$1,200 million was 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 received supplementary grants totalling \$52.05 million which were phased out during the five year period. The supplementary grants ensured that the total of each State's grant increased by at least 50 per cent compared with the amounts received under the 1964 legislation.

A feature of the arrangements was to direct assistance more specifically to the development of particular classes of road. The 1969 Act provided 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 was 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 was 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 was made in the legislation for limited transfers of grants from one class of road to another, but it was the Australian Government's intention that requests from States for such transfers 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 was not continued in the 1969 Act.

A table 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. Amounts of these allocations from 1923-24 to 1958-59 are also given in a table in Part II of this Appendix.

Beef Cattle Roads

The Australian Government, in past 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.

(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 assistance in excess of \$3.4 million, half was paid by way of grant and half by way of interest-bearing loans repayable over 15 years. The last payments to Queensland under this Agreement were 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 repayable over 15 years. Under the *States Grants (Beef Cattle Roads) Act* 1968 grants of \$39.5 million were authorised over the seven years ending 30 June 1974. However at the expiry date of the Act, the grants provided to Queensland were \$279,000 less than the maximum amount provided under the Act. As these funds had been committed further legislation, the *States Grants (Beef Cattle Roads) Act* 1974, was introduced which allowed this final payment to be made in 1974-75.

(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, a further grant of \$1.5 million was made in 1966-67 on the same terms as applied in previous years.

Under the *States Grants (Beef Cattle Roads) Act* 1968 a further grant of \$9.5 million was made available and spent over the seven year period 1967-68 to 1973-74.

(c) South Australia

Under the *States Grants (Beef Cattle Roads) Act* 1968 \$1 million was made available for South Australia and spent over the period 1970-71 to 1972-73.

Payments under these Acts to Queensland, Western Australia and South Australia for beef roads from 1961-62 until 1974-75 are shown in Part II of this Appendix.

Maintenance of Eyre and Barkly Highways

Since 1947-48 financial assistance has been provided 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 by way of annual appropriations from 1960-61 to 1973-74. Provision in 1974-75 and subsequent years has been incorporated in the *National Roads Act* 1974 (see Chapter IV).

Sealing of Eyre Highway

In 1972 it was agreed that up to \$2.5 million would be provided as assistance to South Australia towards the cost of completing the sealing of the Eyre Highway. Two payments of \$625,000 were made in 1972-73 and 1973-74. Subsequent payments have been taken into account in determining South Australia's allocation of funds under the *National Roads Act 1974*.

Gordon River Road

Under the *Tasmania Grant (Gordon River Road) Act 1964-1967* a non-repayable grant of \$5 million was made to Tasmania 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 Appendix VI.

Roads—Safety Improvements

An amount of \$3 million was provided to the States in 1973-74 for a program of traffic management and other low cost improvements at locations with poor accident records. The amounts paid to each State are shown in Appendix VI. Provision in 1974-75 and subsequent years has been incorporated in the *Roads Grants Act 1974*.

Railways

Assistance has been provided to the States for a number of railway projects that have now been completed. Details of this assistance are outlined below and a table which follows this Appendix gives annual figures of payments to the States for the years 1951-52 to 1975-76 (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 Part II of the Appendix.

(a) Grafton-South Brisbane Railway

In 1924, an agreement was entered into 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 Australian Government and 80 per cent by the five mainland States in proportion to their populations. In this instance, the Australian Government 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—Australian Government 56 per cent; New South Wales 32 per cent; and Queensland 12 per cent. All of the funds were provided initially by the Australian Government 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*, \$31.9 million was provided 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) South Australia

The *Railway Standardization (South Australia) Agreement Act 1949* provided for the conversion of 3 ft 6 ins gauge lines of the South-eastern division of the State to 5 ft 3 ins gauge (pending conversion of the South Australian and Victorian systems to standard gauge) and the conversion of the Port Pirie-Cockburn railway to standard gauge. Payments by the Australian Government for these purposes totalled \$48 million.

Under the *Railway Equipment Agreement (South Australia) Act 1961*, \$2.6 million was provided to the State for the purchase of twelve diesel-electric locomotives and 100 wagons of 3 ft 6 ins gauge for ore traffic on the Broken Hill-Port Pirie line. The 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 *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 associated railway works. Payments by the Australian Government under the Act totalled \$14.6 million.

Under these Agreements South Australia was to repay 30 per cent of the costs of the projects over a period of 50 years plus interest on outstanding balances. However, under the Agreement made in May 1975 between the Australian and South Australian Governments—yet to be ratified—the South Australian non-metropolitan railways will become the responsibility of the Australian National Railways and the State will be relieved of the obligation to repay principal and make payments of interest in respect of these loans.

The *Adelaide to Crystal Brook Railway Act 1974* provided for the construction of a standard gauge railway to link Adelaide with the east-west line at Crystal Brook. Payments by the Australian Government under the Act to 30 June 1975 totalled \$1.3 million. (If the Agreement for the transfer of the State's non-metropolitan railways is ratified full responsibility for this project will rest with the Australian National Railways.)

(d) *Queensland*

Advances totalling \$35.1 million were made 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* a grant of \$10 million was made to New South Wales towards the cost of upgrading the railway line between Parkes and Broken Hill.

(f) *Tasmania*

Under the *Railway Agreement (Tasmania) Act 1971*, \$4,250,000 was provided to Tasmania, of which \$2,975,000 was for the construction of a new rail link between the existing rail system and Bell Bay and \$1,275,000 was for the upgrading of about eight miles of the existing line from Launceston and for associated works. The financial assistance comprised \$2.5 million in the form of loans repayable over thirty years and \$1,750,000 by way of grants.

Under the Agreement made in May 1975 between the Australian and Tasmanian Governments the Tasmanian Government Railways became the responsibility of the Australian National Railways from 1 July 1975 and the State was relieved of the obligation to repay principal and make payments of interest in respect of these loans.

Shipping and Harbours

Loading Facilities for Export of Coal

(a) *New South Wales*

Under the *Coal Loading Works Agreement (New South Wales) Act 1961* assistance of \$5.3 million was made 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. The assistance 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, \$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, are given in Part II of this Appendix.

(b) *Queensland*

The *Coal Loading Works Agreement (Queensland) Act 1962* 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 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 are given in Part II of this Appendix.

Weipa Harbour Works

The *Weipa Development Agreement Act 1965* 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 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 below—the remaining \$1.9 million was spent on harbour works, mainly the Wyndham Jetty. Annual figures of grants paid under this Act from 1962-63 for harbour works are shown under the heading 'Northern Harbours' in Appendix VI. 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 below.) Annual figures of payments and debt charges from 1962-63 for the Broome Jetty are shown in Appendix V. Figures for previous years are given in earlier editions of this document.

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 repayable over fifteen years. Annual figures of payments and debt charges from 1962-63 are given in Appendix V. Figures for previous years are given in earlier editions of this document.

Western Australia-Darwin Shipping Service

The Australian Government agreed in March 1972 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. Payment of the full amount of this grant was made in 1972-73. The grant was extended by \$1 million and payment of this further amount was made in 1973-74.

King Island Shipping Service

Under the *King Island Shipping Service Agreement Act 1974*, \$1.3 million was provided to Tasmania for the purchase of a vessel and some associated equipment and works to provide a shipping service to King Island. The State is repaying the loan by instalments over fifteen years, plus interest on outstanding balances.

South Australian Natural Gas Pipeline

The *Natural Gas Pipeline (South Australia) Agreement Act 1967* authorised the provision to South Australia of 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 total financial assistance paid of \$15 million was by way of interest-bearing loans each repayable over a period of eight years commencing 15 December 1972. Annual figures of payments and debt charges are shown in Appendix V.

WATER SUPPLY AND ELECTRICITY

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 Australian Government 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 amounted to \$20.5 million. Annual figures of payments and debt charges from 1963-64 are shown in Appendix V.

Tasmanian Power Development

The *Tasmania Agreement (Hydro-Electric Power Development) Act 1968* authorised the provision to Tasmania of bridging financial assistance, subject to an overall limit of \$47 million for the financing of a five-year program 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, which amounted to a total of \$23.9 million, was by way of interest-bearing loans each repayable over a period of eight years commencing not later than 15 December 1975. Annual figures of payments and debt charges are shown in Appendix V.

Ross River Dam

In 1972-73 a grant of \$1.5 million was made to Queensland towards the cost of constructing the Ross River Dam Stage I to augment the urban water supply at Townsville. For details of assistance under the current legislation see Chapter IV.

INDUSTRY ASSISTANCE

Alternative Fisheries Development

In 1973-74 the Australian Government provided assistance to certain States whose fishermen had been affected by the Victorian ban on the taking of school shark for a program of exploratory fishing designed to develop alternative fisheries. This assistance, in the form of once-only grants, was made available on a \$1 for \$1 basis up to a total \$168,000. The payments to the States in 1973-74 are shown in Appendix VI.

Cattle Tick Control and Research

Commencing in 1926-27 the Australian Government 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. Annual payments since 1962-63 are shown in Appendix VI.

Canned Fruits Industry Assistance

In 1970 and 1971 loans totalling \$4.2 million were made to Victoria for on-lending to the Shepparton Preserving Co. Ltd to enable payment to be made to growers for fruit deliveries to the cannery.

During 1971, for the purpose of reducing the indebtedness of the co-operative canneries concerned, the Australian Government provided assistance of \$0.9 million to New South Wales for the Leeton Co-operative Cannery and \$1.3 million to South Australia for the Jon Preserving Co-operative and the Riverland Fruit Products Co-operative. (These funds were matched by the States from their own resources.)

In December 1972, the following loans, totalling \$1.9 million, were made to the States for on-lending to enable canneries to accelerate payments to growers in respect of fruit of the 1972 season: \$0.7 million to New South Wales for the Leeton Cannery; \$0.4 million to South Australia for Jon and Riverland; and \$0.8 million to Victoria for SPC Limited.

Annual figures of debt charges are shown in Appendix V.

Supplementary Assistance to Apple and Pear and Canning Fruit Industries

In 1973-74, in addition to emergency assistance made available to these industries to assist them in adjusting to the new conditions following revaluation of the Australian dollar, special assistance by way of grants amounting to \$327,000 was made available to those fruit growers who were eligible and had applied for assistance under the Fruitgrowing Reconstruction Scheme. This assistance was paid through the States; for the amounts paid to individual States, see Appendix VI.

Adjustment Assistance to Fruit Canneries

In 1973-74 the Australian Government provided grants, totalling \$1.5 million, to fruit canneries to help offset the effects of currency re-alignments during 1971 and mid 1972. It was agreed that \$838,000 of these grants would be applied to reducing loans provided earlier by the Australian Government to certain fruit canneries which are referred to above, and that \$662,000 be paid to other fruit canneries through the State Governments.

Details of payments and debt charges are given in the Appendices V and VI.

Sugar Industry Assistance

In 1967-68, \$23.3 million was paid by way of loan to Queensland to enable the State to provide loans to the sugar industry to supplement returns from the 1966 and 1967 sugar crops. Repayments with interest are due each year 1971 to 1980. Amounts of interest and repayments paid so far and the amounts to be paid in 1975-76 are shown in Appendix V.

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 Australian Government 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 Australian Government 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 are shown in Appendix IV.

Recharging of Cattle Dips

Special payments of \$96,000 to New South Wales and \$10,000 to Queensland were made 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 a grant of \$48,000 was made 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.

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 above). Annual figures of grants paid under this Act from 1962-63 for the Ord project are shown in Appendix VI. Figures for previous years are given 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 above for details of assistance for the Broome Jetty.) Annual figures of grants paid under this Act for the Ord project from 1962-63 are shown in Appendix VI. Figures for previous years are given in earlier editions of this document.

For details of assistance under current legislation see Chapter IV.

Chowilla Reservoir

In 1963 the River Murray Waters Agreement between the Australian Government, 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 and its joint financing by the four Governments concerned.

Under the *Chowilla Reservoir Agreement Act 1963* the Australian Government 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 will commence ten years from the date on which it was made and will spread over a further period of ten years.

Payments to 30 June 1969 amounted to \$1.5 million. 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 and assistance is being provided for that project (*see* Chapter IV). Annual figures of payments and debt charges are shown in Appendix V.

Western Australia Water Supply

Under the *Western Australia Grant (Water Supply) Act 1948-1957* non-repayable grants totalling \$10 million were made to Western Australia to finance the cost of construction of a comprehensive water supply scheme. The assistance partly financed the reticulation of water to townships and homesteads in a wheat belt area of about 4 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 of \$122,000 was made in 1961-62. Figures for previous years are given in earlier editions of this document.

Under the *Western Australia (South-West Region Water Supplies) Agreement Act 1965-1971*, financial assistance of \$12 million was provided on a \$1 for \$1 basis 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 final payment of \$158,000 was made in 1972-73. The new areas served total approximately 4 million acres. This assistance extended over the eight-year period ended 30 June 1973 and repayments will be spread over fifteen years, commencing ten years after the date each advance was made. Annual payments to Western Australia and debt charges are shown in Appendix V.

Flood Mitigation

The *New South Wales Grant (Flood Mitigation) Act 1964-1968* authorised the provision of 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. Payments amounted to \$8 million. Annual payments are given in Appendix VI.

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

Cressy-Longford Irrigation Works

Under the *Tasmania Grant (Cressy-Longford Irrigation Works) Act 1969* grants of \$750,000 were provided 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. Annual figures of payments to the State are shown in Appendix VI.

GENERAL PUBLIC SERVICES

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 Australian Government 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 Australian Government assistance was conditional on an equal matching grant to the university by the State Government concerned.

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 Australian Government agreed to support a research program, 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 program undertaken in State universities. As some States were no longer prepared to support the Australian Research Grants Committee program after 31 December 1966 and as there was uncertainty concerning the position of other States, the Australian Government further indicated that, to the extent that any State did not provide its share of costs in relation to this program, the Australian Government would reduce, to that extent, its support for the special research program at universities for the 1967-69 triennium as envisaged in the *Universities (Financial Assistance) Act 1966*.

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 programs but the other States declined to contribute to the Australian Research Grants Committee program. In the light of this the Australian Government decided to meet the full cost of the Australian Research Grants Committee program, 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 program. Four States financed in full the general university research program and the remaining States met at least half the cost of that program.

1970-72 Triennium

In August 1969 the Australian Government announced that it would meet the full cost of a \$12.5 million program for the 1970-72 triennium for the Australian Research Grants Committee. The cost of this program subsequently increased to \$13.5 million. A further \$4 million was made available for a special program of research and research training in State universities.

1973-1975 Triennium

In continuation of the support provided in previous triennia the Australian Government agreed to support a program of research in the 1973-75 triennium of \$20.0 million. This amount included \$3.0 million that was earmarked for areas of research for which special effort was considered necessary or where high cost was involved. These areas were marine and upper atmosphere research, multi-disciplinary studies and the establishment of a nuclear magnetic resonance spectrometer facility.

Salary cost increases during the triennium required the provision of an additional \$2.78 million.

An outline of arrangements for the 1976-78 triennium is given in Chapter IV.

APPENDIX IV—PART II—TABLES OF SPECIFIC PURPOSE PAYMENTS

TABLE No.	SUBJECT
128	Interest and Sinking Fund Payments under the Financial Agreement, 1927-28 to 1975-76.
129	Housing for Servicemen, Advances for, 1956-57 to 1975-76.
130	Universities, Grants for, 1951-52 to 1975-76.
131	Colleges of Advanced Education and Teachers Colleges, Grants for, 1965-66 to 1975-76.
132	Technical and Further Education, Grants for, 1964-65 to 1974-75.
133	Schools, Grants for, by Program, 1964-65 to 1974-75.
134	Tuberculosis Control, Grants for, 1949-50 to 1975-76.
135	Mental Health Institutions, Grants for Capital Expenditures on, 1955-56 to 1973-74.
136	Blood Transfusion Services, Grants for, 1953-54 to 1975-76.
137	Aboriginal Advancement, Payments for, by Function, 1968-69 to 1975-76.
138	Housing, Advances for, 1945-46 to 1975-76.
139	Commonwealth-State Housing Agreement 1945—Contributions Towards Rental Losses, 1949-50 to 1975-76.
140	Growth Centres and Related Projects, Details of Payments for, 1973-74 to 1975-76.
141	Land Acquisition and Development, Payments to the States for, 1973-74 to 1975-76.
142	Roads, Payments to States for, under Aid Roads Acts and Comparable Legislation, 1923-24 to 1975-76
143	Roads, Allocations for, under Aid Roads Acts and Comparable Legislation, 1923-24 to 1958-59.
144	Beef Cattle Roads, Payments for, 1961-62 to 1975-76.
145	Railway Projects, Payments for, 1951-52 to 1975-76.
146	Railway Projects, Debt Charges on Loans for, 1952-53 to 1975-76.
147	Coal Loading Facilities, Advances for and Debt Charges thereon, 1961-62 to 1975-76.
148	Minor Agricultural Research, Grants for, 1963-64 to 1975-76.
149	Brigalow Lands Development Scheme, Advances for and Debt Charges thereon, 1962-63 to 1975-76.
150	Encouragement of Meat Production, Grants for Capital Expenditures Related to, 1950-51 to 1966-67.
151	Agricultural Extension Services, Grants for, 1948-49 to 1975-76.
152	Investigation of Water Resources, Grants for, 1964-65 to 1975-76.
153	War Service Land Settlement, Advances for and Debt Charges thereon, 1955-56 to 1975-76.

- 154 Migrant Centres, Grants for Capital Expenditures on, 1947-48 to 1975-76.
- 155 Coal Mining Industry—Long Service Leave, Grants for, 1950-51 to 1975-76.
- 156 Promotion of Road Safety Practices, Grants for, 1947-48 to 1975-76.
- 157 Research Projects, Grants for, 1965-66 to 1975-76.
- 158 Natural Disasters, Payments for, 1949-50 to 1975-76.
- 159 Natural Disasters, Payments for by type of Disaster, 1962-63 to 1975-76.
- 160 Natural Disaster Relief, Further Details of Assistance to the States, 1973-74 and 1974-75.

**TABLE 128—INTEREST AND SINKING FUND PAYMENTS UNDER THE
FINANCIAL AGREEMENT, 1927-28 TO 1975-76(a)**
\$'000

	Sinking Fund Contributions							Interest Payments (b)	Total
	New South Wales	Victoria	Queens- land	South Australia	Western Australia	Tasmania	Total		
1927-28	592	358	264	216	158	58	1,645	15,170	16,816
1928-29	682	408	288	244	182	60	1,864	15,170	17,034
1929-30	750	428	304	254	196	56	1,988	15,170	17,158
1930-31	806	456	306	278	212	58	2,116	15,170	17,286
1931-32	896	504	310	294	238	66	2,308	15,170	17,478
1932-33	974	468	312	306	254	64	2,378	15,170	17,548
1933-34	1,036	560	324	320	274	66	2,580	15,170	17,750
1934-35	1,086	548	350	322	288	68	2,662	15,170	17,832
1935-36	1,126	542	352	330	302	68	2,720	15,170	17,890
1936-37	1,178	562	372	334	314	72	2,832	15,170	18,002
1937-38	1,206	574	386	342	324	76	2,908	15,170	18,078
1938-39	1,226	580	390	346	334	80	2,956	15,170	18,126
1939-40	1,270	600	408	360	350	84	3,072	15,170	18,242
1940-41	1,284	606	416	362	356	90	3,114	15,170	18,284
1941-42	1,304	612	422	366	364	92	3,160	15,170	18,330
1942-43	1,312	602	432	368	366	96	3,176	15,170	18,346
1943-44	1,294	602	424	370	368	98	3,156	15,170	18,326
1944-45	1,342	634	464	442	384	100	3,366	15,170	18,536
1945-46	1,288	634	444	390	372	104	3,232	15,170	18,402
1946-47	1,296	642	448	398	378	110	3,272	15,170	18,442
1947-48	1,386	672	470	424	394	118	3,464	15,170	18,634
1948-49	1,492	724	494	454	410	130	3,704	15,170	18,874
1949-50	1,606	796	530	488	438	150	4,008	15,170	19,178
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	2,459	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	9,197	6,809	3,636	3,689	2,715	1,934	27,979	15,170	43,149
1973-74	9,675	7,195	3,844	3,896	2,855	2,044	29,509	(c) 15,053	44,562
1974-75	10,079	7,525	4,012	4,072	2,976	2,141	30,805	(c) 15,287	46,092
1975-76 (estimate)	9,900	7,500	3,900	4,000	2,800	2,100	30,200	15,170	45,370

(a) For description of these payments, see Chapter IV.

(b) For distribution of the interest payments as between States, see Table 11 in Chapter IV.

(c) A short payment was made to South Australia in 1973-74 which was adjusted for in 1974-75.

TABLE 129—ADVANCES FOR HOUSING FOR SERVICEMEN
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1956-57	864	800	220	223	221	51	2,379
1957-58	880	800	253	319	29	69	2,350
1958-59	840	720	232	350	207	39	2,388
1959-60	864	720	244	184	97	14	2,123
1960-61	910	720	1,057	58	111	4	2,860
1961-62	1,260	947	394	54	31	..	2,686
1962-63	1,201	899	702	30	70	..	2,902
1963-64	1,163	1,128	1,421	..	252	..	3,964
1964-65	3,132	7,360	1,631	..	292	..	12,415
1965-66	4,104	2,441	453	..	245	..	7,242
1966-67	1,825	940	4,680	..	308	..	7,753
1967-68	1,530	766	3,567	..	1,241	..	7,103
1968-69	1,558	1,538	2,896	..	894	11	6,899
1969-70	3,211	1,233	4,109	..	873	35	9,461
1970-71	2,848	3,548	1,298	..	1,533	..	9,227
1971-72	5,545	1,165	..	..	324	..	7,034
1972-73	3,539	2,019	..	43	161	..	6,163
1973-74	4,539	2,691	..	..	191	145	7,766
1974-75	16,350	4,193	5,200	130	784	149	26,805
1975-76 (estimate)	18,005	6,350	13,321	1,260	959	105	40,000

TABLE 130—GRANTS FOR UNIVERSITIES, 1951-52 TO 1975-76

\$'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	..	..	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	50,435
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	..	..	32,153	21,896	10,664	7,898	5,683	2,530	80,826
1973-74	..	..	39,572	25,468	12,169	9,808	6,415	2,900	97,990
1974-75	..	..	149,997	99,798	49,876	38,067	27,978	12,274	377,990
1975-76 (estimate)	..	..	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	(c) 406,000
CAPITAL(b)									
1957-58	..	..	..	..	112	50	..	..	162
1958-59	..	..	2,539	875	543	310	..	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	..	..	10,522	7,327	2,545	2,697	2,531	842	26,464
1973-74	..	..	16,889	14,128	5,624	7,050	4,581	694	48,966
1974-75	..	..	22,526	17,330	9,821	7,320	7,714	1,279	65,990
1975-76 (estimate)	..	..	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	(c) 42,200
TOTAL									
1951-52	..	..	1,046	812	375	335	263	116	(a) 2,947
1952-53	..	..	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	..	..	42,677	29,223	13,209	10,595	8,214	3,372	107,290
1973-74	..	..	96,461	67,596	31,793	26,858	19,191	7,109	249,008
1974-75	..	..	172,523	117,128	59,697	45,387	35,692	13,553	443,980
1975-76 (estimate)	..	..	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	(c) 448,200

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

(b) Grants for capital expenditure purposes commenced in 1957-58.

(c) Does not include supplementary grants for prospective cost increases. An amount of \$70 million has been allowed for in the budget estimates in respect of cost supplementation under this and certain other education programs. This is a broadly determined figure and it is not possible to give a breakdown of it as between the programs concerned or as between States; for purposes of this document, however, an arbitrary allocation of \$55 million to recurrent grants and \$15 million to capital grants has been made.

TABLE 131—GRANTS FOR COLLEGES OF ADVANCED EDUCATION AND
TEACHERS COLLEGES

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1965-66	276	1,302	197	275	363	59	2,472
1966-67	608	2,788	409	554	776	138	5,273
1967-68	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	5,525	10,443	2,906	2,638	4,015	1,128	26,655
1973-74	28,935	46,711	14,438	13,518	17,247	3,959	124,808
1974-75	62,122	86,119	27,230	24,531	32,359	6,888	239,249
1975-76 (estimate)(a)	63,907	99,058	31,444	26,724	34,435	6,687	262,255
CAPITAL							
1965-66	750	911	1,137	616	232	59	982
1966-67	560	1,588	1,652	1,215	457	412	3,681
1967-68	2,927	3,971	3,080	1,995	1,470	1,129	11,165
1968-69	9,000	6,143	2,291	3,062	1,412	1,047	14,572
1969-70	4,639	6,153	1,878	2,973	1,906	614	22,955
1970-71	7,381	8,330	3,776	2,872	3,031	2,035	18,163
1971-72	9,691	9,275	3,806	3,639	3,554	1,425	27,425
1972-73	7,644	13,680	5,078	6,196	7,222	292	31,390
1973-74	41,197	32,452	13,438	12,579	7,281	2,969	40,112
1974-75	21,648	36,710	8,920	6,103	9,908	5,750	109,916
1975-76 (estimate)(a)	21,648	36,710	8,920	6,103	9,908	5,750	89,039
TOTALS							
1965-66	750	2,213	1,334	891	232	59	982
1966-67	836	5,965	2,061	1,769	820	550	6,153
1967-68	2,196	7,166	3,713	2,618	3,897	1,351	16,438
1968-69	3,624	10,980	3,591	4,423	3,341	1,444	20,854
1969-70	8,117	12,344	3,445	4,393	4,239	1,368	33,613
1970-71	11,094	15,671	5,636	4,523	5,951	2,922	33,906
1971-72	15,216	19,718	6,712	6,277	7,569	2,922	45,797
1972-73	36,579	60,391	19,516	19,714	24,469	4,251	58,045
1973-74	103,319	118,571	40,668	37,101	39,640	9,857	164,920
1974-75	85,555	135,768	40,364	32,827	44,343	12,437	349,165
1975-76 (estimate)(a)	85,555	135,768	40,364	32,827	44,343	12,437	351,294

(a) Do not include supplementary grants for prospective cost increases. An amount of \$70 million has been allowed for in the budget estimates in respect of cost supplementation under this and certain other education programs. This is a broadly determined figure and it is not possible to give a breakdown of it as between the programs concerned or as between States; for purposes of this document, however, an arbitrary allocation of \$55 million to recurrent grants and \$15 million to capital grants has been made.

TABLE 132—GRANTS FOR TECHNICAL AND FURTHER EDUCATION

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
RECURRENT							
1973-74	5,801	1,772	715	889	974	117	10,268
1974-75	10,333	6,794	2,262	2,639	2,168	426	24,622
1975-76 (estimate)	17,705	10,245	4,675	3,780	3,282	1,094	40,781
CAPITAL							
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	5,040	3,350	1,910	1,130	1,166	380	12,976
1973-74	6,873	5,500	1,945	2,063	1,311	689	18,381
1974-75	5,859	6,585	4,073	2,800	587	471	20,375
1975-76 (estimate)	8,500	7,400	3,100	1,200	3,100	1,300	24,600
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	5,040	3,350	1,910	1,130	1,166	380	12,976
1973-74	12,674	7,272	2,660	2,952	2,285	806	28,649
1974-75	16,192	13,379	6,335	5,439	2,755	897	44,997
1975-76 (estimate)	26,205	17,645	7,775	4,980	6,382	2,394	65,381

TABLE 133—GRANTS FOR SCHOOLS, BY PROGRAM—1964-65 TO 1974-75(a)

\$'000

				New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
GENERAL RECURRENT GRANTS										
Government Schools										
1973-74	..	..	..	5,401	7,920	4,230	2,302	1,782	460	22,095
1974-75	..	..	..	37,856	30,000	15,269	9,291	6,434	2,068	100,918
Non-Government Schools										
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	..	..	..	15,046	13,337	6,250	2,529	2,903	914	40,979
1973-74	..	..	..	19,799	17,726	8,255	3,460	3,809	1,312	54,361
1974-75	..	..	..	34,886	30,876	15,430	5,940	8,524	2,780	98,436
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	..	..	..	15,046	13,337	6,250	2,529	2,903	914	40,979
1973-74	..	..	..	25,200	25,646	12,485	5,762	5,591	1,772	76,456
1974-75	..	..	..	72,742	60,876	30,699	15,231	14,958	4,848	199,354
GENERAL CAPITAL GRANTS										
Government Schools										
1971-72	..	..	..	2,120	1,700	840	910	620	470	6,660
1972-73	..	..	..	4,246	3,405	1,683	1,823	1,242	941	13,340
1973-74	..	..	..	16,641	16,641	4,005	5,472	3,950	1,382	37,952
1974-75	..	..	..	39,699	29,565	15,389	12,412	8,478	3,892	109,435
Non-Government Schools										
1973-74	..	..	..	2,489	2,906	1,350	563	657	206	8,171
1974-75	..	..	..	5,123	4,592	3,350	1,080	2,175	422	16,742
Total										
1971-72	..	..	..	2,120	1,700	840	910	620	470	6,660
1972-73	..	..	..	4,246	3,450	1,683	1,823	1,242	941	13,340
1973-74	..	..	..	19,130	9,408	5,355	6,035	4,607	1,588	46,123
1974-75	..	..	..	44,822	34,157	18,739	13,492	10,653	4,314	126,177
CAPITAL GRANTS FOR SCIENCE LABORATORIES										
Government Schools										
1964-65	..	..	..	2,710	2,045	1,049	675	517	242	7,238
1965-66	..	..	..	2,710	2,045	1,049	610	312	242	6,968
1966-67	..	..	..	2,710	2,045	1,049	741	709	242	7,496
1967-68	..	..	..	2,710	2,045	1,048	675	530	242	7,250
1968-69	..	..	..	2,684	1,550	734	692	530	235	6,425
1969-70	..	..	..	2,684	2,532	1,041	692	530	82	7,561
1970-71	..	..	..	2,684	2,041	1,389	692	530	389	7,725
1971-72	..	..	..	2,368	2,009	768	662	468	248	6,523
1972-73	..	..	..	2,368	1,500	425	662	468	248	5,671
1973-74	..	..	..	2,368	1,400	782	662	454	248	5,914
1974-75	..	..	..	2,368	3,127	1,097	662	481	248	7,983
Non-Government Schools										
1964-65	..	..	..	999	754	386	249	190	89	2,667
1965-66	..	..	..	999	754	386	249	190	89	2,667
1966-67	..	..	..	999	754	386	249	190	89	2,667
1967-68	..	..	..	1,998	1,508	773	498	382	178	5,337
1968-69	..	..	..	1,979	1,505	778	510	391	174	5,337
1969-70	..	..	..	1,979	1,505	777	511	391	174	5,337
1970-71	..	..	..	1,979	1,505	778	510	391	174	5,337
1971-72	..	..	..	1,335	1,359	831	166	443	167	4,301
1972-73	..	..	..	1,335	1,359	831	166	443	167	4,301
1973-74	..	..	..	935	1,359	831	166	443	167	3,901
1974-75	..	..	..	1,312	1,270	966	159	223	159	4,089
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	..	..	..	3,703	2,859	1,256	828	911	415	9,972
1973-74	..	..	..	3,303	2,759	1,613	828	897	415	9,815
1974-75	..	..	..	3,680	4,397	2,063	821	704	407	12,072

TABLE 133—GRANTS FOR SCHOOLS—1964-65 TO 1974-75(a)—continued
\$'000

				New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
CAPITAL GRANTS FOR SECONDARY SCHOOLS LIBRARIES										
<i>Government Schools</i>										
1968-69	..	..	..	450	500	300	213	168	72	1,703
1969-70	..	..	..	1,281	1,250	1,310	296	335	63	4,537
1970-71	..	..	..	4,850	2,450	1,022	1,086	576	355	10,339
1971-72	..	..	..	3,150	1,941	743	695	611	299	7,439
1972-73	..	..	..	1,792	2,441	974	1,020	720	285	7,232
1973-74	..	..	..	4,159	3,715	1,228	1,167	710	380	11,359
1974-75	..	..	..	12,397	8,396	3,426	1,793	2,115	794	28,921
<i>Non-Government Schools</i>										
1968-69	..	..	..	855	975	506	331	261	75	3,003
1969-70	..	..	..	1,140	749	444	257	203	125	2,918
1970-71	..	..	..	1,045	578	301	196	154	67	2,341
1971-72	..	..	..	896	781	453	134	144	67	2,475
1972-73	..	..	..	996	1,029	463	145	144	67	2,844
1973-74	..	..	..	2,002	1,279	888	208	441	200	5,018
<i>Total</i>										
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	..	..	..	2,688	3,222	1,427	1,154	864	352	9,707
1973-74	..	..	..	5,155	4,744	1,691	1,312	854	447	14,203
1974-75	..	..	..	14,399	9,675	4,313	2,001	2,556	995	33,939
GRANTS FOR DISADVANTAGED SCHOOLS										
<i>Government Schools</i>										
1973-74	..	..	..	2,770	1,390	469	1,155	307	50	6,141
1974-75	..	..	..	10,880	9,661	2,852	2,657	1,199	271	27,520
<i>Non-Government Schools</i>										
1973-74	..	..	..	53	122	..	479	..	9	184
1974-75	..	..	..	1,852	1,616	272	..	226	43	4,488
<i>Total</i>										
1973-74	..	..	..	2,823	1,512	469	1,155	307	59	6,325
1974-75	..	..	..	12,732	11,277	3,124	3,136	1,425	314	32,008
GRANTS FOR SCHOOLS FOR THE HANDICAPPED										
<i>Government Schools</i>										
1973-74	..	..	..	1,889	1,892	652	641	730	144	5,948
1974-75	..	..	..	2,704	5,478	1,951	1,452	1,279	251	13,115
<i>Non-Government Schools</i>										
1973-74	..	..	..	292	305	62	20	23	..	702
1974-75	..	..	..	654	235	330	50	32	..	1,301
<i>Total</i>										
1973-74	..	..	..	2,181	2,197	714	661	753	144	6,650
1974-75	..	..	..	3,358	5,713	2,281	1,502	1,311	251	14,416
GRANTS FOR OTHER SCHOOL PROGRAMS										
<i>All Schools(b)</i>										
1973-74	..	..	..	563	870	241	141	190	60	2,065
1974-75	..	..	..	4,693	4,671	2,354	1,993	1,366	874	15,951

(a) For the total of these grants, including total recurrent and capital grants, see Table 19 in Chapter IV.

(b) Joint programs for the benefit of both government and non-government schools. No meaningful dissection between sectors can be provided at the State level.

TABLE 134—GRANTS FOR TUBERCULOSIS CONTROL, 1949-50 TO 1975-76
\$'000

				New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
GRANTS FOR RECURRENT EXPENDITURE(a)										
1949-50	..	..	..	144	625	22	34	148	77	1,054
1950-51	..	..	..	..	1,239	123	141	265	122	1,890
1951-52	..	..	..	1,463	1,579	365	274	391	176	4,248
1952-53	..	..	..	1,494	2,035	643	430	978	409	5,989
1953-54	..	..	..	2,404	2,349	802	536	998	393	7,482
1954-55	..	..	..	2,630	2,220	967	668	767	350	7,602
1955-56	..	..	..	3,019	2,238	1,150	587	805	302	8,101
1956-57	..	..	..	3,250	2,229	2,166	659	952	352	9,608
1957-58	..	..	..	3,480	2,100	1,543	737	905	374	9,139
1958-59	..	..	..	3,578	2,144	1,601	880	1,132	352	9,687
1959-60	..	..	..	2,800	2,242	1,095	1,270	1,041	304	8,752
1960-61	..	..	..	2,600	2,206	1,486	824	1,017	340	8,473
1961-62	..	..	..	3,040	2,281	1,568	716	814	380	8,799
1962-63	..	..	..	3,542	2,614	1,795	778	823	380	9,932
1963-64	..	..	..	3,800	2,853	2,123	736	778	380	10,670
1964-65	..	..	..	3,700	2,775	2,042	666	773	380	10,336
1965-66	..	..	..	6,635	3,084	2,074	690	734	360	13,577
1966-67	..	..	..	4,012	3,373	2,197	708	589	359	11,238
1967-68	..	..	..	3,864	3,395	2,424	651	844	330	11,508
1968-69	..	..	..	4,353	3,382	2,353	602	674	380	11,744
1969-70	..	..	..	4,035	3,278	1,764	586	856	365	10,884
1970-71	..	..	..	4,256	3,143	1,741	582	835	380	10,937
1971-72	..	..	..	3,073	3,289	1,558	758	884	380	9,942
1972-73	..	..	..	3,609	3,322	1,932	811	797	334	10,805
1973-74	..	..	..	3,347	3,628	2,247	988	785	252	11,247
1974-75	..	..	..	3,923	4,128	2,979	1,114	992	434	13,570
1975-76 (estimate)	..	..	..	2,339	3,065	2,231	581	706	303	9,225
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	4,764
1957-58	..	..	..	1,186	152	1,356	216	1,366	9	4,285
1958-59	..	..	..	744	90	1,328	140	514	9	2,825
1959-60	..	..	..	432	52	744	214	78	43	1,563
1960-61	..	..	..	252	96	351	61	43	18	821
1961-62	..	..	..	95	116	401	92	24	46	774
1962-63	..	..	..	140	110	630	27	67	10	984
1963-64	..	..	..	153	50	283	30	44	39	599
1964-65	..	..	..	135	308	223	13	11	6	696
1965-66	..	..	..	390	169	110	14	2	12	697
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	..	..	..	50	16	27	243	20	32	388
1973-74	..	..	..	22	..	22	395	..	2	441
1974-75	..	..	..	34	10	56	31	..	..	131
1975-76 (estimate)	..	..	..	4	2	68	..	..	2	76
TOTAL GRANTS										
1949-50	..	..	..	144	991	92	34	154	111	1,526
1950-51	..	..	..	160	1,795	167	141	307	134	2,704
1951-52	..	..	..	1,745	2,375	543	370	485	198	5,716
1952-53	..	..	..	2,356	2,405	1,505	478	1,226	603	8,573
1953-54	..	..	..	3,240	2,623	2,006	614	1,222	535	10,240
1954-55	..	..	..	4,264	2,312	2,119	776	1,163	386	11,020
1955-56	..	..	..	4,755	2,388	2,084	831	1,237	322	11,617
1956-57	..	..	..	5,230	2,469	3,510	838	1,960	365	14,372
1957-58	..	..	..	4,666	2,252	2,899	953	2,271	383	13,424
1958-59	..	..	..	4,322	2,234	2,929	1,020	1,646	361	12,512
1959-60	..	..	..	3,232	2,294	1,839	1,484	1,119	347	10,315
1960-61	..	..	..	2,852	2,302	1,837	885	1,060	358	9,294
1961-62	..	..	..	3,135	2,397	1,969	808	838	426	9,573
1962-63	..	..	..	3,682	2,724	2,425	805	890	390	10,916
1963-64	..	..	..	3,953	2,903	2,406	766	822	419	11,269
1964-65	..	..	..	3,835	3,083	2,265	679	784	386	11,032
1965-66	..	..	..	7,025	3,253	2,184	704	736	372	14,274
1966-67	..	..	..	4,368	3,483	2,225	713	589	359	11,737
1967-68	..	..	..	4,455	3,405	2,559	682	854	333	12,288
1968-69	..	..	..	4,924	3,557	2,392	662	674	382	12,591
1969-70	..	..	..	4,226	3,605	1,770	655	856	365	11,477
1970-71	..	..	..	4,399	3,294	1,796	690	847	380	11,406
1971-72	..	..	..	3,143	3,408	1,564	913	972	380	10,380
1972-73	..	..	..	3,659	3,338	1,959	1,054	817	366	11,193
1973-74	..	..	..	3,369	3,628	2,269	1,383	785	254	11,688
1974-75	..	..	..	3,957	4,138	3,035	1,145	992	434	13,701
1975-76 (estimate)	..	..	..	2,343	3,067	2,299	581	706	305	9,301

(a) Comprises reimbursement of expenditures by State Governments in connection with mobile chest x-ray and other anti-tuberculosis services and assistance for maintenance expenditure in hospitals.

TABLE 135—GRANTS FOR CAPITAL EXPENDITURES ON
MENTAL HEALTH INSTITUTIONS

\$'000

			New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1955-56	..	..	418	891	133	24	20	60	1,546
1956-57	..	..	767	1,054	176	257	104	138	2,496
1957-58	..	..	648	1,091	228	304	58	183	2,513
1958-59	..	..	394	1,239	237	245	34	92	2,241
1959-60	..	..	718	1,036	149	184	74	134	2,295
1960-61	..	..	866	168	195	91	31	104	1,454
1961-62	..	..	1,297	(a) ..	141	56	154	(a) ..	1,648
1962-63	..	..	1,295	(a) ..	75	104	116	(a) ..	1,590
1963-64	..	..	982	(a) ..	108	173	332	(a) ..	1,595
1964-65	..	..	659	711	225	265	447	197	2,504
1965-66	..	..	1,717	1,567	146	242	338	529	4,539
1966-67	..	..	2,217	1,192	288	193	260	823	4,973
1967-68	..	..	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	..	..	873	831	967	453	219	87	3,430
1973-74	..	..	1,203	237	247	344	187	31	2,249

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

TABLE 136—GRANTS FOR BLOOD TRANSFUSION SERVICES

\$'000

			New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1953-54	..	..	39	27	14	..	7	..	88
1954-55	..	..	51	35	33	..	19	..	138
1955-56	..	..	53	44	34	18	23	..	172
1956-57	..	..	62	63	39	21	22	8	214
1957-58	..	..	69	75	44	26	26	10	251
1958-59	..	..	71	82	50	27	24	10	263
1959-60	..	..	73	87	49	32	30	10	282
1960-61	..	..	84	100	56	35	29	11	315
1961-62	..	..	95	105	67	38	32	12	349
1962-63	..	..	96	112	74	42	35	11	369
1963-64	..	..	101	121	82	44	37	11	396
1964-65	..	..	110	129	90	47	42	11	428
1965-66	..	..	117	144	103	61	44	13	482
1966-67	..	..	231	276	215	123	92	24	961
1967-68	..	..	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	..	..	267	367	212	160	134	30	1,170
1973-74	..	..	588	506	304	252	183	37	1,870
1974-75	..	..	590	642	416	365	358	57	2,428
1975-76 (estimate) (a)	..	..	915	888	486	405	340	85	3,119

(a) Including, for the first time in 1975-76, grants for expenditure of a capital nature.

TABLE 137—PAYMENTS FOR ABORIGINAL ADVANCEMENT, BY FUNCTION

\$'000

			New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
EDUCATION									
RECURRENT PAYMENTS									
1968-69	..	..	119	22	..	10	..	..	151
1969-70	..	..	149	65	41	17	10	7	289
1970-71	..	..	135	65	13	28	26	7	274
1971-72	..	..	184	83	..	49	26	5	347
1972-73	..	..	229	167	293	279	193	6	1,167
1973-74	..	..	482	275	193	489	732	4	2,174
1974-75	..	..	546	262	361	614	1,582	3	3,367
1975-76 (estimate)	..	..	1,316	404	1,633	1,133	1,786	23	6,293
CAPITAL PAYMENTS									
1968-69	..	..	46	18	325	64	203	..	656
1969-70	..	..	5	6	369	115	160	..	655
1970-71	..	..	11	..	327	84	250	..	672
1971-72	..	..	20	..	441	116	290	..	867
1972-73	..	..	98	60	981	156	425	..	1,720
1973-74	..	..	101	..	988	625	505	..	2,218
1974-75	..	..	..	67	249	108	799	..	1,224
1975-76 (estimate)	..	..	30	87	..	300	450	..	866
TOTAL PAYMENTS									
1968-69	..	..	165	40	325	74	203	..	807
1969-70	..	..	154	71	410	132	170	7	944
1970-71	..	..	146	65	340	112	276	7	946
1971-72	..	..	204	83	441	165	316	5	1,214
1972-73	..	..	327	227	1,274	435	618	6	2,887
1973-74	..	..	583	275	1,180	1,113	1,237	4	4,392
1974-75	..	..	546	329	610	722	2,381	3	4,591
1975-76 (estimate)	..	..	1,346	490	1,633	1,433	2,236	23	7,159
HEALTH									
RECURRENT PAYMENTS									
1968-69	..	..	50	..	84	28	..	..	162
1969-70	..	..	50	..	101	..	10	..	161
1970-71	..	..	12	10	129	33	100	7	291
1971-72	..	..	231	6	170	77	93	7	584
1972-73	..	..	369	27	465	155	292	7	1,315
1973-74	..	..	802	51	754	356	1,330	11	3,304
1974-75	..	..	1,142	96	1,285	785	3,452	22	6,780
1975-76 (estimate)	..	..	1,584	266	4,105	915	4,645	18	11,533
CAPITAL PAYMENTS									
1968-69	..	..	..	10	241	22	75	..	348
1969-70	..	..	58	4	288	48	75	1	474
1970-71	..	..	89	..	226	33	5	..	353
1971-72	..	..	51	4	370	81	167	10	683
1972-73	..	..	22	2	764	105	638	..	1,531
1973-74	..	..	164	33	1,489	627	2,726	..	5,038
1974-75	..	..	155	54	723	241	2,608	..	3,780
1975-76 (estimate)	..	..	111	14	660	272	2,475	..	3,532
TOTAL PAYMENTS									
1968-69	..	..	50	10	325	50	75	..	510
1969-70	..	..	108	4	389	48	85	1	635
1970-71	..	..	101	10	355	66	105	7	644
1971-72	..	..	282	10	540	158	260	17	1,267
1972-73	..	..	391	29	1,229	260	930	7	2,846
1973-74	..	..	965	84	2,243	983	4,056	11	8,342
1974-75	..	..	1,297	150	2,007	1,026	6,059	22	10,561
1975-76 (estimate)	..	..	1,695	280	4,765	1,187	7,120	18	15,064
SOCIAL SECURITY AND WELFARE									
RECURRENT PAYMENTS									
1968-69	..	..	5	..	..	1	..	..	6
1969-70	..	..	28	4	104	..	10	..	146
1970-71	..	..	38	6	74	100	14	5	237
1971-72	..	..	253	27	201	144	104	5	734
1972-73	..	..	1,331	137	1,511	260	892	36	4,167
1973-74	..	..	394	32	28	158	572	9	1,192
1974-75	..	..	469	137	55	82	2,063	9	2,816
1975-76 (estimate)	..	..	571	467	751	180	925	30	2,923
CAPITAL PAYMENTS									
1968-69	..	..	30	95	..	..	..	..	125
1969-70	..	..	25	..	..	115	..	..	140
1970-71	..	..	67	..	..	82	205	..	354
1971-72	..	..	161	..	7	3	538	..	709
1972-73	..	..	77	..	..	9	386	5	477
1973-74	..	..	210	..	85	235	1,078	..	1,608
1974-75	..	..	83	..	..	..	467	..	550
1975-76 (estimate)	..	..	30	..	30	40	185	..	285
TOTAL PAYMENTS									
1968-69	..	..	35	95	..	1	..	..	131
1969-70	..	..	53	4	104	115	10	..	286
1970-71	..	..	105	6	74	182	219	5	591
1971-72	..	..	414	27	208	147	642	5	1,443
1972-73	..	..	1,408	137	1,511	269	1,278	41	4,644
1973-74	..	..	604	32	113	393	1,650	9	2,800
1974-75	..	..	552	137	55	82	2,530	9	3,366
1975-76 (estimate)	..	..	601	467	781	220	1,110	30	3,208

TABLE 137—PAYMENTS FOR ABORIGINAL ADVANCEMENT, BY FUNCTION—*continued*

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
HOUSING							
RECURRENT PAYMENTS							
1974-75	159	..	..	20	..	..	179
1975-76 (estimate) .. .. .	..	..	..	10	142	..	152
CAPITAL PAYMENTS							
1968-69	525	80	800	225	547	25	2,202
1969-70	864	268	1,152	240	990	31	3,545
1970-71	1,350	286	1,770	300	1,080	35	4,821
1971-72	1,500	280	1,849	330	1,282	35	5,276
1972-73	2,624	357	3,003	690	4,000	60	10,734
1973-74	3,000	557	4,820	2,158	4,000	119	14,654
1974-75	5,187	1,514	6,964	3,587	..	204	17,456
1975-76 (estimate)	4,495	910	2,500	2,576	3,000	215	13,696
TOTAL PAYMENTS							
1968-69	525	80	800	225	547	25	2,202
1969-70	864	268	1,152	240	990	31	3,545
1970-71	1,350	286	1,770	300	1,080	35	4,821
1971-72	1,500	280	1,849	330	1,282	35	5,276
1972-73	2,624	357	3,003	690	4,000	60	10,734
1973-74	3,000	557	4,820	2,158	4,000	119	14,654
1974-75	5,346	1,514	6,964	3,607	..	204	17,636
1975-76 (estimate)	4,495	910	2,500	2,586	3,142	215	13,848
URBAN AND REGIONAL DEVELOPMENT N.E.C. AND THE ENVIRONMENT							
RECURRENT PAYMENTS							
1975-76 (estimate)	118	..	392	..	..	..	510
CAPITAL PAYMENTS							
1972-73 .. .. .	..	20	683	86	60	40	889
1973-74	250	..	1,601	51	148	13	2,063
1974-75	50	..	724	122	..	..	896
1975-76 (estimate) .. .. .	..	..	1,000	..	..	..	1,000
TOTAL PAYMENTS							
1972-73 .. .. .	..	20	683	86	60	40	889
1973-74	250	..	1,601	51	148	13	2,063
1974-75	50	..	724	122	..	..	896
1975-76 (estimate)	118	..	1,392	..	..	..	1,510
ECONOMIC SERVICES—INDUSTRY ASSISTANCE AND DEVELOPMENT							
CAPITAL PAYMENTS							
1969-70 .. .. .	..	..	350	..	..	..	350
TOTAL—ALL FUNCTIONS							
RECURRENT PAYMENTS							
1968-69	174	22	84	39	..	..	319
1969-70	227	69	246	17	30	7	596
1970-71	185	81	216	161	140	19	800
1971-72	668	116	371	270	223	17	1,665
1973-73	1,929	331	2,269	694	1,377	49	6,649
1973-74	1,678	358	975	1,003	2,634	23	6,670
1974-75	2,316	494	1,701	1,501	7,096	34	13,142
1975-76 (estimate)	3,588	1,136	6,881	2,237	7,497	71	21,411
CAPITAL PAYMENTS							
1968-69	601	203	1,366	311	825	25	3,331
1969-70	952	278	2,159	518	1,225	32	5,164
1970-71	1,517	286	2,323	499	1,540	35	6,200
1971-72	1,732	284	2,667	530	2,277	45	7,535
1972-73	2,821	439	5,431	1,046	5,509	105	15,351
1973-74	3,725	590	8,982	3,696	8,457	131	25,580
1974-75	5,474	1,636	8,661	4,058	3,874	204	23,907
1975-76 (estimate)	4,666	1,011	4,190	3,188	6,110	215	19,379
TOTAL PAYMENTS							
1968-69	775	225	1,450	350	825	25	3,650
1969-70	1,179	347	2,405	535	1,255	39	5,760
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	4,750	770	7,700	1,740	6,886	154	22,000
1973-74	5,402	948	9,957	4,699	11,090	154	32,250
1974-75	7,791	2,130	10,362	5,558	10,970	238	37,049
1975-76 (estimate)	8,254	2,147	11,071	5,425	13,608	286	40,790

TABLE 138—ADVANCES FOR HOUSING(a)

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1945-46	5,050	6,200	850	..	920	570	13,590
1946-47	11,060	8,000	1,500	..	1,470	..	22,030
1947-48	10,690	10,000	1,600	..	2,520	1,800	26,610
1948-49	12,590	10,400	1,800	..	3,294	900	28,984
1949-50	13,200	12,600	2,500	..	3,930	2,200	34,430
1950-51	15,780	17,200	5,400	..	4,700	200	(b)43,280
1951-52	17,028	20,122	8,978	..	6,966	(c)	(d)53,094
1952-53	24,200	22,540	7,460	..	5,800	(c)	60,000
1953-54	24,900	24,000	9,000	9,000	7,500	(c)	74,400
1954-55	21,600	18,900	3,600	7,200	7,000	(c)	58,300
1955-56	21,600	(e) 21,600	6,000	7,200	10,000	(c)	66,400
1956-57	21,600	20,000	5,500	7,200	6,000	4,000	64,300
1957-58	22,000	20,000	6,320	8,000	6,000	4,000	66,320
1958-59	24,000	20,600	6,620	10,000	6,000	4,400	71,620
1959-60	24,700	20,600	6,960	10,000	6,000	3,900	72,160
1960-61	26,000	20,600	6,200	11,600	6,000	4,000	74,400
1961-62	34,006	27,054	8,400	18,072	7,412	5,856	100,800
1962-63	32,600	25,700	7,800	18,982	6,940	5,200	97,222
1963-64	33,000	26,500	8,600	19,400	6,800	6,000	100,300
1964-65	35,000	27,000	6,600	20,500	7,200	6,400	102,700
1965-66	40,271	31,126	8,497	21,057	8,601	7,448	117,000
1966-67	41,500	32,020	9,060	20,750	9,170	7,500	120,000
1967-68	43,080	33,000	9,060	21,000	10,000	6,700	122,840
1968-69	43,750	34,500	9,250	19,500	11,500	7,500	126,000
1969-70	46,500	35,500	9,880	21,250	11,500	7,600	132,230
1970-71	48,300	36,500	10,500	25,000	12,500	8,750	141,550
1971-72	..	..	..	..	..	..	..
1972-73	3,500	1,500	350	500	400	300	6,550
1973-74	86,000	53,500	17,400	32,750	13,000	16,000	218,650
1974-75	123,411	98,159	43,810	56,360	37,440	26,220	385,400
1975-76 (estimate)	123,411	98,159	31,010	56,360	33,440	22,220	364,600

(a) See relevant sections of Chapters III and IV and Part I of this Appendix for explanations of the arrangements under which these advances have been made.

(b) Excludes \$6.72 million which was not used for advances to the States for housing until 1951-52.

(c) 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 programs. Tasmania was a party to the Commonwealth and State Housing Agreements from 1956-57.

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

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

TABLE 139—COMMONWEALTH-STATE HOUSING AGREEMENT 1945—CONTRIBUTIONS TOWARD RENTAL LOSSES

\$'000

	Queensland	Western Australia	Tasmania	Total
1949-50	..	1	..	1
1950-51	..	..	6	6
1951-52	..	..	..	..
1952-53	..	..	..	..
1953-54	..	..	..	..
1954-55	..	..	..	..
1955-56	..	..	..	..
1956-57	..	..	..	..
1957-58	..	..	..	..
1958-59	..	50	..	50
1959-60	..	..	..	..
1960-61	458	246	..	705
1961-62	130	..	..	130
1962-63	37	..	..	37
1963-64	45	..	..	45
1964-65	130	..	..	130
1965-66	213	..	..	213
1966-67	142	..	..	142
1967-68	44	..	..	44
1968-69	60	..	..	60
1969-70	74	..	..	74
1970-71	131	..	..	131
1971-72	151	..	..	151
1972-73	142	..	..	142
1973-74	123	..	..	123
1974-75	239	..	..	239
1975-76 (estimate)	483	..	..	483

TABLE 140—DETAILS OF PAYMENTS FOR GROWTH CENTRES AND
RELATED PROJECTS(a)
\$'000

	1973-74	1974-75	1975-76 (Estimates)(c)
ALBURY-WODONGA			
To New South Wales—			
Grants—			
Studies and Investigations	430		
Local Councils Assistance	67	308	
Loans—			
Land Acquisition		16,165	
Development Works		85	
Studies and Investigations		558	
Running Expenses		272	
Local Councils Assistance	133	615	
Total of Above	630	18,003	14,371
Capitalised Interest(b)		474	2,644
Total	630	18,477	17,015
To Victoria—			
Grants—			
Studies and Investigations	412		
Local Councils Assistance	67	384	
Loans—			
Land Acquisition	888	21,726	
Development Works		571	
Studies and Investigations		477	
Running Expenses		283	
Local Councils Assistance	133	769	
Total of Above	1,500	24,210	24,240
Capitalised Interest		609	2,282
Total	1,500	24,819	26,522
Total Payments for Albury-Wodonga (including Capitalised Interest)	2,130	43,296	43,537
SYDNEY SOUTH-WEST SECTOR			
To New South Wales—			
Grants—			
Land Acquisition			
Loans—			
Land Acquisition		4,103	
Development Works		2,279	
Studies and Investigations			
Running Expenses		300	
Total of Above		6,682	14,918
Capitalised Interest		19	993
Total		6,701	15,911
BATHURST-ORANGE			
Grants—			
Land Acquisition			
Local Councils Assistance		198	
Loans—			
Land Acquisition		4,420	
Running Expenses			
Local Councils Assistance		395	
Total of Above		5,013	8,600
Capitalised Interest		17	660
Total		5,030	9,260
MONARTO			
To South Australia—			
Grants—			
Land Acquisition	181	300	
Development Works	13	455	
Studies and Investigations	118	42	
Establishment Contribution	43	45	
Loans—			
Land Acquisition	4,058	2,473	
Development Works		134	
Studies and Investigations		906	
Running Expenses		1,018	
Total of Above	4,413	5,373	
Capitalised Interest	1	447	879
Total	4,414	5,820	879

TABLE 140—DETAILS OF PAYMENTS FOR GROWTH CENTRES AND
RELATED PROJECTS(a)—continued
\$'000

	1973-74	1974-75	1975-76 (Estimates)(c)
To Western Australia			
Grants—			
Moore River Study .. .. .	..	..	500
Total .. .. .	..	..	500
To Tasmania			
Grants—			
Strategic Development Study	35	312	
Tamar Open Space Land .. .. .	..	88	
Total of Above	35	400	804
TOTAL PAYMENTS—GROWTH CENTRES AND RELATED PROJECTS			
Grants	1,366	2,132	1,304
Loans (including Capitalised Interest)	5,213	59,115	(d)71,635
Total	6,579	61,247	(d)72,939

- (a) For purposes of this document all payments to the States for growth centres and related projects are treated as being of a capital nature.
- (b) *Capitalised Interest*: These amounts represent interest payments which have been deferred and added to the amount of principal outstanding and on which interest thus accrues. Amounts of capitalised interest are shown in this and other Budget documents as interest payments notionally made by the State concerned to the Australian Government and advances notionally made by that Government to the State.
- (c) Estimates of the grants and loans components and by purpose are not yet available.
- (d) The totals, for loans, capitalised interest and total payments include an additional \$2.048 million which is not included in the estimated allocation between the States. Capitalised interest included in these amounts has been estimated partly on the assumption that the estimated payments to the States, except those specifically identified as grants, will be provided wholly by way of loans.

TABLE 141—PAYMENTS TO THE STATES FOR LAND ACQUISITION AND DEVELOPMENT
\$'000

	1973-74	1974-75	1975-76 (Estimates)
NEW SOUTH WALES			
Loans—Land Acquisition .. .. .	..	820	13,500
Capitalised Interest(a) .. .. .	..	..	398
Total .. .. .	..	820	13,898
VICTORIA			
Grants—Land Acquisition .. .. .	..	993	1,630
Loans—Land Acquisition	3,500	7,703	14,000
Total of Above	3,500	8,696	15,630
Capitalised Interest	31	307	1,425
Total	3,531	9,003	17,055
SOUTH AUSTRALIA			
Grants—Land Acquisition .. .. .	..	1,934	..
Loans—			
Land Acquisition	8,000	15,109	n.a.
Development Works .. .. .	..	1,100	n.a.
Running Expenses .. .. .	..	435	n.a.
Total of Above	8,000	18,578	16,814
Capitalised Interest .. .. .	..	975	2,885
Total	8,000	19,553	19,699
WESTERN AUSTRALIA			
Grants—Land Acquisition .. .. .	..	1,886	..
Loans—			
Land Acquisition .. .. .	..	9,800	n.a.
Running Expenses .. .. .	..	30	n.a.
Total of Above .. .. .	..	11,716	7,170
Capitalised Interest .. .. .	..	3	1,116
Total .. .. .	..	11,719	8,286
TASMANIA			
Loans—Land Acquisition .. .. .	..	..	500
TOTAL PAYMENTS			
Grants .. .. .	..	4,813	1,630
Loans (including Capitalised Interest)	11,531	36,282	57,808
Total	11,531	41,095	59,438

(a) For an explanation of Capitalised Interest—see footnote (b) to the previous Table 'Details of Payments for Growth Centres and Related Projects'.

TABLE 142—PAYMENTS TO STATES FOR ROADS UNDER AID ROADS ACTS AND COMPARABLE LEGISLATION, 1923-24 TO 1975-76(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	210	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	Federal Aid Roads and Works Act 1937
1937-38	2,272	1,418	1,544	898	1,554	404	8,090	
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	Commonwealth Aid Roads and Works Act 1947-1949
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 Act 1950
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 1954-1956 and Commonwealth Aid Roads (Special Assistance) Act 1957
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 1959
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 1964
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 1969
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	National Roads Act 1974
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	
1973-74	98,270	65,720	59,830	31,000	48,030	13,950	316,800	
1974-75	115,792	75,951	75,372	31,888	50,449	18,585	368,037	Roads Grants Act 1974
1975-76	137,872	91,955	90,659	41,855	62,461	20,161	444,963	

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

(b) These figures do not include expenditure in the States on strategic roads or roads serving Australian Government properties.

(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 143—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	Queens- land	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	} <i>Federal Aid Roads and Works Act 1937</i>
1937-38 ..	2,332	1,452	1,584	922	1,594	414	8,298	..	8,298	
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 the previous table.
- (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 144—PAYMENTS FOR BEEF CATTLE ROADS
\$'000

—	Queensland			South Australia	Western Australia	Total
	Grants	Loans	Total Payments			
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 ..	2,252	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 ..	5,500	..	5,500	350	1,900	7,750
1973-74 ..	4,187	..	4,187	..	981	5,168
1974-75 ..	279	..	279	..	..	279

TABLE 145—PAYMENTS FOR RAILWAY CONSTRUCTION PROJECTS, 1951-52 TO 1975-76
\$'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	..	..	..	..	..	..	..	..	..	..	..	..	6,610	2,822	9,432
1961-62..	5,600	2,400	8,000	..	7,500	7,500	..	..	..	..	..	..	..	..	..	5,582	9,882	15,464
1962-63..	242	104	346	1,841	789	2,630	..	11,917	11,917	1,828	772	2,600	1,781	2,544	4,325	..	..	..	5,692	16,126	21,818
1963-64..	12,100	12,100	2,090	885	(d)2,975	3,099	4,427	7,526	..	..	..	5,189	17,412	22,601
1964-65..	3,016	3,016	3,143	1,333	(e)4,476	4,227	6,038	10,265	..	..	..	7,370	10,387	17,757
1965-66..	4,515	1,916	6,431	7,340	10,487	17,827	..	..	..	11,855	12,403	24,258
1966-67..	4,668	2,061	6,729	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	3,233	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..	425	131	556	735	1,250	1,546	..	..	..	1,416	1,546	2,962
1973-74(g)	259	60	319	209	299	508	..	..	..	468	359	827
1974-75(g)	672	237	909	62	89	151	..	..	..	734	326	1,060
1975-76(estimate)(g)	45	65	110	..	..	..	45	65	110

(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.

(g) Excludes payments for railway projects under the program of assistance for urban public transport. See Chapter IV.

TABLE 146—DEBT CHARGES PAID BY STATES ON LOANS MADE FOR RAILWAY CONSTRUCTION PROJECTS, 1952-53 TO 1975-76(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	191	96	287	191	96	287	1,417	1,501	2,918	941	350	1,291	2,942	1,724	4,666	113	72	185	5,795	3,839	9,634
1973-74	186	96	282	186	96	282	1,333	1,585	2,918	925	352	1,277	2,908	1,818	4,727	144	83	227	5,682	4,030	9,713
1974-75	181	96	277	181	96	277	1,245	1,673	2,918	921	1,006	1,927	2,820	1,903	4,723	139	83	222	5,487	4,857	10,344
1975-76 (estimate)	176	96	272	176	96	272	1,151	1,767	2,918	..	..	..	2,720	1,988	4,708	..	..	..	4,223	3,947	8,170

(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.

**TABLE 147—ADVANCES FOR COAL LOADING FACILITIES(a) AND
DEBT CHARGES PAID BY STATES THEREON
\$'000**

	New South Wales				Queensland				Total			
	Loans	Debt Charges Paid			Loans	Debt Charges Paid			Loans	Debt Charges Paid		
		Interest	Repay- ments	Total		Interest	Repay- ments	Total		Interest	Repay- ments	Total
1961-62	568	..	..	..	..	..	..	..	568	..	..	..
1962-63	996	30	56	87	..	..	..	..	996	30	56	86
1963-64	116	79	156	235	80	..	..	..	196	79	156	235
1964-65	807	77	168	245	120	5	8	13	927	82	176	258
1965-66	813	110	249	359	..	9	14	23	813	119	263	382
1966-67 .. ..	..	139	330	469	..	9	13	22	..	148	343	491
1967-68 .. ..	..	121	330	451	..	8	13	21	..	129	343	472
1968-69 .. ..	..	104	330	434	..	7	13	20	..	111	343	454
1969-70 .. ..	..	86	330	416	..	7	13	20	..	93	343	436
1970-71 .. ..	..	68	330	398	..	6	13	19	..	74	343	417
1971-72 .. ..	..	50	330	380	..	5	13	18	..	55	343	399
1972-73 .. ..	..	33	273	307	..	5	13	18	..	38	287	325
1973-74 .. ..	..	20	174	194	..	4	13	17	..	24	187	211
1974-75 .. ..	..	11	162	173	..	3	13	16	..	14	175	189
1975-76 (estimate)	..	3	81	84	..	3	13	16	..	6	94	100

(a) In addition, the following grants were made to New South Wales from the Coal Industry Fund: 1961-62, \$344,000; 1962-63, \$640,000; 1964-65, \$559,000; 1965-66, \$493,000.

**TABLE 148—GRANTS FOR MINOR AGRICULTURAL RESEARCH(a)
\$'000**

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1963-64	8	14	25	..	..	..	46
1964-65	9	11	12	1	..	..	34
1965-66	9	..	19	..	..	..	28
1966-67	6	..	15	3	..	..	23
1967-68	7	..	23	..	..	..	30
1968-69	14	..	31	11	..	..	57
1969-70	38	13	32	15	..	..	98
1970-71	21	2	30	15	..	..	68
1971-72	19	16	42	11	14	..	102
1972-73	82	19	37	13	..	..	151
1973-74	99	23	12	17	..	..	151
1974-75	82	22	14	16	..	..	134
1975-76 (estimate)	86	61	13	21	..	..	181

(a) This scheme began in 1960-61. Figures for that year and the two subsequent years are not readily available.

**TABLE 149—ADVANCES FOR BRIGALOW LANDS DEVELOPMENT SCHEME AND
DEBT CHARGES THEREON(a)
\$'000**

	Advances			Interest			Repayments of Principal
	Actual	Capitalised Interest(b)	Total	Actual Payments	Capitalised Interest(b)	Total	
1962-63	1,200	..	1,200	..	..	..	..
1963-64	1,600	41	1,641	..	41	41	..
1964-65	1,400	123	1,523	..	123	123	..
1965-66	1,600	212	1,812	..	212	212	..
1966-67	2,200	309	2,509	..	309	309	..
1967-68	1,800	204	2,004	225	204	429	222
1968-69	1,100	79	1,179	432	79	511	444
1969-70	1,100	153	1,253	410	153	563	444
1970-71	300	103	403	510	103	613	553
1971-72	1,050	34	1,084	601	34	635	661
1972-73	600	98	698	566	98	664	661
1973-74 .. ..	..	139	139	531	139	670	661
1974-75	500	151	651	497	151	648	661
1975-76 (estimate)	1,700	96	1,796	563	96	659	735

(a) To Queensland only.

(b) The *Brigalow Lands Agreement Act* 1962-1967, which is the legislative authority for this scheme (see Chapter IV), provides for the 'capitalizing' of interest—that is, the addition of accruing interest to principal outstanding instead of actual payment of interest to the Australian Government. This capitalized interest effectively represents further loans by the Australian Government and is thus added to advances actually paid for purposes of this and other budget documents.

TABLE 150—GRANTS FOR CAPITAL
EXPENDITURES RELATED TO THE ENCOURAGEMENT
OF MEAT PRODUCTION
\$'000

—	Queensland	Western Australia	Total
1950-51	450	180	630
1951-52	210	200	410
1952-53	596	200	796
1953-54	560	266	826
1954-55	202	320	522
1955-56	226	380	606
1956-57	164	104	268
1957-58	186	10	196
1958-59	32	..	32
1959-60	12	..	12
1960-61	10	4	14
1961-62	4	6	10
1962-63	1	..	1
1963-64	..	..	..
1964-65	..	..	..
1965-66	..	..	..
1966-67	..	8	8

TABLE 151—GRANTS FOR AGRICULTURAL EXTENSION SERVICES(a)
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1948-49	108	108	20	12	20	14	282
1949-50	40	..	76	30	36	..	182
1950-51	120	94	80	24	34	24	376
1951-52	176	168	150	30	36	8	568
1952-53	190	136	184	66	48	26	650
1953-54	182	228	150	80	30	38	708
1954-55	228	198	216	80	88	36	846
1955-56	290	224	200	92	88	38	932
1956-57	260	242	250	90	106	66	1,014
1957-58	260	258	256	76	84	34	968
1958-59	282	280	238	74	70	50	994
1959-60	274	220	224	102	64	46	930
1960-61	280	264	244	88	80	58	1,014
1961-62	278	250	248	90	88	56	1,010
1962-63	282	250	244	90	94	54	1,014
1963-64	328	298	294	104	104	70	1,198
1964-65	328	310	294	104	102	74	1,212
1965-66	328	298	294	104	104	74	1,202
1966-67	535	508	545	217	213	158	2,176
1967-68	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	1,680	1,490	1,380	690	680	380	6,300
1973-74	1,797	1,601	1,525	760	771	348	6,802
1974-75	2,145	1,877	1,583	856	843	419	7,723
1975-76 (estimate)	2,359	2,019	1,857	941	955	543	8,674

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

TABLE 152—GRANTS FOR THE INVESTIGATION OF WATER RESOURCES(a)
\$'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	1,779	453	563	161	710	71	3,736
1973-74	1,182	762	770	371	1,300	71	4,455
1974-75	1,467	850	878	413	1,667	135	5,410
1975-76 (estimate)	1,498	891	932	468	1,981	147	5,918

(a) Although mainly used for capital works some current expenditure has been financed from these grants. However all grants have, for purposes of this document, been treated as being for capital purposes.

TABLE 153—ADVANCES FOR WAR SERVICE LAND SETTLEMENT AND
DEBT CHARGES PAID THEREON(a)

\$'000

	New South Wales				Victoria				Total			
	Loans	Debt Charges Paid			Loans	Debt Charges Paid			Loans	Debt Charges Paid		
		Interest	Repay-ments	Total		Interest	Repay-ments	Total		Interest	Repay-ments	Total
1955-56	3,140	18	..	18	3,220	29	..	29	6,360	47	..	47
1956-57	3,222	145	20	164	3,170	167	20	187	6,392	312	40	352
1957-58	3,421	261	40	301	4,008	282	40	322	7,428	542	81	623
1958-59	277	365	63	428	2,000	423	67	490	2,277	789	130	918
1959-60	3,482	395	67	462	2,000	529	82	611	5,482	924	149	1,073
1960-61 .. ..	..	501	91	592	..	532	97	629	..	1,033	189	1,221
1961-62 .. ..	..	497	95	592	..	528	101	629	..	1,026	196	1,221
1962-63 .. ..	..	494	98	592	..	525	105	629	..	1,018	203	1,221
1963-64 .. ..	..	490	102	592	..	521	109	629	..	1,011	211	1,221
1964-65 .. ..	..	486	106	592	..	517	113	629	..	1,003	218	1,221
1965-66 .. ..	..	482	110	592	..	512	117	629	..	995	227	1,221
1966-67 .. ..	..	478	114	592	..	508	121	629	..	986	235	1,221
1967-68 .. ..	..	474	118	592	..	503	126	629	..	977	244	1,221
1968-69 .. ..	..	469	122	592	..	499	131	629	..	968	253	1,221
1969-70 .. ..	..	465	127	592	..	494	135	629	..	959	263	1,221
1970-71 .. ..	..	460	132	592	..	489	141	629	..	949	272	1,221
1971-72 .. ..	..	455	137	592	..	483	146	629	..	939	283	1,221
1972-73 .. ..	..	450	142	592	..	478	151	629	..	928	293	1,221
1973-74 .. ..	..	445	147	592	..	472	157	629	..	917	304	1,221
1974-75 .. ..	..	439	153	592	..	466	163	629	..	905	316	1,221
1975-76 (estimate)	..	433	159	592	..	460	169	629	..	893	328	1,221

(a) See relevant section of Chapter IV.

TABLE 154—GRANTS FOR CAPITAL EXPENDITURES ON MIGRANT CENTRES
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1947-48	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	26
1948-49	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	61
1949-50	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	18
1950-51	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	50
1951-52	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	35
1952-53	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	24
1953-54	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	92
1954-55	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	2
1955-56 .. ..	..	..	..	4	..	..	4
1956-57 .. ..	..	..	..	..	22	..	22
1957-58 .. ..	..	1	..	5	..	..	6
1958-59 .. ..	..	..	3	1	..	..	4
1959-60 .. ..	..	..	..	..	..	..	..
1960-61 .. ..	..	..	..	..	..	..	..
1961-62 .. ..	..	..	..	..	..	..	..
1962-63 .. ..	..	66	..	..	..	..	66
1963-64 .. ..	..	14	..	..	34	..	48
1964-65 .. ..	..	2	..	..	..	..	2
1965-66 .. ..	..	..	..	..	..	..	..
1966-67 .. ..	..	..	..	2	..	..	2
1967-68	67	..	..	2	357	..	426
1968-69	35	..	..	..	411	..	446
1969-70	5	..	..	..	60	..	65
1970-71	2	..	..	75	65	..	142
1971-72	214	..	123	12	23	..	372
1972-73	10	..	14	..	..	..	24
1973-74	2	4	18	..	..	..	24
1974-75 .. ..	..	..	163	17	..	..	180

n.a. = not available.

TABLE 155—GRANTS FOR COAL MINING INDUSTRY—LONG SERVICE LEAVE
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1950-51	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	110
1951-52	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	187
1952-53	1,047	5	200	..	95	17	1,363
1953-54	1,219	5	238	..	81	26	1,570
1954-55	842	2	156	..	57	3	1,060
1955-56	517	..	81	..	16	7	622
1956-57	579	..	102	..	30	7	720
1957-58	399	6	106	..	58	7	577
1958-59	543	2	98	..	58	8	709
1959-60	750	3	115	..	157	18	1,043
1960-61	621	..	151	..	120	26	918
1961-62	883	1	325	..	41	41	1,291
1962-63	685	..	194	..	61	14	954
1963-64	669	..	173	..	55	13	910
1964-65	731	1	205	..	64	20	1,021
1965-66	658	2	184	..	43	6	893
1966-67	723	1	157	..	37	2	920
1967-68	600	..	278	..	33	7	918
1968-69	626	..	192	..	68	6	892
1969-70	738	..	164	..	79	4	985
1970-71	828	..	136	..	93	6	1,063
1971-72	948	..	185	..	103	5	1,241
1972-73	1,604	..	316	..	90	2	2,012
1973-74	1,782	..	410	..	139	16	2,347
1974-75	2,478	..	429	..	161	5	3,073
1975-76 (estimate)	2,768	..	480	..	170	6	3,424

TABLE 156—GRANTS FOR THE PROMOTION OF ROAD SAFETY PRACTICES
\$'000

—	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1947-48	34	22	22	18	22	10	128
1948-49	26	16	18	14	18	8	100
1949-50	26	16	18	14	18	8	100
1950-51	30	24	22	14	20	10	120
1951-52	30	24	22	14	20	10	120
1952-53	30	24	22	14	20	10	120
1953-54	30	24	22	14	20	10	120
1954-55	30	24	22	14	20	10	120
1955-56	44	36	34	22	30	14	180
1956-57	45	36	33	22	30	14	180
1957-58	45	36	33	23	30	13	180
1958-59	45	36	33	22	30	14	180
1959-60	45	36	33	23	30	13	180
1960-61	35	28	26	17	23	11	140
1961-62	25	20	18	13	16	8	100
1962-63	25	20	19	12	17	7	100
1963-64	25	20	18	13	16	8	100
1964-65	25	20	19	12	17	7	100
1965-66	25	20	18	13	16	8	100
1966-67	29	23	21	15	19	9	116
1967-68	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	37	30	28	19	25	11	150
1973-74	37	30	28	19	25	11	150
1974-75	37	30	28	19	25	11	150
1975-76 (estimate)	37	30	28	19	25	11	150

TABLE 157—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	2,112	1,620	641	851	370	172	5,767
1973-74	2,092	1,540	700	955	410	204	5,901
1974-75	2,584	1,821	853	1,369	470	227	7,324
1975-76 (estimate)(a)	2,112	1,524	702	1,050	402	210	6,000

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

TABLE 158—PAYMENTS FOR NATURAL DISASTERS 1949-50 TO 1975-76(a)

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
PAYMENTS OF A RECURRENT NATURE							
1949-50	200		2				202
1950-51	170	30	1	5	20		226
1951-52	67	20					87
1952-53	116	34					150
1953-54	200	4					204
1954-55	786		4				789
1955-56	104	12	13	100			229
1956-57	30	80		100			210
1957-58	40		16				56
1958-59			2				2
1959-60		1	44	70			115
1960-61					65		65
1961-62	100	100			67		267
1962-63	130						130
1963-64	120						120
1964-65	60	20		20			100
1965-66	5,532	40	4,174				9,746
1966-67	(b)7,600		3,197			1,350	12,147
1967-68	4,398	5,291	2,483	725		200	13,097
1968-69	(c)3,411	6,000	1,210	1,026	50		11,697
1969-70	21	277	8,940	(d)-56	42	(e)-140	9,084
1970-71	980	43	8,921				9,944
1971-72			1,188			(g)-45	1,143
1972-73		40	(h)32				72
1973-74	57	22	(j)3,990				4,069
1974-75	612	284	84				980
1975-76(estimate)	100		1				101
PAYMENTS OF A CAPITAL NATURE—GRANTS							
1949-50			21				21
1950-51	403		2				405
1951-52			1				1
1952-53			3				3
1953-54	10						10
1954-55	408		9				416
1955-56	560		1				561
1956-57		500	1	723			1,224
1957-58		420		701			1,121
1958-59	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							
1966-67			556			650	1,206
1967-68			555			3,850	4,405
1968-69							
1969-70					130	(e)-100	30
1970-71	3,721		694		31	(f)240	4,686
1971-72			5,330			(g)100	5,430
1972-73			(h)-74			(i)-3	-77
1973-74	151		(j)20,213			(k)-3	20,361
1974-75	13,239	9,107	25,551	114			48,011
1975-76(estimate)	4,800	300	2,499	100		(l)-7	7,692
PAYMENTS OF A CAPITAL NATURE—LOANS							
1949-50							
1950-51							
1951-52							
1952-53							
1953-54							
1954-55							
1955-56							
1956-57							
1957-58							
1958-59							
1959-60							
1960-61							
1961-62							
1962-63							
1963-64							
1964-65							
1965-66	8,668		3,326				11,994
1966-67	5,460		1,760			500	7,720
1967-68	3,300	2,709	568	275		3,600	10,452
1968-69	5,160	3,000	805	274		1,195	10,434
1969-70		93	4,953			(e)-187	4,859
1970-71	499		4,750			(f)-456	4,793
1971-72			371			(g)-32	339
1972-73							
1973-74	92		3,656				3,748
1974-75	2,593	416	1,199				4,208
1975-76(estimate)	1,675						1,675

TABLE 158—PAYMENTS FOR NATURAL DISASTERS 1949-50 TO 1975-76(a)—*continued*
\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
TOTAL PAYMENTS							
1949-50	200	30	23	5	20	..	223
1950-51	573	20	3	..	..	..	631
1951-52	67	34	1	..	..	..	88
1952-53	116	4	3	..	..	..	153
1953-54	210	..	..	..	..	..	215
1954-55	1,193	12	14	100	..	..	1,206
1955-56	664	580	1	823	..	..	790
1956-57	30	420	16	701	..	..	1,434
1957-58	40	76	162	266	..	..	1,177
1958-59	5	1	256	70	..	..	509
1959-60	..	100	129	..	65	451	327
1960-61	100	..	44	..	387	10	645
1961-62	130	..	..	..	..	..	641
1962-63	120	..	..	..	..	..	130
1963-64	60	20	..	20	..	..	120
1964-65	14,200	40	7,500	..	..	..	100
1965-66	(b)13,060	8,000	5,513	1,000	..	2,500	21,740
1966-67	7,698	9,000	3,606	1,300	50	7,650	21,073
1967-68	(c)8,571	370	2,015	(d)-56	171	(e)-427	22,954
1968-69	21	43	13,893	..	31	(f)-216	22,131
1969-70	5,200	..	14,365	..	..	(g)23	19,423
1970-71	..	40	6,889	..	..	(h)-3	6,912
1971-72	..	22	(i)-42	..	..	(j)-3	-5
1972-73	300	9,807	(j)27,859	114	..	(k)-3	28,178
1973-74	16,444	300	26,834	100	..	(l)-7	53,199
1974-75	6,575	..	2,500	..	..	..	9,468
1975-76(estimate)	..	..	..	..	..	..	..

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

Certain refunds of payments to the States for natural disaster relief and restoration measures have been received in financial years subsequent to the disasters to which they relate. These refunds have been taken into account in the financial years in which they have been received from the States, as indicated below:

Year Refund Received	From State	Disaster to which Refunds are Related and Original Purpose	Amount of Refund Received
(b) 1966-67	New South Wales	Flood relief in 1964-65—Recurrent grants	\$ 21,000
(c) 1968-69	New South Wales	Flood relief in 1966-67 and 1967-68—Recurrent grants	58,000
(d) 1969-70	South Australia	Drought relief in 1968-69—Recurrent grants	56,000
(e) 1969-70	Tasmania	Bushfire relief in 1967-68—	..
		Recurrent grants	140,000
		Capital grants	100,000
		Loans	260,000
(f) 1970-71	Tasmania	Bushfire relief in 1967-68—	..
		Capital grants	28,000
		Loans	472,000
(g) 1971-72	Tasmania	Bushfire relief in 1967-68—	..
		Recurrent grants	45,000
		Capital grants	43,000
		Loans	32,000
(h) 1972-73	Queensland	Drought relief in 1971-72—	..
		Recurrent grants (net reimbursement)	-46,000
		Flood relief in 1971-72—(Capital grants)	76,000
		Cyclone relief in 1971-72—	..
		Recurrent grants	14,000
		Capital grants (net reimbursement)	-2,000
(i) 1972-73	Tasmania	Bushfire relief in 1967-68—Capital grants	3,000
(j) 1973-74	Queensland	Drought, flood and cyclone relief in 1971-72—	..
		Recurrent grants (net reimbursement)	-1,000
		Capital grants	48,000
(k) 1973-74	Tasmania	Bushfire relief in 1967-68—Capital grants	3,000
(l) 1975-76	Tasmania	Bush fire relief in 1967-68—Capital grants	7,000

TABLE 159—PAYMENTS FOR NATURAL DISASTERS, BY TYPE OF DISASTER,
1962-63 TO 1975-76(a)(b)

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
DROUGHT							
1962-63	..	..	..	..	..	..	..
1963-64	..	..	..	..	..	..	..
1964-65	..	..	..	..	..	..	..
1965-66	14,200	..	7,500	..	..	..	21,700
1966-67	13,023	..	4,888	..	..	..	17,911
1967-68	7,598	8,000	2,957	1,000	..	..	19,555
1968-69	8,529	9,000	2,015	1,300	..	125	20,969
1969-70	21	170	13,893	-56	..	73	14,101
1970-71	..	..	13,632	..	..	16	13,648
1971-72	..	..	1,502	..	..	..	1,502
1972-73	..	..	46	..	..	..	46
1973-74	149	..	..	..	..	..	149
1974-75	..	..	..	..	..	..	..
1975-76 (estimate)	..	..	..	..	..	..	..
FLOOD AND STORM							
1962-63	130	..	..	..	..	..	130
1963-64	120	..	..	..	..	..	120
1964-65	60	..	..	..	..	..	60
1965-66	..	..	..	..	..	..	..
1966-67	37	..	625	..	..	..	662
1967-68	100	..	649	..	..	..	749
1968-69	-58	..	..	..	..	..	-58
1969-70	..	..	..	..	..	..	..
1970-71	5,200	..	..	..	..	268	5,468
1971-72	..	..	2,754	..	..	143	2,897
1972-73	..	40	-76	..	..	..	-36
1973-74	151	22	27,215	..	..	..	27,388
1974-75	15,800	9,807	26,774	114	..	..	52,495
1975-76 (estimate)	6,143	300	2,500	100	..	..	9,043
BUSHFIRE							
1962-63	..	..	..	..	..	..	..
1963-64	..	..	..	..	..	..	..
1964-65	..	20	..	20	..	..	40
1965-66	..	40	..	..	..	..	40
1966-67	..	..	..	..	..	2,500	2,500
1967-68	..	..	..	..	..	7,650	7,650
1968-69	100	..	..	..	..	1,070	1,170
1969-70	..	200	..	..	..	-500	-300
1970-71	..	43	..	..	..	-500	-457
1971-72	..	..	..	..	..	-120	-120
1972-73	..	..	..	..	..	-3	-3
1973-74	..	..	..	..	..	-3	-3
1974-75	644	..	..	..	..	..	644
1975-76 (estimate)	432	..	..	..	..	-7	425
CYCLONE AND EARTHQUAKE(c)							
1962-63	..	..	..	..	..	..	..
1963-64	..	..	..	..	..	..	..
1964-65	..	..	..	..	..	..	..
1965-66	..	..	..	..	..	..	..
1966-67	..	..	..	..	..	..	..
1967-68	..	..	..	..	..	..	..
1968-69	..	..	..	..	..	..	..
1969-70	..	..	..	..	50	..	50
1970-71	..	..	733	..	171	..	171
1971-72	..	..	2,633	..	31	..	764
1972-73	..	..	-12	..	..	..	2,633
1973-74	..	..	644	..	..	..	-12
1974-75	..	..	60	..	..	..	644
1975-76 (estimate)	..	..	..	..	..	..	60
ALL NATURAL DISASTERS							
1962-63	130	..	..	..	..	..	130
1963-64	120	..	..	..	..	..	120
1964-65	60	20	..	20	..	..	100
1965-66	14,200	40	7,500	..	..	..	21,740
1966-67	13,060	..	5,513	..	..	2,500	21,073
1967-68	7,698	8,000	3,606	1,000	..	7,650	27,954
1968-69	8,571	9,000	2,015	1,300	..	1,195	22,131
1969-70	21	370	13,893	-56	50	-427	13,972
1970-71	5,200	43	14,365	..	171	-216	19,423
1971-72	..	..	6,889	..	31	23	6,912
1972-73	..	40	-42	..	..	-3	5
1973-74	300	22	27,859	..	..	-3	28,178
1974-75	16,444	9,807	26,834	114	..	..	53,199
1975-76 (estimate)	6,575	300	2,500	100	..	-7	9,468

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

(b) Amounts shown are payments made in each financial year less refunds made within the same financial year; refunds made in subsequent years are deducted in the year in which they were received (also see footnotes to Table 158).

(c) Amounts paid to Queensland were for cyclone relief assistance and those to Western Australia for earthquake relief assistance.

TABLE 160—FURTHER DETAILS OF NATURAL DISASTER RELIEF ASSISTANCE TO THE STATES, 1973-74 AND 1974-75

\$'000

	New South Wales		Victoria		Queensland		South Australia (g)	Total	
	1973-74	1974-75	1973-74	1974-75	1973-74(f)	1974-75	1974-75	1973-74	1974-75
<i>Expenditures by States in Year(a)</i>									
Personal hardship and distress ..	710	567	(e)58	544	5,287	122	..	6,055	1 233
Housing repair and rebuilding ..	..	..	..	..	5,120	6,825	..	5,120	6,825
Rail and road freight subsidies ..	773	11	..	7	..	..	9	773	27
Loans to primary producers ..	579	2,676	..	542	161	662	..	740	3,880
Loans to small businesses ..	..	114	..	23	3,495	755	..	3,495	892
Loans to sporting clubs ..	..	31	..	..	..	43	..	..	74
Assistance to surf life saving clubs ..	..	14	..	..	..	..	..	..	14
Assistance to independent schools ..	..	37	..	..	..	..	..	..	37
Restoration of State, local and semi-government assets ..	4,512	16,111	..	12,234	17,443	19,656	1,220	21,955	49,494
Emergency protection works and repairs to essential public services ..	375	549	..	250	..	..	485	375	1,286
Assistance to local government authorities for fire fighting costs ..	..	191	..	..	..	..	..	..	191
Assistance to tertiary education institutions(b) ..	..	24	..	..	106	524	..	106	548
Total ..	6,949	20,325	58	13,600	31,612	28,587	1,714	38,619	64,251
<i>Less Expenditures in Year Attributable to States(c)</i> ..	5,000	5,000	29	3,500	2,000	2,000	1,500	7,029	12,000
<i>Less Expenditures in Year to be reimbursed in Subsequent Years(d)</i> ..	2,719	1,600	7	300	1,706	1,459	100	4,432	3,484
<i>Less Refunds received in Year in Respect of Overpayments in Previous Years</i> ..	..	..	..	..	47	..	..	(h)50	..
<i>Plus Amounts paid in Year in Respect of Previous Years(d)</i> ..	1,070	2,719	..	7	..	1,706	..	1,070	4,432
Giving Payments to States in Year ..	300	16,444	22	9,807	(f)27,859	26,834	114	(h)28,178	53,199

- (a) Preliminary estimates by State Treasuries of expenditures on measures agreed between Australian and State Governments in respect of eligible disasters. Subject to revision.
- (b) This assistance was administered, in part, by the Universities Commission and the Commission on Advanced Education but was paid through State Treasury accounts.
- (c) The amounts shown represent the 'base-line' amounts, except that for Victoria for 1973-74 which represents half the cost of the relief of personal hardship and distress. See Chapter IV for explanations.
- (d) For unavoidable administrative reasons payments to the States in a year are not equal to the amounts payable to them in respect of that year.
- (e) Final cost of relief of personal hardship and distress to those affected by flooding in the State in early 1973 for which the Australian Government agreed to provide assistance on a dollar for dollar basis.
- (f) The Australian and State Governments provided \$600,000 and \$500,000 respectively as donations to official disaster appeal funds. These amounts are not shown in this table. The Australian Government's contribution was paid direct to the funds and did not take the form of payments to the State.
- (g) No expenditure on approved measures in 1973-74.
- (h) Includes refund of \$3,000 received from Tasmania in 1973-74.

APPENDIX V—TABLES OF ADVANCES, DEBT CHARGES ON ADVANCES AND NET ADVANCES TO THE STATES, AND OF NET PAYMENTS TO THE STATES AND LOCAL GOVERNMENT AUTHORITIES

TABLE NO.	SUBJECT
161	Six States Combined—Advances, Debt Charges on Advances and Net Advances, 1963–64 to 1975–76.
162	New South Wales—Advances, Debt Charges on Advances and Net Advances, 1963–64 to 1975–76.
163	Victoria—Advances, Debt Charges on Advances and Net Advances, 1963–64 to 1975–76.
164	Queensland—Advances, Debt Charges on Advances and Net Advances, 1963–64 to 1975–76.
165	South Australia—Advances, Debt Charges on Advances and Net Advances, 1963–64 to 1975–76.
166	Western Australia—Advances, Debt Charges on Advances and Net Advances, 1963–64 to 1975–76.
167	Tasmania—Advances, Debt Charges on Advances and Net Advances, 1963–64 to 1975–76.
168	Total Australian Government Loans to States and State Government Loan Council Borrowings—Net Basis, By States, 1956–57 to 1974–75.
169	Payments to the States and Loan Council Borrowings, Net Basis, 1956–57 to 1975–76.
170	State Governments, Debt Outstanding, 1956 to 1975.
171	Total Australian Government Payments to the States, Payments made direct to Local Government Authorities and State Government Loan Council Borrowings—Net Basis, By States, 1965–66 to 1975–76.

**TABLE 161—SIX STATES COMBINED—
ADVANCES, DEBT CHARGES ON ADVANCES AND NET ADVANCES
\$'000**

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)
ADVANCES(a)													
<i>Loan Council Borrowings</i> ..	443,700	477,300	488,000	525,000	554,160	584,000	625,770	481,450	672,900	733,461	588,693	741,541	860 667
<i>Australian Government Loans—</i>													
<i>Special Budgetary Assistance</i> ..							10,000		17,500	15,000			
<i>Housing for Servicemen</i> ..	3,964	12,415	7,242	7,753	7,103	6,899	9,461	9,227	7,034	6,163	7,766	26,805	40,000
<i>Aboriginal Advancement Housing(b)</i> ..	100,300	102,700	117,000	120,000	122,840	126,000	132,230	141,550		6,550	218,650	385,400	364,600
<i>Growth Centres</i> ..											5,213	59,115	71,635
<i>Land Acquisition</i> ..											11,531	36,282	57,808
<i>Captains Flat Project</i> ..													300
<i>Sewerage</i> ..											27,905	84,678	79,041
<i>Community Facilities—</i>													
<i>Townsville</i> ..										60	301	67	
<i>Exmouth Township</i> ..							59	269	12				
<i>Beef Cattle Roads</i> ..	1,998	2,300	2,000	2,252									
<i>Railway Projects</i> ..	17,412	10,387	12,403	12,647	13,989	7,554	8,277	3,660	3,261	1,546	359	326	65
<i>Railways—Intersystem Passenger Vehicles</i> ..						2,690	1,696	613	-142	784	1,081	1,318	135
<i>King Island Harbour Works</i> ..										557			121
<i>King Island Shipping Service</i> ..												1,309	
<i>Coal Loading Facilities</i> ..	196	927	813										
<i>Northern Harbours</i> ..	350	550	577										
<i>Derby Jetty</i> ..	350	150											
<i>Weipa Development</i> ..			2,717	553				2,250	1,750				
<i>Natural Gas</i> ..						11,000							
<i>Julius Dam</i> ..												2,000	
<i>Urban Water Supply</i> ..												4,400	7,448
<i>Gladstone Power Station</i> ..										14,000	26,607	32,449	37,000
<i>Hydro-electricity</i> ..					5,300	3,200	9,700	3,211	2,500				
<i>Blowering Reservoir</i> ..	840	3,492	5,581	6,233	3,800	600							198
<i>Softwood Forestry</i> ..				291	3,456	3,872	4,814	4,784	389	9,459	4,875	7,124	7,937
<i>Dairy Adjustment Program</i> ..								1,543	3,797	1,499	538	6,892	13,789
<i>Beef Industry Assistance</i> ..													19,600
<i>Canned Fruit Industry</i> ..								6,364		1,902			
<i>Sugar Industry</i> ..					23,328								
<i>Rural Reconstruction</i> ..								3,000	30,000	38,100	26,825	21,586	22,500
<i>Ord River Project</i> ..								140	167	409	1,405	313	50
<i>Dartmouth Dam</i> ..										2,025	2,850	7,500	12,000
<i>Chowilla Reservoir</i> ..	100	156	472	528	221								
<i>W.A. Water Supply</i> ..			1,250	1,250	1,500	2,050	2,000	1,792	2,000	158			
<i>Karumba Development</i> ..													700
<i>Brigalow Lands Development Scheme</i> ..	1,641	1,523	1,812	2,509	2,004	1,179	1,253	403	1,084	698	139	651	1,796
<i>Natural Disasters</i> ..			11,994	7,720	10,452	10,434	4,859	4,793	339		3,748	4,208	1,675
<i>Total Australian Government Loans</i>	127,151	134,600	163,861	161,736	193,993	175,478	184,699	183,599	69,691	98,910	339,793	682,225	738,200
TOTAL ADVANCES	570,851	611,900	651,861	686,736	748,153	759,478	810,469	665,049	742,591	832,371	928,486	1,423,766	1,598,867

TABLE 161—SIX STATES COMBINED—
ADVANCES, DEBT CHARGES ON ADVANCES AND NET ADVANCES—continued
 \$'000

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)
REPAYMENTS OF ADVANCES													
<i>Sinking Fund Payments on Loan Council Borrowings(c)</i>	72,486	76,958	82,503	88,105	94,157	100,469	107,895	115,067	123,280	132,195	140,783	149,400	151,700
<i>Repayments of Australian Government Loans—</i>													
Special Budgetary Assis- tance												10,000	6,500
Housing for Servicemen ..	112	143	218	265	316	367	416	466	512	555	592	631	680
Aboriginal Advancement ..									39	19	19	18	19
Housing	8,187	9,111	10,019	10,975	11,981	13,046	14,151	15,182	16,131	16,721	17,367	19,157	22,196
Growth Centres													3
Sewerage												6	99
Community Facilities ..													
Townsville													4
Exmouth Township									13	14	14	9	19
Beef Cattle Roads					570	570	570	570	570	570	570	570	570
Railway Projects	276	825	1,387	1,540	1,724	1,886	3,011	3,232	3,586	3,839	4,030	4,857	3,947
Railways—Intersystem ..							2	136	141	146	153	184	189
Passenger Vehicles													
King Island Harbour ..												37	37
Works													
King Island Shipping ..													
Service												44	87
Coal Loading Facilities ..	156	176	263	343	343	343	343	343	343	287	187	175	94
Northern Harbours				98	98	98	98	98	98	98	98	98	98
Derby Jetty		53	53	53	53	53	53	53	53	53	53	53	53
Weipa Development					49	51	54	56	59	63	66	69	73
Natural Gas										1,875	1,875	1,875	1,875
Julius Dam												141	66
Hydro-electricity											2,989		2,989
Blowering Reservoir ..											42	259	712
Dairy Adjustment Program ..										7	72	65	593
Canned Fruit Industry ..											1,801	889	592
Sugar Industry								1,855	1,947	2,045	2,147	2,254	2,367
Rural Reconstruction ..												183	1,950
Chowilla Reservoir											5	18	49
War Service Land Settle- ment	211	218	227	235	244	253	263	272	283	293	304	316	328
W.A. Water Supply													42
Brigalow Lands Develop- ment Scheme					222	444	444	553	661	661	661	661	735
Natural Disasters						2,402	3,196	4,425	4,760	5,317	6,274	6,243	6,176
Total Repayments of Australian Govern- ment Loans	8,942	10,526	12,167	13,509	15,600	19,513	22,601	27,241	29,196	32,563	39,356	48,812	53,142
TOTAL SINKING FUND PAYMENTS AND REPAY- MENTS OF LOANS	81,428	87,484	94,670	101,614	109,757	119,982	130,496	142,308	152,476	164,758	180,139	198,212	204,842
NET ADVANCES(d) (Advances less Repayments)													
Loan Council Borrowings ..	371,214	400,342	405,497	436,895	460,003	483,531	517,875	366 383	549,620	601,266	447,910	592,141	708,967
Australian Government Loans	118,209	124,074	151,694	148,227	178,393	155,965	162,098	156,358	40,495	66,347	300,437	633,413	685,058
TOTAL NET ADVANCES	489,423	524,416	557,191	585,122	638,396	639,496	679,973	522,741	590,115	667,613	748,347	1,225,554	1,394,025

TABLE 161—SIX STATES COMBINED—
ADVANCES, DEBT CHARGES ON ADVANCES AND NET ADVANCES—continued
 \$'000

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)
INTEREST ON ADVANCES													
<i>Interest on Loan Council Borrowings(e)(f)</i> ..	282,001	304,273	329,953	351,549	379,854	406,482	446,849	479,277	537,265	567,067	603,771	662,809	759,700
<i>Interest on Australian Government Loans—</i>													
Special Budgetary Assistance ..	719	934	1,390	1,656	1,977	2,266	2,573	3,126	3,572	4,007	1,578	2,463	1,813
Housing for Servicemen ..									650	650	4,501	5,743	8,000
Aboriginal Advancement ..									20	16	16	18	17
Housing ..	34,808	38,514	42,016	46,513	51,490	56,657	61,852	67,672	73,974	73,343	77,282	88,178	106,749
Growth Centres ..											1	1,566	7,498
Land Acquisition ..											31	1,285	5,824
Community Facilities ..													41
Townsville ..													27
Exmouth Township ..									29	23	22	13	9,345
Sewerage ..												2,257	193
Beef Cattle Roads ..	32	133	258	348	422	394	365	337	308	279	251	222	4,223
Railway Projects ..	2,124	2,839	3,292	3,915	4,439	4,942	5,316	5,765	5,801	5,795	5,682	5,487	289
Railways—Intersystem ..													31
Passenger Vehicles ..							4	75	249	247	257	315	289
King Island Harbour Works ..											34	33	31
King Island Shipping Service ..												59	118
Coal Loading Facilities ..	79	82	119	148	129	111	93	74	55	38	24	14	6
Northern Harbours ..	5	30	60	72	67	62	57	52	47	43	38	33	28
Derby Jetty ..	25	36	35	32	30	27	24	22	19	17	14	12	9
Weipa Development ..					176	175	172	169	166	163	160	156	152
Natural Gas ..						298	612	648	806	858	747	636	526
Julius Dam ..												107	182
Urban Water Supply ..													260
Hydro-electricity ..						286	519	1,103	1,338	1,492	1,452	1,311	1,077
Blowering Reservoir ..		39	220	513	840	1,040	1,072	1,072	1,072	1,072	1,072	1,062	1,041
Dairy Adjustment Program ..									6	141	450	524	633
Canned Fruit Industry ..									1	578	392	295	232
Sugar Industry ..								1,166	1,074	976	874	817	654
Rural Reconstruction ..									148	1,958	4,196	5,881	7,200
Ord River Project ..								6	17	29	110	172	188
Dartmouth Dam ..											74	264	781
Chowilla Reservoir ..		5	13	38	65	77	77	77	77	77	77	77	75
W.A. Water Supply ..			21	101	172	262	374	500	618	705	707	707	706
War Service Land Settlement ..	1,011	1,003	995	986	977	968	959	949	939	928	917	905	893
Brigalow Lands Development Scheme ..	41	123	212	309	429	511	563	613	635	664	670	648	659
Total Interest on Australian Government Loans ..	38,844	43,738	48,631	54,631	61,213	68,076	74,632	83,426	91,621	94,099	101,629	121,260	159,470
TOTAL INTEREST ON LOAN COUNCIL BORROWINGS AND AUSTRALIAN GOVERNMENT LOANS(f)	320,085	348,011	378,584	406,180	441,067	474,558	521,481	562,703	628,886	661,166	705,400	784,069	919,170

- (a) For purposes of these tables advances comprise the States' Loan Council borrowing programs and Australian Government loans to the States. See Chapter I of this document and footnote (d) below.
- (b) Comprising advances made under Commonwealth-State Housing Agreements in force to 1970-71, special housing advances totalling \$6,550,000 made in 1972-73 and advances from 1973-74 under the Housing Agreement 1973. Does not include advances for housing for servicemen.
- (c) Includes sinking fund contributions on State debt made by the Australian Government, which are included in this document as payments for the States. Amounts shown equal total receipts of the Sinking Funds on the States' Debts controlled by the National Debt Commission. For details of these receipts, see Table No. 6 in the Annual Reports of the Commission.
- (d) Figures derived from those shown above by subtracting sinking fund payments from Loan Council borrowings and repayments of Australian Government loans from the amounts of those loans each year. As explained in the Introduction to this document, national accounting estimates of Australian Government outlays published by the Treasury and by the Australian Bureau of Statistics show advances (including the States' Loan Council borrowing programs) on a net basis. The figures shown here coincide with those shown in the national accounting estimates. The figures shown in other sections of this document are all on a gross basis—that is, before deducting re-payments.
- (e) Includes interest on the States' domestic raisings.
- (f) For technical reasons, associated mainly with the rates at which payments in overseas currencies are converted into Australian currency, the amounts shown in this document differ slightly from the corresponding amounts shown in the statements attached to the Budget Speech.

**TABLE 162—NEW SOUTH WALES—
ADVANCES, DEBT CHARGES ON ADVANCES AND NET ADVANCES
\$'000**

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)
ADVANCES(a)													
<i>Loan Council Borrowings</i> ..	140,020	149,470	152,150	163,640	172,240	182,070	194,590	148,900	214,020	233,285	183,078	226,996	274,114
<i>Australian Government Loans—</i>													
<i>Special Budgetary Assistance</i> ..									17,500	15,000			
Housing for Servicemen ..	1,163	3,132	4,104	1,825	1,530	1,558	3,211	2,848	5,545	3,539	4,539	16,350	18,005
Housing(b) ..	33,000	35,000	40,271	41,500	43,080	43,750	46,500	48,300		3,500	86,000	123,411	123,411
Growth Centres ..											133	29,701	(e)n.a.
Land Acquisition ..												820	13,898
Captains Flat Project ..													300
Sewerage ..											11,200	29,400	29,960
Railways—Intersystem													
Passenger Vehicles ..							736	303	232		267	597	85
Coal Loading Facilities ..	116	807	813										
Blowering Reservoir ..	840	3,492	5,581	6,233	3,800	600						198	
Softwood Forestry ..					1,500	1,200	1,800	1,401		3,237	2,000	2,100	2,500
Dairy Adjustment Program									500	250	125	750	1,089
Beef Industry Assistance													5,000
Canned Fruit Industry ..								874		670			
Rural Reconstruction ..								3,000	8,250	10,125	7,875	9,000	6,000
Dartmouth Dam ..										675	950	2,500	4,000
Chowilla Reservoir ..	100	156	472	528	221								
Natural Disasters ..			8,668	5,460	3,300	5,160		499			92	2,593	1,675
Total Australian Government Loans	35,219	42,587	59,909	55,546	53,431	52,268	52,247	57,225	32,027	36,996	113,181	217,024	n.a.
TOTAL ADVANCES	175,239	192,057	212,059	219,186	225,671	234,338	246,837	206,125	246,047	270,281	296,259	444,020	n.a.
REPAYMENTS OF ADVANCES													
<i>Sinking Fund Payments on Loan Council Borrowings(c)</i>	24,655	25,505	27,295	29,125	31,142	33,154	35,667	38,246	40,961	44,100	46,903	50,096	51,400
<i>Repayments of Australian Government Loans—</i>													
<i>Special Budgetary Assistance</i> ..													6,500
Housing for Servicemen ..	43	53	73	97	111	123	136	155	169	192	209	224	243
Housing ..	2,902	3,219	3,526	3,856	4,204	4,576	4,960	5,322	5,647	5,854	6,092	6,780	7,765
Growth Centres ..													3
Sewerage ..													36
Railway Projects ..	96	96	96	96	96	96	96	96	96	96	96	96	96
Railways—Intersystem													
Passenger Vehicles ..								22	37	37	37	47	47
Coal Loading Facilities ..	156	168	249	330	330	330	330	330	330	273	174	162	81
Blowering Reservoir ..											42	259	712
Dairy Adjustment Program													47
Canned Fruit Industry ..											536		
Rural Reconstruction ..												183	600
Chowilla Reservoir ..											5	18	49
War Service Land Settlement ..	102	106	110	114	118	122	127	132	137	142	147	153	159
Natural Disasters ..						1,766	1,766	2,824	2,824	2,179	3,092	3,061	2,995
Total Repayments of Australian Government Loans	3,299	3,642	4,054	4,493	4,859	7,013	7,415	8,881	9,240	8,773	10,430	10,983	19,333
TOTAL SINKING FUND PAYMENTS AND REPAYMENTS OF LOANS	27,954	29,147	31,349	33,618	36,001	40,167	43,082	47,127	50,201	52,873	57,333	61,079	70,733
NET ADVANCES(d) (Advances less Repayments)													
<i>Loan Council Borrowings</i>	115,365	123,965	124,855	134,515	141,098	148,916	158,923	110,654	173,059	189,185	136,175	176,900	222,714
<i>Australian Government Loans</i> ..	31,920	38,945	55,855	51,053	48,572	45,255	44,832	48,344	22,787	28,223	102,751	206,041	n.a.
TOTAL NET ADVANCES	147,285	162,910	180,710	185,568	189,670	194,171	203,755	158,998	195,846	217,408	238,926	382,941	n.a.

TABLE 162—NEW SOUTH WALES—
ADVANCES, DEBT CHARGES ON ADVANCES AND NET ADVANCES—continued
\$'000

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)
INTEREST ON ADVANCES													
<i>Interest on Loan Council Borrowings ..</i>	97,451	104,756	112,615	119,490	127,463	135,695	147,705	158,541	177,636	186,481	198,106	216,934	248,650
<i>Interest on Australian Government Loans—</i>													
Special Budgetary Assistance ..											928	1,813	1,813
Housing for Servicemen ..	275	332	439	605	679	740	827	960	1,122	1,448	1,673	2,510	3,700
Housing ..	11,967	13,250	14,491	15,948	17,673	19,455	21,350	23,174	25,510	25,292	27,095	30,881	36,611
Growth Centres ..												510	4,337
Land Acquisition ..													398
Sewerage ..												617	3,466
Railway Projects ..	235	230	225	220	215	210	205	200	195	191	186	181	176
Railways—Intersystem ..													
Passenger Vehicles ..								42	68	65	63	79	79
Coal Loading Facilities ..	79	77	110	139	121	104	86	68	50	33	20	11	3
Blowering Reservoir ..		39	220	513	840	1,040	1,072	1,072	1,072	1,072	1,072	1,062	1,041
Dairy Adjustment Program ..											44	65	50
Canned Fruit Industry ..											30		
Rural Reconstruction ..										730	1,274	1,785	2,000
Dartmouth Dam ..											25	88	260
Chowilla Reservoir ..		5	13	38	65	77	77	77	77	77	77	77	75
War Service Land Settlement ..	490	486	482	478	474	469	465	460	455	450	445	439	433
Total Interest on Australian Government Loans ..	13,046	14,419	15,980	17,941	20,067	22,095	24,082	26,053	28,549	29,358	32,932	40,118	54,442
TOTAL INTEREST ON LOAN COUNCIL BORROWINGS AND AUSTRALIAN GOVERNMENT LOANS ..	110,497	119,175	128,595	137,431	147,530	157,790	171,787	184,594	206,185	215,839	231,038	257,052	303,092

- (a) For purposes of these tables advances comprise the State's Loan Council borrowing programs and Australian Government loans to the State. See Chapter I of this document and footnote (d) below.
- (b) Comprising advances made under Commonwealth-State Housing Agreements in force to 1970-71, the State's share of special housing advances totalling \$6,550,000 made in 1972-73 and advances from 1973-74 under the Housing Agreement 1973. Does not include advances for housing for servicemen.
- (c) Includes sinking fund contributions on State debt made by the Australian Government, which are included in this document as payments for States. Amounts shown equal total receipts of the Sinking Funds on the State's Debts controlled by the National Debt Commission. For details of these receipts, see Table No. 6 in the Annual Reports of the Commission.
- (d) Figures derived from those shown above by subtracting sinking fund payments from Loan Council borrowings and repayments of Australian Government loans from the amounts of those loans each year. As explained in the Introduction to this document, national accounting estimates of Australian Government outlays published by the Treasury and by the Australian Bureau of Statistics show advances (including the States' Loan Council borrowing programs) on a net basis. The figures shown here coincide with those shown in the national accounting estimates. The figures shown in other sections of this document are all on a gross basis—that is, before deducting re-payments.
- (e) Dissection of payments between States not available. See the relevant section of Chapter IV.

TABLE 163—VICTORIA—
ADVANCES, DEBT CHARGES ON ADVANCES AND NET ADVANCES
\$'000

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)
ADVANCES(a)													
<i>Loan Council Borrowings</i> ..	112,270	120,954	123,206	132,520	139,700	146,620	157,870	121,670	171,670	187,115	149,738	184,809	217,744
<i>Australian Government Loans—</i>													
<i>Special Budgetary Assistance</i> ..							10,000						
Housing for Servicemen ..	1,128	7,360	2,441	940	766	1,538	1,233	3,548	1,165	2,019	2,691	4,193	6,350
Housing(b) ..	26,500	27,000	31,126	32,020	33,000	34,500	35,500	36,500		1,500	53,500	98,159	98,159
Growth Centres ..											1,021	24,435	(/n.a.
Land Acquisition ..											3,531	8,010	15,425
Sewerage ..											9,300	28,196	24,780
Softwood Forestry ..					300	500	480	815		1,542		889	1,000
Dairy Adjustment Program ..									143	45	73	4,371	7,158
Beef Industry Assistance ..													2,000
Canned Fruit Industry ..								4,200		849			
Rural Reconstruction ..									6,375	10,178	5,700	4,976	5,025
Dartmouth Dam ..										675	950	2,500	4,000
Natural Disasters ..					2,709	3,000	93					416	
Total Australian Government Loans	27,628	34,360	33,567	32,960	36,775	39,538	47,306	45,063	7,683	16,808	76,766	176,145	n.a.
TOTAL ADVANCES	139,898	155,314	156,773	165,480	176,475	186,158	205,176	166,733	179,353	203,923	226,504	360,954	n.a.
REPAYMENTS OF ADVANCES													
<i>Sinking Fund Payments on Loan Council Borrowings(c)</i>	18,101	19,361	20,769	22,138	23,528	25,167	26,793	28,270	30,293	32,416	34,688	36,427	36,500
<i>Repayments of Australian Government Loans—</i>													
<i>Special Budgetary Assistance</i> ..												10,000	
Housing for Servicemen ..	36	45	88	105	114	122	135	146	162	172	184	198	210
Housing ..	2,743	3,011	3,267	3,541	3,830	4,135	4,455	4,755	5,027	5,204	5,389	5,855	6,648
Sewerage ..													35
Railway Projects ..	96	96	96	96	96	96	96	96	96	96	96	96	96
Dairy Adjustment Program ..													15
Canned Fruit Industry ..											916	889	592
Rural Reconstruction ..													404
War Service Land Settlement ..	109	113	117	121	126	131	135	141	146	151	157	163	169
Natural Disasters ..							725	725	725	725	725	725	725
Total Repayments of Australian Government Loans	2,984	3,265	3,568	3,863	4,166	4,484	5,546	5,863	6,156	6,348	7,467	17,926	8,894
TOTAL SINKING FUND PAYMENTS AND REPAYMENTS OF LOANS	21,085	22,626	24,337	26,001	27,694	29,651	32,339	34,133	36,449	38,764	42,155	54,353	45,394
NET ADVANCES(d) (Advances less Repayments)													
<i>Loan Council Borrowings</i>	94,169	101,593	102,437	110,382	116,172	121,453	131,077	93,400	141,377	154,699	115,050	148,382	181,244
<i>Australian Government Loans</i> ..	24,644	31,095	29,999	29,097	32,609	35,054	41,760	39,200	1,527	10,460	69,299	158,219	n.a.
TOTAL NET ADVANCES ..	118,813	132,688	132,436	139,479	148,781	156,507	172,837	132,600	142,904	165,159	184,349	306,601	n.a.

TABLE 163—VICTORIA—
ADVANCES, DEBT CHARGES ON ADVANCES AND NET ADVANCES—continued
\$'000

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)
INTEREST ON ADVANCES													
<i>Interest on Loan Council Borrowings(e) ..</i>	68,135	73,259	78,995	84,935	92,613	99,277	109,293	117,267	131,720	139,711	149,034	163,993	187,950
<i>Interest on Australian Government Loans—</i>													
Special Budgetary Assistance ..	233	329	601	667	695	729	790	885	650	650	650	650	2,044
Housing for Servicemen ..	10,863	11,815	12,594	13,819	15,246	16,637	17,929	19,371	21,114	20,920	21,735	24,342	29,219
Housing ..													2,282
Growth Centres ..											31	307	1,425
Land Acquisition ..												608	3,249
Sewerage ..												181	176
Railway Projects ..	234	230	225	220	215	210	205	200	195	191	186	12	16
Dairy Adjustment Program ..										578	340	295	232
Canned Fruit Industry ..										358	975	1,374	1,500
Rural Reconstruction ..											25	88	260
Dartmouth Dam ..													
War Service Land Settlement ..	521	517	512	508	503	499	494	489	483	478	472	466	460
Total Interest on Australian Government Loans ..	11,851	12,891	13,932	15,214	16,659	18,075	19,418	20,945	23,485	24,315	25,804	30,525	40,863
TOTAL INTEREST ON LOAN COUNCIL BORROWINGS AND AUSTRALIAN GOVERNMENT LOANS ..	79,986	86,150	92,927	100,149	109,272	117,352	128,711	138,212	155,205	164,026	174,838	194,518	228,813

- (a) For purposes of these tables advances comprise the State's Loan Council borrowing programs and Australian Government loans to the State. See Chapter I of this document and footnote (d) below.
- (b) Comprising advances made under Commonwealth-State Housing Agreements in force to 1970-71, the State's share of special housing advances totalling \$6,550,000 made in 1972-73 and advances from 1973-74 under the Housing Agreement 1973. Does not include advances for housing for servicemen.
- (c) Includes sinking fund contributions on State debt made by the Australian Government, which are included in this document as payments for the States. Amounts shown equal total receipts of the Sinking Funds on the State's Debts controlled by the National Debt Commission. For details of these receipts, see Table No. 6 in the Annual Reports of the Commission.
- (d) Figures derived from those shown above by subtracting sinking fund payments from Loan Council borrowings and repayments of Australian Government loans from the amounts of those loans each year. As explained in the Introduction to this document, national accounting estimates of Australian Government outlays published by the Treasury and by the Australian Bureau of Statistics show advances (including the State's Loan Council borrowing programs) on a net basis. The figures shown here coincide with those shown in the national accounting estimates. The figures shown in other sections of this document are all on a gross basis—that is, before deducting re-payments.
- (e) Includes interest on the State's domestic raisings.
- (f) Dissection of payments between States not available. See the relevant section of Chapter IV.

**TABLE 164—QUEENSLAND—
ADVANCES, DEBT CHARGES ON ADVANCES AND NET ADVANCES**

\\$'000

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)
ADVANCES(a)													
<i>Loan Council Borrowings ..</i>	60,200	66,752	68,016	72,510	76,560	80,540	85,980	67,910	85,090	92,752	78,236	107,455	114,919
<i>Australian Government Loans—</i>													
Housing for Servicemen ..	1,421	1,631	453	4,680	3,567	2,896	4,109	1,298	..	400	200	5,200	13,321
Aboriginal Advancement	..	..	..	..	..	..	350	..	..	..	..	..	..
Housing(b) ..	8,600	6,600	8,497	9,060	9,060	9,250	9,880	10,500	..	350	17,400	43,810	31,010
Growth Centres ..	..	..	..	..	..	..	..	..	..	..	..	..	(f)n.a.
Sewerage ..	..	..	..	..	..	..	..	..	..	..	..	..	10,170
Community Facilities—													
Townsville ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Beef Cattle Roads ..	1,998	2,300	2,000	2,252	..	..	..	..	..	60	301	67	..
Railway Projects ..	12,100	3,016	..	..	578	..	..	..	..	..	..	..	..
Coal Loading Facilities ..	80	120	..	..	..	..	..	..	..	..	..	..	..
Weipa Development ..	..	..	2,717	553	..	..	..	..	..	..	..	..	..
Julius Dam ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Gladstone Power Station	..	..	..	..	..	..	..	..	..	..	..	2,000	..
Softwood Forestry ..	..	..	..	201	481	954	925	1,144	196	14,000	26,607	32,449	37,000
Dairy Adjustment Program	..	..	..	..	..	..	..	1,385	2,750	2,160	1,535	2,340	2,400
Beef Industry Assistance	..	..	..	..	..	..	..	..	..	1,000	328	704	2,138
Sugar Industry ..	..	..	..	..	23,328	..	..	..	..	..	..	..	10,000
Rural Reconstruction ..	..	..	..	..	..	..	..	..	7,950	5,475	5,525	2,787	4,425
Karumba Development ..	..	..	..	..	..	..	..	..	..	..	..	..	700
Brigalow Lands Develop-	..	..	..	..	..	..	..	..	..	..	..	..	..
ment Scheme ..	1,641	1,523	1,812	2,509	2,004	1,179	1,253	403	1,084	698	139	651	1,796
Natural Disasters ..	..	..	3,326	1,760	568	805	4,953	4,750	371	..	3,656	1,199	..
Total Australian Government Loans	25,840	15,190	18,805	21,015	39,586	15,084	21,470	19,480	12,351	24,143	57,698	100,806	n.a.
TOTAL ADVANCES	86,040	81,942	86,821	93,525	116,146	95,624	107,450	87,390	97,441	116,895	135,934	208,261	n.a.
REPAYMENTS OF ADVANCES													
<i>Sinking Fund Payments on Loan Council Borrowings(c)</i>	8,984	9,643	10,334	11,089	11,907	12,694	13,686	14,611	15,701	16,815	17,907	19,097	19,800
<i>Repayments of Australian Government Loans—</i>													
Housing for Servicemen ..	19	29	38	42	69	90	108	125	134	141	147	154	167
Aboriginal Advancement	..	..	..	..	..	..	..	..	..	..	..	..	..
Housing ..	813	876	952	1,029	1,112	1,198	1,286	1,365	1,441	1,491	1,545	1,684	2,026
Sewerage ..	..	..	..	..	..	..	..	..	..	..	..	..	8
Community Facilities	..	..	..	..	..	..	..	..	..	..	..	..	..
Townsville ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Beef Cattle Roads ..	..	..	..	..	570	570	570	570	570	570	570	570	4
Railway Projects ..	..	506	1,009	1,065	1,150	1,208	1,276	1,347	1,422	1,501	1,585	1,673	570
Coal Loading Facilities ..	..	8	14	13	13	13	13	13	13	13	13	13	1,767
Weipa Development ..	..	..	..	..	49	51	54	56	59	63	66	69	13
Julius Dam ..	..	..	..	..	..	..	..	..	..	..	..	..	73
Dairy Adjustment Program	..	..	..	..	..	..	..	..	..	..	..	141	66
Sugar Industry ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Rural Reconstruction ..	..	..	..	..	..	..	..	1,855	1,947	2,045	2,147	2,254	400
Brigalow Lands Develop-	..	..	..	..	..	..	..	..	..	..	..	..	2,367
ment Scheme ..	..	..	..	..	222	444	444	553	661	661	661	661	494
Natural Disasters ..	..	..	..	..	..	636	636	807	807	2,020	2,067	2,067	735
Total Repayments of Australian Government Loans	832	1,419	2,013	2,149	3,185	4,210	4,387	6,691	7,093	8,524	8,825	9,342	2,067
TOTAL SINKING FUND PAYMENTS AND REPAYMENTS OF LOANS	9,816	11,062	12,347	13,238	15,092	16,904	18,073	21,302	22,794	25,339	26,732	28,439	30,576
NET ADVANCES(d)													
(Advances less Repayments)													
<i>Loan Council Borrowings ..</i>	51,216	57,109	57,682	61,421	64,653	67,846	72,294	53,299	69,389	75,937	60,329	88,358	95,119
<i>Australian Government Loans ..</i>	25,008	13,771	16,792	18,866	36,401	10,874	17,083	12,789	5,258	15,619	48,873	91,464	n.a.
TOTAL NET ADVANCES	76,224	70,880	74,474	80,287	101,054	78,720	89,377	66,088	74,647	91,556	109,202	179,822	n.a.

TABLE 164—QUEENSLAND—
ADVANCES, DEBT CHARGES ON ADVANCES AND NET ADVANCES—continued
\$'000

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)
INTEREST ON ADVANCES													
<i>Interest on Loan Council Borrowings(e) ..</i>	34,254	37,459	41,350	44,411	48,907	52,394	58,586	62,346	69,376	72,930	77,206	84,025	96,330
<i>Interest on Australian Government Loans—</i>													
Housing for Servicemen ..	126	179	245	265	461	610	735	975	1,047	1,041	1,061	1,206	1,696
Aboriginal Advancement ..									20	16	16	18	17
Housing ..	3,277	3,538	3,735	4,076	4,405	4,788	5,154	5,632	6,160	6,102	6,337	7,360	9,709
Sewerage ..												155	1,031
Community Facilities ..													41
Townsville ..													193
Beef Cattle Roads ..	32	133	258	348	422	394	365	337	308	279	251	222	193
Railway Projects ..	1,341	1,797	1,858	1,802	1,742	1,710	1,642	1,571	1,496	1,417	1,333	1,245	1,151
Coal Loading Facilities ..		5	9	9	8	7	7	6	5	5	4	3	3
Weipa Development ..					176	175	172	169	166	163	160	156	152
Julius Dam ..												107	182
Daily Adjustment Program ..										117	348	408	428
Sugar Industry ..								1,166	1,074	976	874	817	654
Rural Reconstruction ..									2	396	775	1,150	1,900
Brigalow Lands Development Scheme ..	41	123	212	309	429	511	563	613	635	664	670	648	659
Total Interest on Australian Government Loans ..	4,817	5,775	6,317	6,809	7,643	8,195	8,638	10,469	10,913	11,176	11,829	13,495	17,816
TOTAL INTEREST ON LOAN COUNCIL BORROWINGS AND AUSTRALIAN GOVERNMENT LOANS ..	39,071	43,234	47,667	51,220	56,550	60,589	67,224	72,815	80,289	84,106	89,035	97,520	114,146

- (a) For purposes of these tables advances comprise the State's Loan Council borrowing programs and Australian Government loans to the State. See Chapter I of this document and footnote (d) below.
- (b) Comprising advances made under Commonwealth-State Housing Agreements in force to 1970-71, the State's share of special housing advances totalling \$6,550,000 made in 1972-73 and advances from 1973-74 under the Housing Agreement 1973. Does not include advances for housing for servicemen.
- (c) Includes sinking fund contributions on State debt made by the Australian Government, which are included in this document as payments for the States. Amounts shown equal total receipts of the Sinking Funds on the State's Debts controlled by the National Debt Commission. For details of these receipts, see Table No. 6 in the Annual Reports of the Commission.
- (d) Figures derived from those shown above by subtracting sinking fund payments from Loan Council borrowings and repayments of Australian Government loans from the amounts of those loans each year. As explained in the Introduction to this document, national accounting estimates of Australian Government outlays published by the Treasury and by the Australian Bureau of Statistics show advances (including the States' Loan Council borrowing programs) on a net basis. The figures shown here coincide with those shown in the national accounting estimates. The figures shown in other sections of this document are all on a gross basis—that is, *before* deducting re-payments.
- (e) Includes interest on the State's domestic raisings.
- (f) Dissection of payments between States not available. See the relevant section of Chapter IV.

**TABLE 165—SOUTH AUSTRALIA—
ADVANCES, DEBT CHARGES ON ADVANCES AND NET ADVANCES**
\$'000

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)
ADVANCES(a)													
<i>Loan Council Borrowings</i> ..	55,184	59,020	61,892	67,680	71,820	77,840	82,670	60,000	92,260	100,554	79,587	99,261	112,950
<i>Australian Government Loans—</i>													
Housing for Servicemen ..										43			1,260
Housing(b) ..	19,400	20,500	21,057	20,750	21,000	19,500	21,250	25,000		500	32,750	56,360	56,360
Growth Centres ..											4,059	4,978	(c)n.a.
Land Acquisition ..											8,000	17,619	19,699
Sewerage ..											1,598	4,025	3,992
Railway Projects ..	885	1,333	1,916	2,061	1,965	2,635	3,630	580	272	131	60	237	
Railways—Intersystem													
Passenger Vehicles ..							260	107	82		94	211	
Urban Water Supply ..												4,400	6,860
Natural Gas ..						11,000		2,250	1,750				
Softwood Forestry ..				90	205	230	350	300	93	400	252	341	390
Dairy Adjustment Program									105	50		400	1,213
Beef Industry Assistance													1,500
Canned Fruit Industry ..								1,290		383			
Rural Reconstruction ..									2,250	4,575	3,225	1,500	2,850
Dartmouth Dam ..										675	950	2,500	4,000
Natural Disasters ..					275	274							
Total Australian Government Loans	20,285	21,833	22,973	22,901	23,445	33,639	25,490	29,527	4,552	6,757	50,988	92,701	n.a.
TOTAL ADVANCES	75,469	80,853	84,865	90,581	95,265	111,479	108,160	89,527	96,812	107,311	130,575	191,962	n.a.
REPAYMENTS OF ADVANCES													
<i>Sinking Fund Payments on Loan Council Borrowings(c)</i>	9,167	9,862	10,597	11,335	12,156	12,974	13,974	14,927	16,018	17,158	18,311	19,477	20,100
<i>Repayments of Australian Government Loans—</i>													
Housing for Servicemen ..	8	8	9	9	10	10	10	11	11	12	12	13	14
Housing ..	745	903	1,054	1,204	1,359	1,522	1,680	1,831	1,975	2,054	2,139	2,398	2,706
Sewerage ..													5
Railway Projects ..	69	85	108	142	178	213	262	333	344	350	352	1,006	
Railways—Intersystem													
Passenger Vehicles ..								8	13	13	13	16	
Natural Gas ..										1,875	1,875	1,875	1,875
Dairy Adjustment Program											50		8
Canned Fruit Industry ..											349		
Rural Reconstruction ..													137
Natural Disasters ..							69	69	69	69	69	69	69
Total Repayments of Australian Government Loans	822	996	1,171	1,355	1,547	1,745	2,021	2,252	2,412	4,373	4,859	5,377	4,940
TOTAL SINKING FUND PAYMENTS AND REPAYMENTS OF LOANS	9,989	10,858	11,768	12,690	13,703	14,719	15,995	17,179	18,430	21,531	23,170	24,854	25,040
NET ADVANCES(d) (Advances less Repayments)													
<i>Loan Council Borrowings</i> ..	46,017	49,158	51,295	56,345	59,664	64,866	68,696	45,073	76,242	83,396	61,276	79,784	92,850
<i>Australian Government Loans</i> ..	19,463	20,837	21,802	21,546	21,898	31,894	23,469	27,275	2,140	2,384	46,129	87,324	n.a.
TOTAL NET ADVANCES ..	65,480	69,995	73,097	77,891	81,562	96,760	92,165	72,348	78,382	85,780	107,405	167,108	n.a.

TABLE 165—SOUTH AUSTRALIA—
ADVANCES, DEBT CHARGES ON ADVANCES AND NET ADVANCES—continued
\$'000

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)
INTEREST ON ADVANCES													
<i>Interest on Loan Council Borrowings</i>	36,897	39,635	42,580	45,132	48,645	52,410	57,850	62,285	69,825	74,163	79,372	87,403	100,204
<i>Interest on Australian Government Loans—</i>													
Housing for Servicemen ..	47	47	47	46	46	46	45	45	44	44	46	48	72
Housing ..	4,306	5,026	5,830	6,710	7,552	8,367	9,260	10,466	11,160	11,081	11,751	13,391	16,105
Growth Centres ..	..	..	..	..	..	..	..	..	..	..	1	447	879
Land Acquisition ..	..	..	..	..	..	..	..	..	..	..	..	975	2,885
Sewerage ..	..	..	..	..	..	..	..	..	..	..	..	75	493
Railway Projects ..	153	191	257	353	454	549	680	920	943	941	925	921	..
Railways—Intersystem ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Passenger Vehicles ..	..	..	..	..	..	..	..	15	24	23	22	28	..
Natural Gas ..	..	..	..	..	..	298	612	648	806	858	747	636	526
Urban Water Supply ..	..	..	..	..	..	..	..	..	..	..	..	..	254
Dairy Adjustment Program ..	..	..	..	..	..	..	..	..	..	..	10	2	8
Canned Fruit Industry ..	..	..	..	..	..	..	..	..	..	..	22	..	..
Rural Reconstruction ..	..	..	..	..	..	..	..	..	1	157	421	565	600
Dartmouth Dam ..	..	..	..	..	..	..	..	..	..	..	25	88	260
Total Interest on Australian Government Loans ..	4,506	5,264	6,134	7,109	8,052	9,260	10,597	12,094	12,978	13,104	13,970	17,176	21,992
TOTAL INTEREST ON LOAN COUNCIL BORROWINGS AND AUSTRALIAN GOVERNMENT LOANS ..	41,403	44,899	48,714	52,241	56,697	61,670	68,447	74,379	82,803	87,267	93,342	104,579	122,196

- (a) For purposes of these tables advances comprise the State's Loan Council borrowing programs and Australian Government loans to the State. See Chapter I of this document and footnote (d) below.
- (b) Comprising advances made under Commonwealth-State Housing Agreements in force to 1970-71, the State's share of special housing advances totalling \$6,550,000 made in 1972-73 and advances from 1973-74 under the Housing Agreement 1973. Does not include advances for housing for servicemen.
- (c) Includes sinking fund contributions on State debt made by the Australian Government, which are included in this document as payments for the States. Amounts shown equal total receipts of the Sinking Funds on the State's Debts controlled by the National Debt Commission. For details of these receipts, see Table No. 6 in the Annual Reports of the Commission.
- (d) Figures derived from those shown above by subtracting sinking fund payments from Loan Council borrowings and repayments of Australian Government loans from the amounts of those loans each year. As explained in the Introduction to this document, national accounting estimates of Australian Government outlays published by the Treasury and by the Australian Bureau of Statistics show advances (including the States' Loan Council borrowing programs) on a net basis. The figures shown here coincide with those shown in the national accounting estimates. The figures shown in other sections of this document are all on a gross basis—that is, before deducting re-payments.
- (e) Dissection of payments between States not available. See the relevant section of Chapter IV.

**TABLE 166—WESTERN AUSTRALIA—
ADVANCES, DEBT CHARGES ON ADVANCES AND NET ADVANCES**
\$'000

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)
ADVANCES(a)													
<i>Loan Council Borrowings</i> ..	44,006	46,968	47,902	51,070	53,230	54,810	59,290	48,400	62,840	68,503	54,587	68,068	80,197
<i>Australian Government Loans—</i>													
<i>Housing for Servicemen</i> ..	252	292	245	308	1,241	894	873	1,533	324	161	191	784	959
<i>Housing(b)</i> ..	6,800	7,200	8,601	9,170	10,000	11,500	11,500	12,500	..	400	13,000	37,440	33,440
<i>Growth Centres</i> ..	..	..	..	..	..	..	..	..	..	..	..	..	(f)n.a.
<i>Land Acquisition</i> ..	..	..	..	..	..	..	..	..	..	..	..	9,833	8,286
<i>Sewerage</i> ..	..	..	..	..	..	..	..	..	..	..	3,800	11,715	8,680
<i>Exmouth Township</i> ..	..	..	..	..	..	..	59	269	12	..	..	..	..
<i>Railway Projects</i> ..	4,427	6,038	10,487	10,586	11,446	4,919	4,647	3,080	1,169	735	299	89	65
<i>Railways—Intersystem</i> ..	..	..	..	..	..	..	..	..	..	..	..	..	..
<i>Passenger Vehicles</i> ..	..	..	..	..	..	2,690	700	203	-456	784	720	510	50
<i>Northern Harbours</i> ..	350	550	577	..	..	..	..	..	..	..	..	..	..
<i>Derby Jetty</i> ..	350	150	..	..	..	..	..	..	..	..	..	..	..
<i>Softwood Forestry</i> ..	..	..	..	..	450	500	859	424	56	1,020	416	685	747
<i>Dairy Adjustment Program</i> ..	..	..	..	..	..	..	..	158	239	139	..	450	1,158
<i>Beef Industry Assistance</i> ..	..	..	..	..	..	..	..	..	..	..	..	..	800
<i>Rural Reconstruction</i> ..	..	..	..	..	..	..	..	..	4,875	6,097	3,975	2,723	3,750
<i>Ord River Project</i> ..	..	..	..	..	..	..	..	140	167	409	1,405	313	50
<i>W.A. Water Supply</i> ..	..	..	1,250	1,250	1,500	2,050	2,000	1,792	2,000	158	..	..	..
<i>Total Australian Government Loans</i> ..	12,179	14,230	21,160	21,314	24,637	22,553	20,638	20,099	8,386	9,903	23,806	64,542	n.a.
TOTAL ADVANCES	56,185	61,198	69,062	72,384	77,867	77,363	79,928	68,499	71,226	78,406	78,393	132,610	n.a.
REPAYMENTS OF ADVANCES													
<i>Sinking Fund Payments on Loan Council Borrowings(c)</i> ..	7,386	8,067	8,649	9,230	9,851	10,483	11,249	12,041	12,890	13,754	14,565	15,336	14,800
<i>Repayments of Australian Government Loans—</i>													
<i>Housing for Servicemen</i> ..	5	7	9	10	12	19	25	28	34	36	38	40	43
<i>Housing</i> ..	786	857	926	1,001	1,079	1,167	1,265	1,355	1,439	1,491	1,546	1,671	1,955
<i>W.A. Water Supply</i> ..	..	..	..	..	..	..	..	..	..	..	..	..	42
<i>Sewerage</i> ..	..	..	..	..	..	..	..	..	..	..	..	6	14
<i>Exmouth Township</i> ..	..	..	..	..	..	..	..	..	..	..	..	9	19
<i>Railway Projects</i> ..	15	42	78	141	204	273	1,281	1,360	1,628	1,724	1,818	1,903	1,988
<i>Railways—Intersystem</i> ..	..	..	..	..	..	..	..	..	..	..	..	..	..
<i>Passenger Vehicles</i> ..	..	..	..	..	..	..	2	106	91	96	104	121	142
<i>Northern Harbours</i> ..	..	..	..	98	98	98	98	98	98	98	98	98	98
<i>Derby Jetty</i> ..	..	53	53	53	53	53	53	53	53	53	53	53	53
<i>Dairy Adjustment Program</i> ..	..	..	..	..	..	..	..	..	..	7	17	23	115
<i>Rural Reconstruction</i> ..	..	..	..	..	..	..	..	..	..	..	..	..	297
<i>Total Repayments of Australian Government Loans</i> ..	806	959	1,066	1,303	1,446	1,610	2,724	3,000	3,356	3,519	3,688	3,924	4,766
TOTAL SINKING FUND PAYMENTS AND REPAYMENTS OF LOANS	8,192	9,026	9,715	10,533	11,297	12,093	13,973	15,041	16,246	17,273	18,253	19,260	19,566
NET ADVANCES(d) (Advances Less Repayments)													
<i>Loan Council Borrowings</i> ..	36,620	38,901	39,253	41,840	43,379	44,327	48,041	36,359	49,950	54,749	40,022	52,732	65,397
<i>Australian Government Loans</i> ..	11,373	13,271	20,094	20,011	23,191	20,943	17,914	17,099	5,030	6,384	20,118	60,618	n.a.
TOTAL NET ADVANCES ..	47,993	52,172	59,347	61,851	66,570	65,270	65,955	53,458	54,980	61,133	60,140	113,350	n.a.

TABLE 166—WESTERN AUSTRALIA—
ADVANCES, DEBT CHARGES ON ADVANCES AND NET ADVANCES—continued
\$'000

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)
INTEREST ON ADVANCES													
<i>Interest on Loan Council Borrowings(e)</i> ..	26,356	28,872	31,966	33,517	35,991	38,592	42,490	45,430	51,172	53,979	57,531	61,677	72,855
<i>Interest on Australian Government Loans—</i>													
Housing for Servicemen ..	31	39	51	66	89	134	169	253	307	325	334	370	464
Housing ..	3,093	3,346	3,583	3,928	4,268	4,726	5,177	5,709	6,271	6,215	6,449	7,352	9,054
Land Acquisition ..	..	..	..	..	..	..	..	..	..	..	..	3	1,116
Sewerage ..	..	..	..	..	..	..	..	..	..	..	..	796	964
Exmouth Township ..	..	..	..	..	..	..	..	..	29	23	22	13	27
Railway Projects ..	161	391	727	1,320	1,813	2,263	2,584	2,874	2,971	2,942	2,908	2,820	2,720
Railways—Intersystem													
Passenger Vehicles ..	..	..	..	..	..	..	4	18	157	159	171	209	210
Northern Harbours ..	5	30	60	72	67	62	57	52	47	43	38	33	28
Derby Jetty ..	25	36	35	32	30	27	24	22	19	17	14	12	9
Dairy Adjustment Program ..	..	..	..	..	..	..	..	..	6	24	31	30	123
Rural Reconstruction ..	..	..	..	..	..	..	..	..	18	302	652	871	1,000
Ord River Project ..	..	..	..	..	..	..	..	6	17	29	110	172	188
W.A. Water Supply ..	..	..	21	101	172	262	374	500	618	705	707	707	706
Total Interest on Australian Government Loans ..	3,315	3,842	4,477	5,519	6,439	7,474	8,389	9,434	10,460	10,784	11,436	13,388	16,609
TOTAL INTEREST ON LOAN COUNCIL BORROWINGS AND AUSTRALIAN GOVERNMENT LOANS ..	29,671	32,714	36,443	39,036	42,430	46,066	50,879	54,864	61,632	64,763	68,967	75,065	89,464

- (a) For purposes of these tables advances comprise the State's Loan Council borrowing programs and Australian Government loans to the State. See Chapter I of this document and footnote (d) below.
- (b) Comprising advances made under Commonwealth-State Housing Agreements in force to 1970-71, the State's share of special housing advances totalling \$6,550,000 made in 1972-73 and advances from 1973-74 under the Housing Agreement 1973. Does not include advances for housing for servicemen.
- (c) Includes sinking fund contributions on State debt made by the Australian Government, which are included in this document as payments for the States. Amounts shown equal total receipts of the Sinking Funds on the State's Debts controlled by the National Debt Commission. For details of these receipts, see Table No. 6 in the Annual Reports of the Commission.
- (d) Figures derived from those shown above by subtracting sinking fund payments from Loan Council borrowings and repayments of Australian Government loans from the amounts of those loans each year. As explained in the Introduction to this document, national accounting estimates of Australian Government outlays published by the Treasury and by the Australian Bureau of Statistics show advances (including the States' Loan Council borrowing programs) on a net basis. The figures shown here coincide with those shown in the national accounting estimates. The figures shown in other sections of this document are all on a gross basis—that is, before deducting re-payments.
- (e) Includes interest on the State's domestic raisings.
- (f) Dissection of payments between States not available. See the relevant section of Chapter IV.

**TABLE 167.—TASMANIA—
ADVANCES, DEBT CHARGES ON ADVANCES AND NET ADVANCES**
\$'000

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)
ADVANCES (a)													
<i>Loan Council Borrowings</i> ..	32,020	34,136	34,834	37,580	40,610	42,120	45,370	34,570	47,020	51,252	43,467	54,952	60,743
<i>Australian Government Loans—</i>													
Housing for Servicemen ..						11	35				145	149	105
Housing(b) ..	6,000	6,400	7,448	7,500	6,700	7,500	7,600	8,750		300	16,000	26,220	22,220
Growth Centres ..													(e)n.a.
Land Acquisition ..													500
Sewerage ..												1,743	1,459
Railway Projects ..									1,820	680			
King Island Harbour Works ..										557			121
King Island Shipping ..												1,309	
Urban Water Supply ..													588
Hydro-electricity ..					5,300	3,200	9,700	3,211	2,500				
Softwood Forestry ..					520	488	400	700	45	1,101	672	769	900
Dairy Adjustment Program ..									60	15	12	216	1,033
Beef Industry Assistance ..													300
Rural Reconstruction ..									300	1,650	525	600	450
Natural Disasters ..				500	3,600	1,195	-187	-456	-32				
Total Australian Government Loans	6,000	6,400	7,448	8,000	16,120	12,394	17,548	12,205	4,693	4,303	17,354	31,006	n.a.
TOTAL ADVANCES	38,020	40,536	42,282	45,580	56,730	54,514	62,918	46,775	51,713	55,555	60,821	85,958	n.a.
REPAYMENTS OF ADVANCES													
<i>Sinking Fund Payments on Loan Council Borrowings(c)</i>	4,193	4,520	4,859	5,188	5,573	5,997	6,526	6,973	7,417	7,952	8,409	8,967	9,100
<i>Repayments of Australian Government Loans—</i>													
Housing for Servicemen ..	1	1	1	1	1	1	2	2	2	2	2	2	2
Housing ..	198	246	293	344	397	448	504	554	602	627	655	771	970
Sewerage ..													1
Railway Projects ..										72	83	83	
King Island Harbour Works ..													
King Island Shipping Service ..											37	37	37
Hydro-electricity ..												44	87
Rural Reconstruction ..											2,989		2,989
Dairy Adjustment Program ..												3	18
Natural Disasters ..									335	323	320	320	8
Total Repayments of Australian Government Loans	199	247	294	345	398	449	506	556	939	1,024	4,086	1,260	4,432
TOTAL SINKING FUND PAYMENTS AND REPAYMENTS OF LOANS	4,392	4,767	5,153	5,533	5,971	6,446	7,032	7,529	8,356	8,976	12,495	10,227	13,532
NET ADVANCES (d) (Advances less Repayments)													
<i>Loan Council Borrowings</i>	27,827	29,616	29,975	32,392	35,037	36,123	38,844	27,597	39,603	43,300	35,058	45,985	51,643
<i>Australian Government Loans</i> ..	5,801	6,153	7,154	7,655	15,722	11,945	17,042	11,649	3,754	3,279	13,268	29,746	n.a.
TOTAL NET ADVANCES	33,628	35,769	37,129	40,047	50,759	48,068	55,886	39,246	43,357	46,579	48,326	75,731	n.a.

TABLE 167—TASMANIA—
ADVANCES, DEBT CHARGES ON ADVANCES AND NET ADVANCES—continued
\$'000

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)
INTEREST ON ADVANCES													
<i>Interest on Loan Council Borrowings</i> ..	18,908	20,292	22,447	24,064	26,235	28,114	30,925	33,408	37,537	39,793	42,522	46,892	53,711
<i>Interest on Australian Government Loans—</i>													
Housing for Servicemen ..	7	7	7	7	7	7	7	9	9	9	9	22	24
Housing ..	1,302	1,539	1,783	2,032	2,346	2,685	2,981	3,321	3,759	3,734	3,915	4,851	6,141
Sewerage ..	..	..	..	..	..	..	..	..	1	113	144	139	142
Railway Projects ..	..	..	..	..	..	..	..	..	..	..	..	..	..
King Island Harbour Works ..	..	..	..	..	..	..	..	..	..	..	34	33	31
King Island Shipping Service ..	..	..	..	..	..	..	..	..	..	..	..	59	118
Hydro-electricity ..	..	..	..	..	..	286	519	1,103	1,338	1,492	1,451	1,311	1,077
Dairy Adjustment Program ..	..	..	..	..	..	..	..	..	..	..	5	2	8
Rural Reconstruction ..	..	..	..	..	..	..	..	..	..	15	99	136	200
Total Interest on Australian Government Loans ..	1,309	1,546	1,790	2,039	2,353	2,978	3,507	4,433	5,107	5,363	5,657	6,559	7,747
TOTAL INTEREST ON LOAN COUNCIL BORROWINGS AND AUSTRALIAN GOVERNMENT LOANS ..	20,217	21,838	24,237	26,103	28,588	31,092	34,432	37,841	42,644	45,156	48,179	53,451	61,458

- (a) For purposes of these tables advances comprise the State's Loan Council borrowing programs and Australian Government loans to the States. See Chapter I of this document and footnote (d) below.
- (b) Comprising advances made under Commonwealth-State Housing Agreements in force to 1970-71, the State's share of special housing advances totalling \$6,550,000 made in 1972-73 and advances from 1973-74 under the Housing Agreement 1973. Does not include advances for housing for servicemen.
- (c) Includes sinking fund contributions on State debt made by the Australian Government, which are included in this document as payments for the States. Amounts shown equal total receipts of the Sinking Funds on the State's Debts controlled by the National Debt Commission. For details of these receipts, see Table No. 6 in the Annual Reports of the Commission.
- (d) Figures derived from those shown above by subtracting sinking fund payments from Loan Council borrowings and repayments of Australian Government loans from the amounts of those loans each year. As explained in the Introduction to this document, national accounting estimates of Australian Government outlays published by the Treasury and by the Australian Bureau of Statistics show advances (including the States' Loan Council borrowing programs) on a net basis. The figures shown here coincide with those shown in the national accounting estimates. The figures shown in other sections of this document are all on a gross basis—that is, before deducting re-payments.
- (e) Dissection of payments between States not available. See the relevant section of Chapter IV.

TABLE 168—TOTAL AUSTRALIAN GOVERNMENT LOANS TO THE STATES
AND LOAN COUNCIL BORROWINGS—NET BASIS(a)

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1956-57	108,595	91,683	38,515	46,202	35,587	24,647	345,229
1957-58	114,352	97,161	40,361	48,495	32,790	25,779	358,938
1958-59	116,378	98,470	42,665	51,380	34,368	26,894	370,155
1959-60	124,773	102,466	45,338	52,446	35,561	27,834	388,417
1960-61	126,223	104,531	48,407	54,479	37,016	29,040	399,697
1961-62	137,065	112,155	58,785	58,601	39,637	31,187	437,429
1962-63	140,426	113,156	65,862	61,983	43,344	31,867	456,637
1963-64	147,285	118,813	76,224	65,480	47,993	33,628	489,423
1964-65	162,910	132,688	70,880	69,995	52,172	35,769	524,416
1965-66	180,710	132,436	74,474	73,097	59,347	37,129	557,191
1966-67	185,568	139,479	80,287	77,891	61,851	40,047	585,122
1967-68	189,670	148,781	101,054	81,562	66,570	50,759	638,396
1968-69	194,171	156,507	78,720	96,760	65,270	48,068	639,496
1969-70	203,755	172,837	89,377	92,165	65,955	55,886	679,973
1970-71	158,998	132,600	66,088	72,348	53,458	39,246	522,741
1971-72	195,846	142,904	74,647	78,382	54,980	43,357	590,115
1972-73	217,408	165,159	91,556	85,780	61,133	46,579	667,613
1973-74	238,926	184,349	109,202	107,405	60,140	48,326	748,347
1974-75	382,941	306,601	179,822	167,108	113,350	75,731	1,225,554
1975-76 (estimate)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	1,394,025

TABLE 169—TOTAL AUSTRALIAN GOVERNMENT PAYMENTS TO THE
STATES AND LOAN COUNCIL BORROWINGS—NET BASIS(a)

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1956-57	275,238	206,466	113,083	101,951	98,939	48,681	844,359
1957-58	297,941	225,407	123,341	109,912	103,407	52,356	912,365
1958-59	312,225	237,278	130,503	114,737	110,442	57,097	962,281
1959-60	338,526	259,690	142,221	127,273	116,449	63,870	1,048,028
1960-61	360,253	280,305	155,110	132,603	126,902	69,666	1,124,841
1961-62	396,928	305,219	181,897	145,507	141,329	77,203	1,248,083
1962-63	416,476	316,622	197,492	157,319	152,183	80,006	1,320,095
1963-64	439,279	332,672	210,215	167,421	163,438	84,070	1,397,093
1964-65	472,528	358,601	214,071	177,959	179,674	91,625	1,494,462
1965-66	531,020	381,719	236,182	192,497	206,266	100,510	1,648,192
1966-67	570,700	415,188	260,930	207,629	215,353	112,041	1,781,840
1967-68	610,868	466,523	301,816	226,273	231,415	126,977	1,963,870
1968-69	647,958	497,917	301,684	256,915	245,665	123,340	2,073,483
1969-70	721,101	556,733	351,660	273,539	269,090	143,345	2,315,464
1970-71	880,044	668,455	417,755	316,630	309,787	154,989	2,747,661
1971-72	953,193	710,603	477,808	343,068	333,542	166,456	2,984,669
1972-73	1,093,220	826,100	551,802	406,761	384,509	187,281	3,449,673
1973-74	1,309,412	1,008,715	691,419	503,926	454,336	213,042	4,180,457
1974-75	2,015,759	1,569,825	1,036,449	759,204	660,366	327,636	6,369,241
1975-76 (estimate)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	8,361,220

(a) Comprises amounts of net Australian Government loans to the States, Loan Council borrowings and grants to the States, both for current and capital purposes.

TABLE 170—STATE GOVERNMENTS—DEBT OUTSTANDING (a)

\$'000

As at 30 June	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
SECURITIES ON ISSUE ON BEHALF OF STATES(b)							
1956	1,482,568	921,826	537,358	532,242	397,990	248,678	4,120,662
1957	1,566,816	991,234	570,338	570,938	427,776	269,226	4,396,328
1958	1,657,128	1,066,350	604,596	611,376	455,200	290,888	4,685,738
1959	1,751,540	1,143,718	641,428	653,228	484,038	313,580	4,987,532
1960	1,849,414	1,224,006	680,236	695,828	514,094	337,624	5,301,202
1961	1,952,568	1,307,512	722,308	739,498	545,756	362,838	5,630,480
1962	2,056,616	1,392,540	765,770	780,646	578,760	388,278	5,962,610
1963	2,167,010	1,482,260	811,274	824,186	613,396	415,468	6,313,596
1964	2,283,382	1,577,722	862,774	870,504	652,796	443,384	6,690,562
1965	2,407,364	1,679,338	919,706	919,448	691,660	473,020	7,090,534
1966	2,531,929	1,781,543	977,045	970,473	730,700	502,933	7,494,623
1967	2,666,905	1,893,069	1,038,902	1,027,080	772,511	535,606	7,934,074
1968	2,772,815	1,998,611	1,094,919	1,077,035	804,865	568,295	8,316,540
1969	2,931,318	2,130,294	1,164,870	1,145,810	851,541	606,671	8,830,505
1970	3,078,698	2,254,361	1,235,964	1,211,267	895,961	643,811	9,320,061
1971	3,192,879	2,347,842	1,289,507	1,256,885	932,640	671,324	9,691,077
1972	3,359,428	2,488,348	1,355,720	1,332,003	981,377	709,921	10,226,797
1973	3,528,573	2,632,910	1,427,778	1,409,675	1,029,879	751,990	10,780,804
1974	3,654,352	2,746,611	1,485,983	1,473,280	1,070,881	787,618	11,218,725
1975(c)	3,834,052	2,896,172	1,576,716	1,551,319	1,121,639	833,862	11,813,759
AUSTRALIAN GOVERNMENT LOANS OUTSTANDING(d)							
1956	168,980	168,562	45,997	25,165	47,760	..	456,463
1957	190,262	189,130	51,272	32,017	53,009	4,050	519,739
1958	213,267	211,835	57,343	40,163	58,423	8,096	589,126
1959	235,482	233,586	63,617	50,219	63,972	12,488	599,364
1960	261,537	256,520	70,195	59,971	69,405	16,327	733,956
1961	285,345	277,806	76,793	71,114	74,796	20,231	806,086
1962	318,206	305,386	92,393	88,631	81,503	25,961	912,081
1963	349,790	329,986	113,245	107,713	90,579	30,998	1,022,313
1964	381,378	354,497	138,221	127,164	101,867	36,799	1,139,928
1965	419,982	385,485	151,981	147,995	115,062	42,952	1,263,461
1966	475,646	415,345	168,734	169,797	135,094	50,106	1,414,724
1967	526,304	444,385	187,558	191,337	154,823	57,761	1,562,169
1968	574,624	476,856	223,931	213,235	177,849	73,483	1,739,980
1969	619,751	511,820	234,749	245,129	198,679	85,428	1,895,558
1970	664,239	553,422	251,779	268,598	216,482	102,470	2,056,990
1971	712,248	592,475	264,455	295,861	233,517	114,119	2,212,677
1972	734,650	593,711	269,516	298,001	238,472	117,873	2,252,223
1973	762,789	603,647	284,989	300,385	244,786	121,152	2,317,746
1974	865,333	671,856	333,520	346,514	264,793	134,420	2,616,433
1975	1,071,002	829,252	424,426	433,838	325,234	164,166	3,247,915
TOTAL OF ABOVE							
1956	1,651,548	1,090,388	583,355	557,407	445,750	248,678	4,577,125
1957	1,757,078	1,180,364	621,610	602,955	480,785	273,276	4,916,067
1958	1,870,395	1,278,185	661,939	651,739	513,623	298,984	5,274,864
1959	1,987,022	1,377,304	705,045	703,447	548,010	326,068	5,646,896
1960	2,110,951	1,480,526	750,431	755,799	583,499	353,951	6,035,158
1961	2,237,913	1,585,318	799,101	810,612	620,552	383,069	6,436,566
1962	2,374,822	1,697,926	858,163	869,277	660,263	414,239	6,874,691
1963	2,516,800	1,812,246	924,519	931,899	703,975	446,466	7,335,909
1964	2,664,760	1,932,219	1,000,995	997,668	754,663	480,183	7,830,490
1965	2,827,346	2,064,823	1,071,687	1,067,443	806,722	515,972	8,353,995
1966	3,007,575	2,196,888	1,145,779	1,140,270	865,794	553,039	8,909,347
1967	3,193,209	2,337,454	1,226,460	1,218,417	927,334	593,367	9,496,243
1968	3,347,439	2,475,467	1,318,850	1,290,270	982,714	641,778	10,056,520
1969	3,551,069	2,642,114	1,399,619	1,390,939	1,050,220	692,099	10,726,063
1970	3,742,937	2,807,783	1,487,743	1,479,865	1,112,443	746,281	11,377,051
1971	3,905,127	2,940,317	1,553,962	1,552,746	1,166,157	785,443	11,903,754
1972	4,094,078	3,082,059	1,625,236	1,630,004	1,219,849	827,794	12,479,020
1973	4,291,362	3,236,557	1,712,767	1,710,060	1,274,665	873,142	13,098,550
1974	4,519,685	3,418,467	1,819,503	1,819,794	1,335,674	922,038	13,835,158
1975	4,905,054	3,725,424	2,001,142	1,985,157	1,446,873	998,028	15,061,674

(a) The figures shown in this table need to be interpreted carefully. Three points particularly need to be borne in mind. First, that considerable portions of the amounts of debt shown would, as a result of State Government loans to semi-government or local authorities or to private businesses, voluntary bodies or individuals, in turn be owed by such bodies or individuals to the States. Secondly, the amounts of debt outstanding would, to some extent, be "offset" by State Government holdings of securities and other financial assets. Thirdly, the amounts shown do not include the debt of State semi-government or local authorities, or State Government debt taking forms other than securities or issue or loans outstanding to the Australian Government.

(b) Figures taken directly from the budget document "Securities on Issue 30 June 1975". The difference between the value of securities on issue at the end of one year and the value at the end of the previous year is approximately equal to net Loan Council borrowings in that year as shown in Table 161 (that is, borrowings less sinking fund payments) but is not exactly equal to that magnitude for two reasons. First, redemption and repurchase of securities outstanding on behalf of the States from the States' sinking funds in any year do not coincide precisely with the total amounts of sinking fund contributions in that year—that is, the balances of the sinking funds may increase or fall in the year. Secondly, the value of securities on issue overseas is affected by currency re-valuations (See "Securities on Issue 30 June 1975, page 6).

(c) Does not take account of reductions totalling \$1,000 million which are expected to be retrospective to 30 June 1975. See Chapter IV under the heading "Debt Charges Assistance Grants" and Budget Paper No. 6 "Government Securities on Issue at 30 June 1975".

(d) The difference between loans outstanding at the end of one year and those outstanding at the end of the previous year is equal to net Australian Government loans to the States, as shown in Table 161 with one qualification—namely that movements in loans outstanding under Commonwealth-State Housing Agreements are also affected by sales of houses by the States to the Director of War Services Homes (see, for example, the Auditor-General's Report for 1970–71, page 43).

TABLE 171—TOTAL AUSTRALIAN GOVERNMENT PAYMENTS TO THE STATES,
PAYMENTS MADE DIRECT TO LOCAL GOVERNMENT AUTHORITIES AND
STATE GOVERNMENT LOAN COUNCIL BORROWINGS—NET BASIS(a)

\$'000

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
1965-66	531,705	381,823	236,537	192,501	206,284	100,532	1,649,380
1966-67	571,225	415,287	261,516	207,633	215,357	112,052	1,783,069
1967-68	611,227	466,607	302,902	226,278	231,422	126,994	1,965,428
1968-69	648,384	498,098	302,816	256,931	245,707	123,356	2,075,297
1969-70	721,672	556,974	352,018	273,549	269,415	143,357	2,316,979
1970-71	880,902	668,709	418,141	316,641	309,856	154,996	2,749,247
1971-72	954,217	710,878	478,278	343,104	333,634	166,466	2,986,576
1972-73	1,093,824	826,729	552,452	406,973	384,603	187,298	3,451,879
1973-74	1,311,585	1,009,485	692,419	504,504	455,161	213,182	4,186,250
1974-75	2,040,280	1,577,036	1,046,902	763,626	666,752	329,862	6,424,458
1975-76 (estimate)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	8,472,202

(a) Totals of amounts shown in Tables 93 and 169 less repayments of Australian Government loans made direct to local government authorities. Such repayments were \$16,000 in 1973-74 and \$17,000 in 1974-75 and are estimated to be \$18,000 1975-76.

APPENDIX VI—AUSTRALIAN GOVERNMENT PAYMENTS AND LOAN COUNCIL BORROWINGS

TABLE NO.	SUBJECT
172	Six States—Australian Government Payments and Loan Council Borrowings, 1963–64 to 1975–76.
173	New South Wales—Australian Government Payments and Loan Council Borrowings, 1963–64 to 1975–76.
174	Victoria—Australian Government Payments and Loan Council Borrowings, 1963–64 to 1975–76.
175	Queensland—Australian Government Payments and Loan Council Borrowings, 1963–64 to 1975–76.
176	South Australia—Australian Government Payments and Loan Council Borrowings, 1963–64 to 1975–76.
177	Western Australia—Australian Government Payments and Local Council Borrowings, 1963–64 to 1975–76.
178	Tasmania—Australian Government Payments and Loan Council Borrowings, 1963–64 to 1975–76.

**TABLE 172—SIX STATES—AUSTRALIAN GOVERNMENT PAYMENTS AND
LOAN COUNCIL BORROWINGS, 1963-64 TO 1975-76**

\$'000

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)(a)
GENERAL REVENUE ASSISTANCE													
Financial Assistance Grants	635,967	681,349	757,351	826,613	907,539	1,018,193	1,141,319	1,418,518	1,440,878	1,647,293	1,859,905	2,373,811	3,184,600
Special Grants	22,900	31,720	41,770	40,072	35,407	17,392	21,900	18,680	23,800	38,600	38,550	64,684	38,800
Special Revenue Assistance(b)	..	..	..	10,750	14,000	14,000	26,000	43,000	72,500	15,000	25,000	75,000	..
Total	658,867	713,069	799,121	877,435	956,946	1,049,585	1,189,219	1,480,198	1,537,178	1,700,893	1,923,455	2,513,495	3,223,400
ADDITIONAL ASSISTANCE GRANTS(c)													
Total	40,000	..	..	..	..	..	..	..	..	..	..	..	..
GENERAL PURPOSE CAPITAL FUNDS(d)													
State Government Loan Council Borrowing Pro- grams	443,700	477,300	488,000	525,000	554,160	584,000	625,770	481,450	672,900	733,461	588,693	741,541	860,667
Capital Grants .. ..	..	..	..	..	..	..	..	200,000	219,100	248,539	278,307	345,878	430,333
Total	443,700	477,300	488,000	525,000	554,160	584,000	625,770	681,450	892,000	982,000	867,000	1,087,419	1,291,000

TABLE 172—SIX STATES—AUSTRALIAN GOVERNMENT PAYMENTS AND
LOAN COUNCIL BORROWINGS, 1963-64 TO 1975-76—continued

\$'000

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)(a)
SPECIFIC PURPOSE PAYMENTS—RECURRENT PURPOSES													
Payments Under Financial Agreement—													
Interest on State Debt	15,170	15,170	15,170	15,170	15,170	15,170	15,170	15,170	15,170	15,170	15,053	15,287	15,170
Sinking Fund on State Debt	15,691	16,646	17,761	18,951	20,387	21,619	23,271	24,550	26,323	27,979	29,509	30,805	30,200
Debt Charges Assistance	..	..	..	..	..	..	..	11,504	23,008	34,512	46,016	57,520	..
State Emergency Services	..	..	..	..	..	..	..	..	..	..	..	325	992
Universities	21,081	28,529	31,551	34,262	39,912	43,534	50,435	58,878	67,596	80,826	200,042	377,990	406,000
Colleges of Advanced Education	..	..	..	2,472	5,273	6,282	10,658	15,743	18,372	26,655	124,808	239,249	262,255
Technical and Further Education	..	..	..	..	..	..	12,177	24,253	29,594	40,979	10,268	24,622	40,781
Schools	..	..	..	..	..	..	..	..	..	..	85,661	234,549	325,474
Education—Allowance for Cost Escalation	..	..	..	..	..	..	..	..	..	..	..	..	55,000
Pre-school and Child Care	..	..	..	..	..	..	..	..	..	..	4,096	20,377	34,000
Child Migrant Education	..	..	..	..	..	..	109	1,672	2,778	3,956	6,014	9,845	7,499
Educational Research	..	..	..	..	..	..	..	96	236	275	406	658	775
Medibank—Public Hospital Running Costs	..	..	..	..	..	..	..	..	..	..	..	..	707,000
Community Health	..	..	..	..	..	..	..	..	..	..	5,270	16,190	40,205
Tuberculosis Control	10,670	10,336	13,577	11,238	11,508	11,744	10,884	10,937	9,942	10,805	11,247	13,570	9,225
School Dental Scheme	..	..	..	..	..	..	..	279	385	469	3,761	6,221	9,602
Health Education	..	..	..	..	..	..	..	..	..	..	742	834	700
Home Dialysis Scheme	..	..	..	..	..	..	..	..	..	..	..	310	2,280
Blood Transfusion Services	396	428	482	961	632	743	725	845	990	1,170	1,870	2,428	2,958
Control of Arboencephalitis	..	..	..	..	..	..	..	..	..	..	..	151	..
Health Planning Agencies	..	..	..	..	..	..	..	..	..	..	376	435	500
Housekeeper Services	23	22	22	23	23	23	..	..	..	..	..	..	..
Home Care Services	..	..	..	..	..	..	31	318	491	916	1,218	3,100	3,000
Senior Citizens Centres	..	..	..	..	..	..	..	3	12	34	74	319	200
Paramedical Services	..	..	..	..	..	..	..	..	7	77	164	362	347
Assistance for Deserted Wives	..	..	..	..	201	1,149	1,882	3,691	5,876	9,748	7,654	6,932	8,100
Employment Grants	..	..	..	..	..	..	..	..	26,999	103,821	12,000	40,003	30,000
Regional Employment Development Scheme	..	..	..	..	..	..	..	..	..	..	..	..	8,463
Social Policy Planning Units	..	..	..	..	..	..	..	..	..	..	120	190	191
Aboriginal Advancement	..	..	..	..	..	319	596	802	1,665	6,649	6,670	13,142	21,411
Housing	45	130	213	142	44	60	74	131	4,152	6,892	6,874	6,989	7,233
Area Improvement	..	..	..	..	..	..	..	..	..	..	439	1,132	..
Sewerage	..	..	..	..	..	..	..	..	..	..	..	851	2,187
Local Government (Grants Commission)	..	..	..	..	..	..	..	..	..	..	..	56,345	79,908
Regional Organisations	..	..	..	..	..	..	..	..	..	..	..	..	312
Assistance	..	..	..	..	..	..	..	..	..	..	218	70	698
Leisure and Recreation	..	..	..	..	..	..	..	..	..	..	..	..	..
Perth Underground Railway Study	..	..	..	..	..	..	..	..	..	..	188	89	486
Tasman Bridge Disaster	..	..	..	..	..	..	..	..	..	..	168	..	..
Fisheries Development	..	..	..	..	..	..	..	..	..	..	..	..	..
Cattle Tick Control	518	414	348	252	288	310	382	388	450	484	..	..	..
Bovine Brucellosis and T.B. Eradication	..	..	..	..	..	..	203	1,421	2,404	4,000	5,134	6,823	8,290
Agricultural Extension Services	1,198	1,212	1,202	2,176	2,900	3,900	4,599	4,985	5,679	6,300	6,802	7,723	8,674
Minor Agricultural Research	46	34	28	23	30	57	98	68	102	151	151	134	181
Apple Export Assistance	..	..	..	..	..	..	..	..	..	..	..	2,114	1,216
Locust Control	..	..	..	..	..	..	..	..	..	..	..	396	400
Trawl and Danish Seine Fishery	..	..	..	..	..	..	..	..	..	..	..	35	35
Apple, Pear and Canning Fruit Industries	..	..	..	..	..	..	..	..	..	..	327	..	..
Adjustment Assistance to Canneries	..	..	..	..	..	..	..	..	..	..	1,500	..	..
Tobacco Extension Services	48	..	..	..	..	..	..	..	..	..	..	..	650
Assistance for A.P.P.M.	..	..	..	..	..	..	..	..	..	..	..	..	..
Coal Mining Industry—Long Service Leave	910	1,021	893	920	918	892	985	1,063	1,241	2,012	2,347	3,073	3,424
Apprenticeship Training	..	..	..	..	..	..	..	..	..	129	351	799	3,616
Burdekin River Regional Study	..	..	..	..	..	..	..	..	..	..	153	34	..
Pilbara Feasibility Study	..	..	..	..	..	..	..	..	..	..	125	31	..
Legal Aid	..	..	..	..	..	..	..	..	..	..	2,000	1,173	..
Road Safety Practices	100	100	100	116	116	116	116	150	150	150	150	150	150
Research Grants	..	..	1,378	2,038	3,154	2,879	3,446	4,170	4,341	5,767	5,901	7,324	6,000
Natural Disaster Relief	120	100	9,746	12,147	13,097	11,697	9,084	9,944	1,143	72	4,069	980	101
Total Specific Purpose Recurrent Payments	66,016	74,142	92,471	100,891	113,653	120,494	144,925	191,061	249,106	389,998	609,936	1,220,910	2,156,347

TABLE 172—SIX STATES—AUSTRALIAN GOVERNMENT PAYMENTS AND
LOAN COUNCIL BORROWINGS, 1963-64 TO 1975-76—continued

\$'000

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)(a)
SPECIFIC PURPOSE PAYMENTS—CAPITAL PURPOSES													
Housing for Servicemen ..	3,964	12,415	7,242	7,753	7,103	6,899	9,461	9,227	7,034	6,163	7,766	26,805	40,000
Universities ..	12,779	12,745	15,227	16,354	16,329	19,097	17,234	16,346	23,002	26,464	48,966	65,990	42,200
College of Advanced Education ..	..	..	982	3,681	11,165	14,572	22,955	18,163	27,425	31,390	40,112	109,916	89,039
Technical and Further Education ..	..	10,000	6,230	9,893	13,877	7,587	9,878	12,535	7,411	12,976	18,381	20,375	24,600
Schools ..	..	9,905	9,635	10,163	12,587	13,465	20,438	26,319	27,264	33,019	75,976	199,368	146,226
Education—Allowance for Cost Escalation ..	..	..	..	..	..	..	..	..	..	..	..	..	15,000
Pre-schools and Child Care ..	..	..	..	..	..	..	..	..	..	..	2,416	17,123	21,537
Child Migrant Education ..	..	..	..	..	..	..	..	..	..	..	995	1,477	1,518
Mental Health Institutions ..	1,595	2,504	4,539	4,973	4,243	4,655	5,501	4,199	4,207	3,430	2,249	..	..
Hospitals ..	..	..	..	..	..	..	..	..	..	..	2,365	30,306	108,000
Nursing Homes ..	..	..	..	..	..	..	..	337	460	1,019	658	368	994
Community Health ..	..	..	..	..	..	..	..	..	..	..	10,541	13,692	19,344
Tuberculosis Control ..	599	696	697	499	780	847	593	469	438	388	441	131	76
School Dental Scheme ..	..	..	..	..	..	..	..	..	..	..	3,776	12,372	16,398
Blood Transfusion Services ..	..	..	..	..	..	..	..	..	..	..	..	..	161
Disposal of Ships Garbage ..	..	..	..	29	39	11	485	46	288	782	31	85	..
Senior Citizens Centres ..	..	..	..	..	..	..	16	84	269	736	651	1,197	3,000
Dwellings for Pensioners ..	..	..	..	..	..	..	925	4,981	7,622	6,470	5,002	6,048	13,757
Rehabilitation Centre—Hobart ..	..	..	..	..	..	..	..	..	..	..	..	..	550
Aboriginal Advancement ..	..	..	..	..	..	3,331	5,164	6,200	7,535	15,351	25,580	23,907	19,379
Housing ..	100,300	102,700	117,000	120,000	122,840	126,000	132,230	141,550	..	6,550	218,650	385,400	364,600
Growth Centres ..	..	..	..	..	..	..	..	..	..	..	6,579	61,247	72,939
Area Improvement ..	..	..	..	..	..	..	..	..	..	..	6,961	12,644	17,695
Land Acquisition ..	..	..	..	..	..	..	..	..	..	..	11,531	41,095	59,438
Urban Flood Mitigation ..	..	..	..	..	..	..	..	..	..	..	..	..	2,850
Woolloomooloo Redevelopment ..	..	..	..	..	..	..	..	..	..	..	..	..	14,670
Captains Flat Project ..	..	..	..	..	..	..	..	..	..	..	..	..	1,500
Air Quality Monitoring ..	..	..	..	..	..	..	..	..	..	..	..	..	200
Sewerage ..	..	..	..	..	..	..	..	..	..	..	27,905	116,862	112,845
Community Facilities—Townsville ..	..	..	..	..	..	..	..	..	..	60	301	67	..
Exmouth Township ..	..	380	750	1,952	417	..	59	584	12	28	..	..	..
National Estate ..	..	..	..	..	..	..	..	..	..	..	288	7,043	5,000
Nature Conservation ..	..	..	..	..	..	..	..	..	..	..	..	..	1,800
Leisure and Cultural Facilities ..	..	..	..	..	..	..	..	..	..	..	12,714	5,580	5,692
Roads ..	116,000	130,000	140,000	150,000	160,000	170,000	193,000	218,000	245,250	279,000	316,800	368,037	444,963
Roads-Safety Improvements ..	..	..	..	..	..	..	..	..	..	..	3,000	..	..
Beef Cattle Roads ..	5,595	6,100	5,500	6,005	5,400	6,001	6,268	8,985	10,150	7,750	5,168	279	..
Eyre and Barkly Highway ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Maintenance ..	64	64	64	64	64	64	64	64	64	64	64	..	..
Eyre Highway—Sealing ..	..	..	..	..	..	..	..	..	..	625	625	..	..
Gordon River Road ..	270	1,094	1,840	1,596	200	..	..	..	..	..	..	..	..
Second Hobart Bridge ..	..	..	..	..	..	..	..	..	..	..	..	..	900
Railway Projects ..	22,601	17,757	24,258	24,925	34,914	18,990	20,112	7,284	6,106	2,962	827	1,060	110
Urban Public Transport ..	..	..	..	..	..	..	..	..	..	..	..	45,259	42,997
Railways-Intersystem Advances ..	..	..	..	..	..	2,690	1,696	613	-142	784	1,081	1,318	135
King Island Harbour Works ..	..	..	..	..	..	..	..	..	..	1,113	..	..	242
W.A. Darwin Shipping Service ..	..	..	..	..	..	..	..	..	..	2,500	1,000	..	..
King Island Shipping Service ..	..	..	..	..	..	..	..	..	..	..	..	1,309	..
Coal Loading Facilities(e) ..	276	1,047	813	..	..	..	..	..	..	..	..	..	..
Northern Harbours ..	700	1,100	1,154	..	..	..	..	..	..	..	..	..	..
Derby Jetty ..	700	300	..	..	..	..	..	..	..	..	..	..	..
Weipa Development ..	..	..	2,717	553	..	..	..	..	..	..	..	..	..
Newcastle Dry Dock ..	..	..	..	..	..	11,000	..	2,250	1,750	..	..	2,018	2,400
Natural Gas Pipeline ..	..	..	..	..	..	..	..	..	..	..	..	5,544	12,514
Tasman Bridge Disaster ..	..	..	..	..	..	..	..	..	..	..	..	2,000	..
Julius Dam ..	..	..	..	..	..	..	..	..	..	1,500	..	..	1,350
Ross River Dam ..	..	..	..	..	..	..	..	..	..	..	..	4,400	10,640
Urban Water Supply ..	..	..	..	..	..	..	..	..	..	..	..	..	37,000
Gladstone Power Station ..	..	..	..	..	..	..	..	..	..	14,000	26,607	32,449	..
Hydro-electricity ..	..	..	..	..	5,300	3,200	9,700	3,211	2,500	..	..	..	..

TABLE 172—SIX STATES—AUSTRALIAN GOVERNMENT PAYMENTS AND
LOAN COUNCIL BORROWINGS, 1963-64 TO 1975-76—continued

\$'000

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)(a)
Softwood Forestry	291	3,456	3,872	4,814	4,784	389	9,459	4,875	7,124	7,937
Karumba Development	3,122	7,593	2,947	1,145	8,936	1,700
Dairy Adjustment Program	19,152
Beef Industry Assistance	375	1,655	1,077	19,600
Fruitgrowing Industry	1,902	..	..	750
Canned Fruit Industry	6,364	..	..	..	..	..
Sugar Industry	23,328	..	..	..	..	..	..	..	..
Rural Reconstruction	4,000	40,000	50,800	35,767	28,781	30,000
Meat Industry	8	..	..	..	..	..	..	..	..	..
Copeton Dam	3,618	5,750	4,500	4,000	2,000	132	..
Cressy-Longford Irrigation Works	200	449	101	..	..	..
King River Dam	15	1,385	2,000	212	36	15	20	17
Bundaberg Irrigation Works	1,900	3,250	4,425	3,114	2,000	2,510
Fairbairn Dam	700	2,500	3,122	4,785	5,530	1,988	622	315	..
Ord River Project ..	1,466	1,468	1,112	..	100	5,100	5,850	5,847	4,760	748	1,443	..	50
Blowering Reservoir ..	840	3,492	5,581	6,233	3,800	600	..	..	..	..	..	..	..
Glenlyon Dam	879	..
Lower Dawson River Weirs	95	455	..
Soil Conservation	154	1,721
Dartmouth Dam	2,025	2,850	7,500	12,000
Chowilla Reservoir ..	100	156	472	528	221	..	..	..	..	..	..	..	..
Eton (Mackay) Irrigation	387	1,799	2,800
Clare Weir	100	700
W.A. Water Supply	1,250	1,250	1,500	2,050	2,000	1,792	2,000	158	..	..	..
Water Resources Investiga- tion	687	861	971	1,309	1,500	1,601	2,622	1,864	3,736	4,455	5,410	5,918
Salinity Reduction	600	800	170	25	22	33	7	11	53
Lock-Kimba Pipeline	420	540	835	305
Tailem Bend Pipeline	1,500	1,500	1,500	756	14	12	80
Millewa Pipeline	600	800	600	..
Flood Mitigation ..	400	1,300	1,540	970	1,309	2,481	..	1,098	923	1,212	1,484	2,437	2,100
Brigalow Lands Development Scheme ..	1,641	1,523	1,812	2,509	2,004	1,179	1,253	403	1,084	698	139	651	1,796
Tourism Development	50	98	1,081	2,500
Migrant Centres ..	48	2	..	2	426	446	65	142	372	24	24	180	..
Natural Disasters Relief	11,994	8,926	14,857	10,434	4,889	9,479	5,769	-77	24,109	52,219	9,367
Total Specific Purpose— Capital Payments ..	269,938	317,435	363,270	380,128	448,868	439,386	486,046	537,260	458,862	541,540	960,205	1,745,629	1,895,315

TOTAL AUSTRALIAN GOVERNMENT PAYMENTS(f)

1034821	1104646	1254862	1358454	1519467	1609465	1,820,190	2,408,519	2,464,246	2,880,970	3,771,903	5,825,912	7,705,395
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TOTAL AUSTRALIAN GOVERNMENT PAYMENTS AND LOAN COUNCIL BORROWINGS

General Purpose(g) ..	1142567	1190369	1287121	1402435	1511106	1633585	1,814,989	2,161,648	2,429,178	2,682,893	2,790,455	3,600,914	4,514,400
Specific Purpose ..	335,954	391,577	455,741	481,019	562,521	559,880	630,971	728,321	707,968	931,538	1,570,141	2,966,539	4,051,662
Total ..	1478521	1581946	1742862	1883454	2073627	2193465	2,445,960	2,889,969	3,137,146	3,614,431	4,360,596	6,567,453	8,566,062

(a) Important qualifications attach to the 1975-76 estimates in some cases; see the relevant section of the text.

(b) Includes special advances of \$10 million to Victoria in 1969-70 and special advances to New South Wales of \$17.5 million in 1971-72 and \$15.0 million in 1972-73. See Chapter II.

(c) Part of these grants was used for recurrent purposes and part for capital purposes. See 'Commonwealth Payments to or for the States 1967-68,' Chapter IV.

(d) See Chapter III, under the heading 'Treatment of Loan Council Programs in this and other Budget Documents'.

(e) In addition the following grants were made from the Coal Industry Fund 1962-63, \$604,000; 1964-65, \$559,000; 1965-66, \$493,000.

(f) Comprising general revenue assistance, additional assistance grants, specific purpose payments, and the capital grants—that is, all amounts shown above with the exception of the Loan Council borrowing programs. See footnote (d).

(g) Comprising general revenue assistance, additional assistance grants, Loan Council borrowings and capital grants. See footnote (d).

TABLE 173—NEW SOUTH WALES—AUSTRALIAN GOVERNMENT PAYMENTS
AND LOAN COUNCIL BORROWINGS, 1963-64 TO 1975-76

\$'000

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)(a)
GENERAL REVENUE ASSISTANCE													
Financial Assistance Grants ..	215,712	230,537	255,001	276,794	302,827	333,393	373,908	470,835	462,204	521,963	585,507	737,522	980,300
Special Revenue Assistance ..	..	..	..	8,000	5,090	3,990	4,775	14,140	35,813	15,000	7,926	18,641	..
Total ..	215,712	230,537	255,001	284,794	307,917	337,383	378,683	484,975	498,017	536,963	593,433	756,163	980,300
ADDITIONAL ASSISTANCE GRANTS(d)													
Total ..	12,816	..	..	..	..	..	..	..	..	..	..	..	..
GENERAL PURPOSE CAPITAL FUNDS(e)													
State Government Loan Council Borrowing Programs ..	140,020	149,470	152,150	163,640	172,240	182,070	194,590	148,900	214,020	233,285	183,078	226,996	274,114
Capital Grants ..	..	..	..	..	..	..	..	63,610	69,690	79,051	86,551	107,313	137,057
Total ..	140,020	149,470	152,150	163,640	172,240	182,070	194,590	212,510	283,710	312,336	269,629	334,309	411,171
SPECIFIC PURPOSE PAYMENTS—RECURRENT PURPOSES													
Payments Under Financial Agreements—													
Interest on State Debt ..	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 Debt ..	5,366	5,662	5,991	6,368	6,826	7,214	7,723	8,124	8,673	9,197	9,675	10,079	9,900
Debt Charges Assistance ..	..	..	..	..	..	..	..	3,800	7,600	11,399	15,199	18,999	..
State Emergency Services ..	..	..	..	..	..	..	..	..	..	..	..	188	405
Universities ..	8,941	11,663	13,075	13,773	15,816	17,378	20,218	23,594	27,223	32,155	79,572	149,997	n.a.
Colleges of Advanced Education ..	..	..	..	276	608	697	834	3,478	3,713	5,525	28,935	62,122	63,907
Technical and Further Education Schools ..	..	..	..	..	..	..	..	4,488	9,017	10,854	15,046	5,801	10,333
Pre-schools and Child Care ..	..	..	..	..	..	..	..	..	..	..	..	1,281	5,417
Child Migrant Education ..	..	..	..	..	..	..	..	780	1,191	1,521	2,238	3,890	n.a.
Educational Research ..	..	..	..	..	..	..	..	28	81	91	97	145	240
Medibank—Public Hospital Running Costs ..	..	..	..	..	..	..	..	..	..	..	..	..	245,000
Community Health ..	..	..	..	..	..	..	..	..	..	..	1,808	9,371	21,625
Tuberculosis Control ..	3,800	3,700	6,635	4,012	3,864	4,353	4,035	4,256	3,073	3,609	3,347	3,923	2,339
School Dental Scheme ..	..	..	..	..	..	..	..	..	..	..	658	979	1,788
Health Education ..	..	..	..	..	..	..	..	86	128	163	227	284	217
Home Dialysis Scheme ..	..	..	..	..	..	..	..	..	..	..	..	75	570
Blood Transfusion Services ..	101	110	117	231	168	196	166	197	254	267	588	590	895
Control of Arboencephalitis ..	..	..	..	..	..	..	..	..	..	..	..	16	..
Health Planning Agencies ..	..	..	..	..	..	..	..	..	..	..	180	116	200
Housekeeper Services ..	12	12	12	12	12	12	12	..	..	..	..	..	..
Home Care Services ..	..	..	..	..	..	..	..	234	161	212	296	611	668
Senior Citizens Centres ..	..	..	..	..	..	..	..	..	2	1	4	226	70
Assistance for Deserted Wives ..	..	..	..	..	140	570	726	909	1,258	2,290	1,769	1,879	2,196
Employment Grants ..	..	..	..	..	..	..	..	..	10,395	37,220	4,530	15,100	11,700
Social Policy Planning Units ..	..	..	..	..	..	..	..	..	..	..	20	20	20
Aboriginal Advancement ..	..	..	..	..	..	174	227	185	668	1,929	1,678	2,316	3,588
Housing ..	..	..	..	..	..	..	..	..	1,368	2,292	2,292	2,292	2,292
Area Improvement ..	..	..	..	..	..	..	..	..	..	..	347	389	..
Sewerage ..	..	..	..	..	..	..	..	..	..	..	..	113	n.a.
Local Government (Grants Commission) ..	..	..	..	..	..	..	..	..	..	..	..	21,359	29,257
Regional Organisations Assis- tance ..	..	..	..	..	..	..	..	..	..	..	..	100	n.a.
Leisure and Recreation ..	..	..	..	..	..	..	..	..	..	..	20	9	121
Cattle Tick Control ..	518	414	348	252	288	310	382	388	450	484	..	..	..
Bovine Brucellosis and T.B. Eradication ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Agricultural Extension Services ..	328	328	328	535	760	1,019	1,427	32	450	786	1,250	1,952	2,467
Minor Agricultural Research ..	8	9	9	6	7	14	38	1,188	1,475	1,680	1,797	2,145	2,359
Locust Control ..	..	..	..	..	..	..	..	21	19	82	99	82	86
Trawl and Danish Seine Fishery Industries ..	..	..	..	..	..	..	..	..	..	..	..	35	379
Adjustment Assistance to Can- neries ..	..	..	..	..	..	..	..	..	..	..	5	..	..
Tobacco Extension Services ..	6	..	..	..	..	..	..	..	..	..	136	..	..
Coal Mining Industry—Long Service Leave ..	669	731	658	723	600	626	738	828	948	1,604	1,782	2,478	2,768
Apprenticeship Training ..	..	..	..	..	..	..	..	..	..	..	108	161	1,241
Legal Aid ..	..	..	..	..	..	..	..	..	..	..	732	404	..
Road Safety Practices ..	25	25	25	29	29	29	29	37	37	37	37	37	37
Research Grants ..	..	..	500	656	1,044	899	1,161	1,565	1,638	2,112	2,092	2,584	2,112
Natural Disaster Relief ..	120	60	5,532	7,600	4,398	3,411	21	980	..	..	57	612	100
Total Specific Purpose Recurrent Payments ..	25,729	28,549	39,065	40,308	40,395	42,737	48,080	65,980	87,830	136,001	203,341	422,042	n.a.

TABLE 173—NEW SOUTH WALES—AUSTRALIAN GOVERNMENT PAYMENTS
AND LOAN COUNCIL BORROWINGS, 1963-64 TO 1975-76—continued

\$'000

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.) (a)
SPECIFIC PURPOSE PAYMENTS—CAPITAL PURPOSES													
Housing for Servicemen ..	1,163	3,132	4,104	1,825	1,530	1,558	3,211	2,848	5,545	3,539	4,539	16,350	18,005
Universities ..	3,759	4,507	5,267	6,502	5,472	7,569	6,512	4,050	9,682	10,522	16,889	22,526	n.a.
Colleges of Advanced Education ..	..	..	750	560	1,588	2,927	9,000	4,639	7,381	9,691	7,644	41,197	21,648
Technical and Further Education ..	..	3,744	3,492	3,760	3,980	2,999	3,282	4,846	2,416	5,040	6,873	5,859	8,500
Schools ..	..	3,709	3,709	3,709	4,708	5,113	6,799	10,653	10,018	10,637	30,208	71,707	47,676
Pre-Schools and Child Care ..	..	..	..	..	..	..	..	..	..	..	160	4,819	n.a.
Child Migrant Education ..	..	..	..	..	..	..	..	..	..	..	90	475	225
Mental Health Institutions ..	982	659	1,717	2,217	2,095	1,925	2,305	1,409	1,325	873	1,203	1,030	n.a.
Hospitals ..	..	..	..	..	..	..	..	..	..	..	689	8,830	69
Nursing Homes ..	..	..	..	..	..	..	..	..	..	..	..	108	4,202
Community Health ..	..	..	..	..	..	..	..	..	..	..	3,616	4,916	..
Tuberculosis Control ..	153	135	390	356	591	571	191	143	70	50	22	34	..
School Dental Scheme ..	..	..	..	..	..	..	..	..	..	..	685	3,214	2,918
Blood Transfusion Services ..	..	..	..	..	..	..	..	..	..	..	..	20	..
Senior Citizens Centres ..	..	..	..	..	..	..	465	1,774	39	102	242	349	530
Dwellings for Pensioners ..	..	..	..	..	..	..	952	1,774	3,260	2,705	2,546	3,000	5,140
Aboriginal Advancement ..	..	..	..	..	..	601	..	1,519	1,732	2,821	3,725	5,474	4,666
Housing ..	33,000	35,000	40,271	41,500	43,080	43,750	46,500	48,300	..	3,500	86,000	123,411	123,411
Growth Centres ..	..	..	..	..	..	..	..	..	..	..	630	30,208	n.a.
Area Improvement ..	..	..	..	..	..	..	..	..	..	..	4,653	5,111	7,250
Land Acquisition ..	..	..	..	..	..	..	..	..	..	..	..	820	13,898
Woolloomooloo Redevelopment ..	..	..	..	..	..	..	..	..	..	..	..	..	14,670
Captains Flat Project ..	..	..	..	..	..	..	..	..	..	..	..	..	1,500
Air Quality Monitoring ..	..	..	..	..	..	..	..	..	..	..	..	..	34
Sewerage ..	..	..	..	..	..	..	..	..	..	..	11,200	42,000	42,800
Nature Conservation ..	..	..	..	..	..	..	..	..	..	..	..	..	n.a.
National Estate ..	..	..	..	..	..	..	..	..	..	..	..	1,612	834
Leisure Facilities ..	..	..	..	..	..	..	..	..	..	..	..	1,217	1,780
Roads ..	32,443	36,345	39,191	41,744	44,467	47,319	57,060	64,980	74,500	85,590	98,270	115,792	137,872
Roads—Safety Improvements ..	..	..	..	..	..	..	..	..	..	..	1,080	..	..
Railway Projects ..	..	..	..	..	8,250	1,750	..	..	..	..	..	..	..
Urban Public Transport ..	..	..	..	..	..	..	..	..	..	..	..	14,863	7,658
Railways—Intersystem Advances ..	..	..	..	..	..	..	736	303	232	..	267	597	85
Coal Loading Facilities (f) ..	116	807	813	..	..	..	..	..	..	..	..	..	..
Newcastle Dry Dock ..	..	..	..	..	..	..	..	..	..	..	..	2,018	2,400
Softwood Forestry ..	..	..	..	..	1,500	1,200	1,800	1,401	..	3,237	2,000	2,100	2,500
Dairy Adjustment Program ..	..	..	..	..	..	..	..	..	1,000	500	250	1,000	1,513
Beef Industry Assistance ..	..	..	..	..	..	..	..	..	..	..	..	..	5,000
Fruit Growing Industry ..	..	..	..	..	..	..	..	..	..	140	500	..	100
Canned Fruit Industry ..	..	..	..	..	..	..	..	874	..	670	..	..	..
Rural Reconstruction ..	..	..	..	..	..	..	..	4,000	11,000	13,500	10,500	12,000	8,000
Copeton Dam ..	..	..	..	..	..	..	3,618	5,750	4,500	4,000	2,000	132	..
Blowering Reservoir ..	840	3,492	5,581	6,233	3,800	600	..	..	..	..	..	198	..
Glenlyon Dam ..	..	..	..	..	..	..	..	..	..	..	..	439	..
Dartmouth Dam ..	..	..	..	..	..	..	..	..	..	675	950	2,500	4,000
Chowilla Reservoir ..	100	156	472	528	221	..	..	..	..	..	..	..	..
Water Resources Investigation ..	..	133	188	212	359	377	394	863	..	1,779	1,182	1,467	1,498
Flood Mitigation ..	400	1,300	1,540	970	1,309	2,481	..	1,098	923	1,212	1,484	2,317	1,980
Tourism Development ..	..	..	..	..	..	..	5	2	..	..	..	228	541
Migrant Centres ..	..	..	..	..	67	35	..	..	214	10	..	..	..
Natural Disaster Relief ..	..	..	8,668	5,460	3,300	5,160	..	4,220	..	..	243	15,832	6,475
Total Specific Purpose Capital Payments ..	72,956	93,119	116,153	115,576	126,317	125,935	142,830	163,706	133,837	160,793	300,342	564,324	n.a.
TOTAL AUSTRALIAN GOVERNMENT PAYMENTS(g)													
	327,213	352,205	410,219	440,678	474,629	506,055	569,593	778,271	789,374	912,808	1,183,667	1,849,842	n.a.
TOTAL AUSTRALIAN GOVERNMENT PAYMENTS AND LOAN COUNCIL BORROWINGS													
General Purpose(h) ..	368,548	380,007	407,151	448,434	480,157	519,453	573,273	697,485	781,727	849,299	863,062	1,090,472	1,391,471
Specific Purpose ..	98,685	121,668	155,218	155,884	166,712	168,672	190,910	229,686	221,667	296,794	503,683	986,366	n.a.
Total ..	467,233	501,675	562,369	604,318	646,869	688,125	764,183	927,171	1,003,394	1,146,093	1,366,745	2,076,838	n.a.

(a) Important qualifications attach to the 1975-76 estimates in some cases; see the relevant section of the text.

(b) Includes special advance of \$17.5 million. See Chapter II.

(c) Special advance. See Chapter II.

(d) Part of these grants was used for recurrent purposes and part for capital purposes. See 'Commonwealth Payments to or for the States 1967-68', Chapter IV.

(e) See Chapter III, under the heading 'Treatment of Loan Council Programs in this and other Budget Documents'.

(f) In addition the following grants were made from the Coal Industry Fund; 1962-63, \$604,000; 1964-65, \$559,000; 1965-66, \$493,000.

(g) Comprising general revenue assistance, additional assistance grants, specific purpose payments and the capital grants—that is, all amounts shown above with the exception of the Loan Council borrowing programs. See footnote (e).

(h) Comprising general revenue assistance, additional assistance grants, Loan Council borrowings and capital grants. See footnote (e).

**TABLE 174—VICTORIA—AUSTRALIAN GOVERNMENT PAYMENTS AND
LOAN COUNCIL BORROWINGS, 1963-64 TO 1975-76**

'\$000

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)(a)
GENERAL REVENUE ASSISTANCE													
Financial Assistance Grants	159,482	171,750	191,922	208,790	228,254	250,563	280,008	351,024	348,464	396,087	437,604	548,405	732,900
Special Revenue Assistance	..	..	..	..	4,837	2,999	(b)13,635	10,560	13,621	..	6,020	13,861	..
Total	159,482	171,750	191,922	208,790	233,091	253,562	293,643	361,584	362,085	396,087	443,624	562,266	732,900
ADDITIONAL ASSISTANCE GRANTS(c)													
Total	10,280	..	..	..	..	..	..	..	..	..	..	..	..
GENERAL PURPOSE CAPITAL FUNDS(d)													
State Government Loan Council Borrowing Programs	112,270	120,954	123,206	132,520	139,700	146,620	157,870	121,670	171,670	187,115	149,738	184,809	217,744
Capital Grants .. ..	..	..	..	..	..	..	..	51,020	55,890	63,405	70,789	87,370	108,871
Total	112,270	120,954	123,206	132,520	139,700	146,620	157,870	172,690	227,560	250,520	220,527	272,179	326,615
SPECIFIC PURPOSE PAYMENTS—RECURRENT PURPOSES													
Payments Under Financial Agreement—													
Interest on State Debt ..	4,254	4,254	4,254	2,254	4,254	4,254	4,254	4,254	4,254	4,254	4,254	4,254	4,254
Sinking Fund on State Debt	3,700	3,937	4,225	4,524	4,885	5,189	5,600	5,926	6,378	6,809	7,195	7,525	7,500
Debt Charges Assistance	..	..	..	..	..	..	..	2,783	5,566	8,348	11,131	13,914	..
State Emergency Services ..	..	..	..	..	..	..	..	..	..	..	..	..	196
Universities	4,916	7,098	8,071	9,211	10,991	12,108	13,960	16,238	18,586	21,896	53,468	99,798	n.a.
Colleges of Advanced Education	..	..	..	1,302	2,788	3,195	4,837	6,191	7,341	10,443	46,711	86,119	99,058
Technical and Further Education	..	..	..	..	..	..	..	..	..	..	..	..	..
Schools .. ..	..	..	..	..	..	..	3,952	7,832	9,655	13,337	1,772	6,794	10,245
Pre-schools and Child Care	..	..	..	..	..	..	..	..	..	..	29,125	72,113	93,506
Child Migrant Education ..	..	..	..	..	..	..	..	86	667	1,158	1,226	6,660	n.a.
Educational Research .. ..	..	..	..	..	..	..	..	32	81	87	2,732	4,482	3,688
Medibank—Public Hospital	..	..	..	..	..	..	..	..	..	..	142	187	240
Running Costs .. ..	..	..	..	..	..	..	..	..	..	..	..	..	200,000
Community Health .. ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Tuberculosis Control	2,853	2,775	3,084	3,373	3,395	3,382	3,278	3,143	3,289	3,322	1,462	2,883	7,638
School Dental Scheme .. ..	..	..	..	..	..	..	..	..	..	..	3,628	4,128	3,065
Health Education .. ..	..	..	..	..	..	..	..	68	113	100	550	916	1,235
Home Dialysis Scheme .. ..	..	..	..	..	..	..	..	..	..	..	125	174	151
Blood Transfusion Services	121	129	144	276	176	193	225	251	269	367	..	140	570
Control of Arbocephalitis	..	..	..	..	..	..	..	..	..	..	506	642	798
Health Planning Agencies	..	..	..	..	..	..	..	..	..	..	..	120	..
Housekeeper Services	8	8	8	8	8	8	..	..	..	..	..	52	15
Home Care Services .. ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Senior Citizens Centres ..	..	..	..	..	..	..	..	..	137	390	370	441	866
Paramedical Services .. ..	..	..	..	..	..	..	..	..	..	16	36	51	72
Assistance for Deserted Wives .. ..	..	..	..	..	..	..	..	..	..	61	131	242	220
Employment Grants .. ..	..	..	..	..	..	..	101	1,112	1,970	2,861	1,574	1,256	1,467
Regional Employment Development Scheme	..	..	..	..	..	..	..	..	6,075	25,670	2,647	11,200	8,200
Social Policy Planning Units	..	..	..	..	..	..	..	..	..	..	..	..	..
Aboriginal Advancement ..	..	..	..	..	..	22	69	81	..	..	20	4,292	9,600
Housing .. ..	..	..	..	..	..	..	..	..	..	..	331	20	20
Area Improvement Program	..	..	..	..	..	..	..	..	116	331	358	494	1,136
Sewerage .. ..	..	..	..	..	..	..	..	..	1,005	1,679	1,679	1,679	1,679
Local Government (Grants Commission) .. ..	..	..	..	..	..	..	..	..	..	..	92	268	..
Regional Organisations Assistance	..	..	..	..	..	..	..	..	..	..	..	243	n.a.
Leisure and Recreation ..	..	..	..	..	..	..	..	..	..	..	..	14,630	20,242
Fisheries Development ..	..	..	..	..	..	..	..	..	..	..	..	76	n.a.
Bovine Brucellosis and T.B. eradication .. ..	..	..	..	..	..	..	..	..	..	..	20	29	121
Agricultural Extension Services	..	..	..	..	..	..	37	577	700	1,150	1,681	2,064	2,564
Minor Agricultural Research	298	310	298	508	667	986	1,027	1,194	1,364	1,490	1,601	1,877	2,019
Apple Export Assistance ..	14	11	..	..	..	..	13	2	16	19	23	22	61
Locust Control .. ..	..	..	..	..	..	..	..	..	..	..	..	..	72
Apple, Pear and Canning Fruit Industries .. ..	..	..	..	..	..	..	..	..	..	..	..	44	..
Adjustment Assistance to Canneries .. ..	..	..	..	..	..	..	..	..	..	..	50	..	..
Tobacco Extension Services	16	..	..	..	..	..	..	..	..	..	1,117	..	..
Coal Mining Industry Long Service Leave .. ..	..	1	2	1	..	..	..	..	..	..	..	..	..
Apprenticeship Training ..	..	..	..	..	..	..	..	..	..	72	92	227	1,046
Legal Aid .. ..	..	..	..	..	..	..	..	..	..	..	557	100	..
Road Safety Practices	20	20	20	23	23	23	23	30	30	30	30	30	30
Research Grants .. ..	..	..	331	607	770	675	864	954	1,177	1,620	1,540	1,821	1,524
Natural Disaster Relief ..	..	20	40	..	5,291	6,000	277	43	..	40	22	284	..
Total Specific Purpose Recurrent Payments	16,200	18,563	20,477	24,087	33,248	36,035	38,603	51,378	69,280	106,211	177,755	352,291	n.a.

TABLE 174—VICTORIA—AUSTRALIAN GOVERNMENT PAYMENTS AND
LOAN COUNCIL BORROWINGS, 1963-64 TO 1975-76—(continued)

\$'000

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)(a)
SPECIFIC PURPOSE PAYMENTS—CAPITAL PURPOSES													
Housing for Servicemen ..	1,128	7,360	2,441	940	766	1,538	1,233	3,548	1,165	2,019	2,691	4,193	6,350
Universities ..	5,009	3,288	4,425	5,250	6,173	7,072	4,495	5,990	6,669	7,327	14,128	17,330	n.a.
Colleges of Advanced Education ..	..	..	..	911	3,177	3,971	6,143	6,153	8,330	9,275	13,680	32,452	36,710
Technical and Further Education ..	..	2,826	336	3,050	5,091	1,550	3,000	3,912	1,500	3,350	5,500	6,585	7,400
Schools ..	..	2,799	2,799	2,799	3,553	3,555	6,262	6,745	7,587	9,486	18,011	58,653	49,854
Pre-schools and Child Care ..	..	..	..	..	..	..	..	..	..	..	288	2,637	n.a.
Child Migrant Education ..	..	..	..	..	..	..	..	..	..	..	550	709	974
Mental Health Institutions ..	..	711	1,567	1,192	1,382	1,200	947	798	828	831	237	150	n.a.
Hospitals ..	..	..	..	..	..	..	..	..	..	..	149	512	7,330
Nursing Homes ..	..	..	..	..	..	..	..	..	..	..	2,924	2,093	6,310
Community Health ..	..	..	..	..	..	..	..	..	..	..	794	10	2
Tuberculosis Control ..	50	308	169	110	10	175	327	151	119	16	..	3,181	2,888
School Dental Scheme ..	..	..	..	..	..	..	..	..	..	..	..	..	90
Blood Transfusion Services ..	..	..	..	..	..	..	120	4	130	765	6	15	..
Disposal of Ships Garbage ..	..	..	..	..	..	..	..	..	11	223	163	150	630
Senior Citizens Centres ..	..	..	..	..	..	..	200	1,929	2,243	1,478	650	1,343	3,889
Dwellings for Pensioners ..	..	..	..	..	..	203	278	286	284	439	590	1,636	1,011
Aboriginal Advancement ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Housing ..	26,500	27,000	31,126	32,020	33,000	34,500	35,500	36,500	..	1,500	53,500	98,159	98,159
Growth Centres ..	..	..	..	..	..	..	..	..	..	..	1,500	24,819	n.a.
Area Improvement ..	..	..	..	..	..	..	..	..	..	..	2,308	4,340	5,363
Land Acquisition ..	..	..	..	..	..	..	..	..	..	..	3,531	9,003	17,055
Urban Flood Mitigation ..	..	..	..	..	..	..	..	..	..	..	..	..	34
Air Quality Monitoring ..	..	..	..	..	..	..	..	..	..	..	9,300	38,587	35,400
Sewerage ..	..	..	..	..	..	..	..	..	..	..	..	150	n.a.
Nature Conservation ..	..	..	..	..	..	..	..	..	..	..	..	1,471	834
National Estate ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Leisure and Cultural Facilities ..	..	..	..	..	..	..	..	..	..	..	478	810	1,360
Roads ..	22,824	25,576	27,508	29,443	31,286	33,113	38,160	43,460	49,820	57,240	65,720	75,951	91,955
Road Safety Improvements ..	..	..	..	..	..	..	..	..	..	..	840	..	..
Urban Public Transport ..	..	..	..	..	..	..	..	..	..	..	..	18,867	12,196
Softwood Forestry ..	..	..	..	..	300	500	480	815	..	1,542	..	889	1,000
Dairy Adjustment Program ..	..	..	..	..	..	..	..	..	285	90	145	5,543	9,941
Beef Industry Assistance ..	..	..	..	..	..	..	..	..	..	..	..	..	2,000
Fruitgrowing Industry ..	..	..	..	..	..	..	..	..	..	100	430	71	100
Canned Fruit Industry ..	..	..	..	..	..	..	..	4,200	..	849	..	..	..
Rural Reconstruction ..	..	..	..	..	..	..	..	..	8,500	13,570	7,600	6,634	6,700
King River Dam ..	..	..	..	..	..	15	1,385	2,000	212	36	15	20	17
Soil Conservation ..	..	..	..	..	..	..	..	..	..	..	..	129	531
Dartmouth Dam ..	..	..	..	..	..	..	..	..	..	675	950	2,500	4,000
Water Resources Investigation ..	..	90	80	77	131	159	163	420	422	453	762	850	891
Salinity Reduction ..	..	..	..	..	600	800	170	25	22	33	7	11	53
Millewa Pipeline ..	..	..	..	..	..	..	..	..	..	600	800	600	..
Tourism Development ..	..	..	..	..	..	..	..	..	..	..	50	236	589
Migrant Centres ..	14	2	..	..	..	..	..	..	..	..	4	..	..
Natural Disaster Relief ..	..	..	..	..	2,709	3,000	93	..	..	..	..	9,523	300
Total Specific Purpose Capital Payments ..	55,525	69,960	70,451	75,792	88,178	91,351	98,956	116,936	88,127	112,046	208,964	437,442	n.a.
TOTAL AUSTRALIAN GOVERNMENT PAYMENTS(e)													
	241,487	260,273	282,850	308,669	354,517	380,948	431,202	580,918	575,382	677,749	901,132	1,439,369	n.a.
TOTAL AUSTRALIAN GOVERNMENT PAYMENTS AND LOAN COUNCIL BORROWINGS PROGRAMS													
General Purpose(f) ..	282,032	292,704	315,128	341,310	372,791	400,182	451,513	534,274	589,645	646,607	664,151	834,445	1,059,515
Specific Purpose ..	71,725	88,523	90,928	99,879	121,426	127,386	137,559	168,314	157,407	218,257	386,719	789,733	n.a.
Total ..	353,757	381,227	406,056	441,189	494,217	527,568	589,072	702,588	747,052	864,864	1,050,870	1,624,178	n.a.

(a) Important qualifications attach to the 1975-76 estimates in some cases; see the relevant section of the text.

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

(c) Part of these grants was used for recurrent purposes and part for capital purposes. See 'Commonwealth Payments to or for the States 1967-68, Chapter IV.

(d) See Chapter III, under the heading 'Treatment of Loan Council Programs in this and other Budget Documents'.

(e) Comprising general revenue assistance, additional assistance grants, specific purpose payments and the capital grants—that is, all amounts shown above with the exception of the Loan Council borrowing programs. See footnote (d).

(f) Comprising general revenue assistance, additional assistance grants, Loan Council borrowings and capital grants. See footnote (d).

**TABLE 175—QUEENSLAND—AUSTRALIAN GOVERNMENT PAYMENTS AND
LOAN COUNCIL BORROWINGS, 1963-64 TO 1975-76**

\\$'000

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)(a)
GENERAL REVENUE ASSISTANCE													
Financial Assistance Grants	94,821	101,111	113,356	125,514	139,601	155,963	176,522	216,672	231,603	271,946	318,245	414,446	557,900
Special Grants	..	..	..	2,750	2,347	1,867	2,182	6,603	9,000	10,000	10,000	24,750	36,300
Special Revenue Assistance	..	..	..	..	..	..	..	..	8,606	..	4,228	10,475	..
Total	94,821	101,111	113,356	128,264	141,948	157,830	178,704	223,275	249,209	281,946	332,472	449,671	594,200
ADDITIONAL ASSISTANCE GRANTS(b)													
Total	4,800	..	..	..	..	..	..	..	..	..	..	..	..
GENERAL PURPOSE CAPITAL FUNDS(c)													
State Government Loan	60,200	66,752	68,016	72,510	76,560	80,540	85,980	67,910	85,090	92,752	78,236	107,455	114,919
Council Borrowing Programs	..	..	..	..	..	..	..	25,290	27,710	31,429	36,987	46,112	57,459
Capital Grants	..	..	..	..	..	..	..	..	..	..	..	..	..
Total	60,200	66,752	68,016	72,510	76,560	80,540	85,980	93,200	112,800	124,181	115,223	153,567	172,378
SPECIFIC PURPOSE PAYMENTS—RECURRENT PURPOSES													
Payments Under Financial Agreement—													
Interest on State Debt	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 Debt	1,968	2,109	2,272	2,439	2,619	2,790	3,039	3,195	3,431	3,636	3,844	4,012	3,900
Debt Charges Assistance	..	..	..	..	..	..	..	1,525	3,051	4,576	6,102	7,627	..
State Emergency Services	..	..	..	..	..	..	..	..	..	..	..	114	235
Universities	2,621	3,512	3,863	4,276	5,146	5,549	6,508	7,517	8,412	10,664	26,169	49,876	n.a.
Colleges of Advanced Education	..	..	..	197	409	633	1,300	1,567	1,860	2,906	14,438	27,230	31,444
Technical and Further Education	..	..	..	..	..	..	1,830	3,640	4,472	6,250	715	2,262	4,675
Schools	..	..	..	..	..	..	..	..	..	..	13,578	35,604	47,346
Pre-schools and Child Care	..	..	..	..	..	..	..	7	57	81	98	436	n.a.
Child Migrant Education	..	..	..	..	..	..	..	..	..	..	..	1,734	..
Educational Research	..	..	..	..	..	..	..	18	59	60	165	255	178
Medibank—Public Hospital	..	..	..	..	..	..	..	..	..	..	109	219	170
Running Costs	..	..	..	..	..	..	..	..	..	..	..	..	90,000
Community Health	..	..	..	..	..	..	..	..	..	..	734	1,891	4,731
Tuberculosis Control	2,123	2,042	2,074	2,197	2,424	2,353	1,764	1,741	1,558	1,932	2,247	2,979	2,231
School Dental Scheme	..	..	..	..	..	..	..	..	..	..	278	629	1,155
Health Education	..	..	..	..	..	..	..	39	47	75	155	118	130
Home Dialysis Scheme	..	..	..	..	..	..	..	..	..	..	..	30	570
Blood Transfusion Services	82	90	103	215	119	139	154	170	192	212	304	416	457
Health Planning Agencies	..	..	..	..	..	..	..	..	..	..	65	53	87
Home Care Services	..	..	..	..	..	..	31	80	158	248	312	1,245	612
Senior Citizens Centres	..	..	..	..	..	..	..	..	1	3	18	11	19
Assistance for Deserted Wives	..	..	..	..	..	158	426	645	1,002	1,736	1,346	1,179	1,377
Employment Grants	..	..	..	..	..	..	..	..	5,400	16,400	2,353	5,600	5,000
Regional Employment Development Scheme	..	..	..	..	..	..	..	..	..	..	..	1,916	4,300
Social Policy Planning Units	..	..	..	..	..	..	..	..	..	..	20	20	20
Aboriginal Advancement	..	..	..	..	..	..	..	..	..	..	..	1,701	6,881
Housing	45	130	213	142	44	84	246	216	371	2,269	975	1,701	6,881
Area Improvement	..	..	..	..	..	60	74	131	467	669	651	766	1,010
Sewerage	..	..	..	..	..	..	..	..	..	..	..	159	..
Local Government (Grants Commission)	..	..	..	..	..	..	..	..	..	..	..	60	n.a.
Regional Organisations Assistance	..	..	..	..	..	..	..	..	..	..	..	8,954	13,808
Leisure and Recreation	..	..	..	..	..	..	..	..	..	..	..	..	n.a.
Bovine Brucellosis and T.B. Eradication	..	..	..	..	..	..	..	..	..	..	20	6	97
Agricultural Extension Services	294	294	294	545	664	900	966	1,153	458	885	470	1,661	2,121
Minor Agricultural Research	25	12	19	15	23	31	32	30	42	37	12	14	13
Apples Export Assistance	..	..	..	..	..	..	..	..	..	..	..	8	14
Locust Control	..	..	..	..	..	..	..	..	..	..	..	349	21
Tobacco Extension Services	26	..	..	..	..	..	..	..	..	..	..	..	..
Coal Mining Industry Long Service Leave	173	205	184	157	278	192	164	136	185	316	410	429	480
Apprenticeship Training	..	..	..	..	..	..	..	..	..	25	52	212	449
Burdekin River Regional Study	..	..	..	..	..	..	..	..	..	..	..	..	..
Legal Aid	..	..	..	..	..	..	..	..	..	..	153	34	..
Road Safety Practices	18	19	18	21	21	21	21	28	28	28	296	160	..
Research Grants	..	..	105	205	365	373	365	395	511	641	701	853	702
Natural Disaster Relief	..	..	4,174	3,197	2,483	1,210	8,940	8,921	1,188	32	3,990	84	1
Total Specific Purpose Recurrent Payments	9,567	10,605	15,511	15,798	16,787	16,685	28,059	33,476	36,417	57,270	84,863	164,273	n.a.

**TABLE 175—QUEENSLAND—AUSTRALIAN GOVERNMENT PAYMENTS AND
LOAN COUNCIL BORROWINGS, 1963-64 to 1975-76—continued**

\\$'000

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)(a)
SPECIFIC PURPOSE PAYMENTS—CAPITAL PURPOSES													
Housing for Servicemen ..	1,421	1,631	453	4,680	3,567	2,896	4,109	1,298	..	400	200	5,200	13,321
Universities ..	1,151	1,784	1,836	1,641	1,826	1,744	1,916	3,124	2,597	2,545	5,624	9,821	n.a.
Colleges of Advanced Education ..	..	..	..	1,137	1,652	3,080	2,291	1,878	3,776	3,806	5,078	13,438	8,920
Technical and Further Education ..	..	1,449	1,449	1,448	1,448	1,456	1,456	1,457	1,238	1,910	1,945	4,073	3,100
Schools ..	..	1,435	1,435	1,435	1,821	1,812	3,634	3,633	3,483	4,366	8,990	27,969	21,784
Pre-schools and Child Care ..	..	..	..	..	..	..	..	..	..	..	1,003	3,806	n.a.
Child Migrant Education ..	..	..	..	..	..	..	..	..	..	..	50	106	..
Mental Health Institutions ..	108	225	146	288	196	323	602	464	1,169	967	247	5,084	n.a.
Hospitals ..	..	..	..	..	..	..	..	..	..	..	250	148	925
Nursing Homes ..	..	..	..	..	..	..	..	..	332	240	145	148	4,148
Community Health ..	..	..	..	..	..	..	..	..	..	..	1,468	1,282	68
Tuberculosis Control ..	283	223	110	28	135	39	6	55	6	27	22	56	4,826
School Dental Scheme ..	..	..	..	..	..	..	..	..	..	..	192	2,352	29
Blood Transfusion Services ..	..	..	..	..	..	..	..	28	55	..	..	18	..
Disposal of Ships Garbage ..	..	..	..	..	..	..	308	17	91	184	55	153	1,300
Senior Citizens Centres ..	..	..	..	..	..	..	..	109	661	1,250	1,331	1,314	1,666
Dwellings for pensioners ..	..	..	..	..	..	..	..	2,322	2,667	5,431	8,982	8,661	4,190
Aboriginal Advancement ..	..	..	..	..	..	1,366	2,159	2,322	..	350	17,400	43,810	31,010
Housing ..	8,600	6,600	8,497	9,060	9,060	9,250	9,880	10,500	..	..	..	..	n.a.
Growth Centres ..	..	..	..	..	..	..	..	..	..	..	..	2,341	3,250
Area Improvement ..	..	..	..	..	..	..	..	..	..	..	..	..	2,650
Urban Flood Mitigation ..	..	..	..	..	..	..	..	..	..	..	..	..	33
Air Quality Monitoring ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Sewerage ..	..	..	..	..	..	..	..	..	..	..	2,007	12,854	14,489
Community Facilities—	..	..	..	..	..	..	..	..	..	..	60	301	67
Townsville ..	..	..	..	..	..	..	..	..	..	..	..	..	n.a.
Nature Conservation ..	..	..	..	..	..	..	..	..	..	..	..	33	791
National Estate ..	..	..	..	..	..	..	..	..	..	..	..	238	766
Leisure Facilities ..	..	..	..	..	..	..	..	..	..	..	..	..	345
Roads ..	21,070	23,669	25,538	27,415	29,266	31,098	34,740	39,560	45,360	52,110	59,830	75,372	90,659
Roads—Safety Improvements ..	..	..	..	..	..	..	..	..	..	..	..	435	..
Beef Cattle Roads ..	4,095	4,600	4,000	4,505	4,000	4,550	5,100	7,685	8,200	5,500	4,187	279	..
Barkly Highway ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Maintenance ..	14	14	14	14	14	14	14	14	14	14	14	..	..
Railway Projects ..	12,100	3,016	..	..	578	..	..	..	..	..	..	2,126	11,673
Urban Public Transport ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Coal Loading Facilities ..	160	240	..	..	..	..	..	..	..	..	..	..	..
Weipa Development ..	..	..	2,717	553	..	..	..	..	..	..	..	..	..
Julius Dam ..	..	..	..	..	..	..	..	..	..	..	..	2,000	1,350
Ross River Dam ..	..	..	..	..	..	..	..	..	..	1,500	..	..	..
Gladstone Power Station ..	..	..	..	..	..	..	..	..	..	14,000	26,607	32,449	37,000
Softwood Forestry ..	..	..	..	201	481	954	925	1,144	196	2,160	1,535	2,340	2,400
Karumba Development ..	..	..	..	..	..	..	..	..	..	..	..	..	1,700
Dairy Adjustment Program ..	..	..	..	..	..	..	..	2,770	5,500	2,000	656	1,008	2,969
Beef Industry Assistance ..	..	..	..	..	..	..	..	..	..	..	..	..	10,000
Fruit Growing Industry ..	..	..	..	..	..	..	..	..	..	10	..	119	25
Sugar Industry ..	..	..	..	..	23,328	..	..	..	..	..	..	..	..
Rural Reconstruction ..	..	..	..	..	..	..	..	..	10,600	7,300	7,367	3,716	5,900
Bundaberg Irrigation Works ..	..	..	..	..	..	..	..	1,900	3,250	4,425	3,114	2,000	2,510
Soil Conservation ..	..	..	..	..	..	..	..	..	..	..	..	..	860
Fairbairn Dam ..	..	..	..	..	700	2,500	3,122	4,785	5,530	1,988	622	315	..
Glenlyon Dam ..	..	..	..	..	..	..	..	..	..	..	..	439	..
Lower Dawson River Weirs ..	..	..	..	..	..	..	..	..	..	..	95	455	..
Eton (Mackay) Irrigation ..	..	..	..	..	..	..	..	..	..	..	..	..	..
System ..	..	..	..	..	..	..	..	..	..	..	387	1,799	2,800
Clare Weir ..	..	..	..	..	..	..	..	..	..	..	..	100	700
Water Resources ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Investigation ..	..	256	313	366	414	467	522	516	544	563	770	878	932
Flood Mitigation ..	..	..	..	..	..	..	..	..	..	..	..	120	120
Brigalow Lands Development ..	1,641	1,523	1,812	2,509	2,004	1,179	1,253	403	1,084	698	139	651	1,796
Tourism Development ..	..	..	..	..	..	..	..	..	..	..	..	188	281
Migrant Centres ..	..	..	..	..	..	..	..	..	123	14	18	163	..
Natural Disaster Relief ..	..	..	3,326	2,316	1,123	805	4,953	5,444	5,701	74	21,869	26,750	2,499
Total Specific Purpose Capital Payments ..	50,643	46,665	51,646	57,596	81,613	63,533	76,990	89,106	102,177	113,744	185,206	297,377	n.a.
TOTAL AUSTRALIAN GOVERNMENT PAYMENTS(d)													
	159,831	158,381	180,513	201,658	240,348	238,048	283,753	371,147	415,513	484,389	639,528	957,433	n.a.
TOTAL AUSTRALIAN GOVERNMENT PAYMENTS AND LOAN COUNCIL BORROWING PROGRAMS													
General Purpose(e) ..	159,821	167,863	181,372	200,774	218,508	238,370	264,684	316,475	362,009	406,127	447,695	603,238	766,578
Specific Purpose ..	60,210	57,270	67,157	73,394	98,400	80,218	105,049	122,582	138,594	171,014	270,069	461,650	n.a.
Total ..	220,031	225,133	248,529	274,168	316,908	318,588	369,733	439,057	500,603	577,141	717,764	1,064,888	n.a.

(a) Important qualifications attach to the 1975-76 estimates in some cases; see the relevant section of the text.

(b) Part of these grants was used for recurrent purposes and part for capital purposes. See 'Commonwealth Payments to or for the States 1967-68', Chapter IV.

(c) See Chapter III, under the heading 'Treatment of Loan Council Programs in this and other Budget Documents'.

(d) Comprising general revenue assistance, additional assistance grants, specific purpose payments, and the capital grants—that is, all amounts shown above with the exception of the Loan Council borrowing programs. See footnote (c).

(e) Comprising general revenue assistance, additional assistance grants, Loan Council borrowings and capital grants. See footnote (c).

**TABLE 176—SOUTH AUSTRALIA—AUSTRALIAN GOVERNMENT PAYMENTS
AND LOAN COUNCIL BORROWINGS, 1963-64 to 1975-76**
\$'000

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)(a)
GENERAL REVENUE ASSISTANCE													
Financial Assistance Grants	72,729	78,155	86,467	94,346	102,738	112,768	125,706	151,602	158,491	181,430	204,918	261,737	376,300
Special Grants .. ..	..	..	..	..	..	..	..	5,000	7,000	21,000	19,900	39,934	2,500
Special Revenue Assistance	..	..	..	..	1,727	3,350	1,690	4,650	5,929	..	2,764	16,616	..
Total	72,729	78,155	86,467	94,346	104,465	116,117	127,396	161,252	171,420	202,430	227,582	318,287	378,800
ADDITIONAL ASSISTANCE GRANTS(b)													
Total	5,524	..	..	..	..	..	..	..	..	..	..	..	..
GENERAL PURPOSE CAPITAL FUNDS(c)													
State Government Loan Council Borrowing Pro- grams	55,184	59,020	61,892	67,680	71,820	77,840	82,670	60,000	92,260	100,554	79,587	99,261	112,950
Capital Grants .. ..	..	..	..	..	..	..	..	27,420	30,030	34,074	37,625	46,927	56,475
Total	55,184	59,020	61,892	67,680	71,820	77,840	82,670	87,420	122,290	134,628	117,212	146,188	169,425
SPECIFIC PURPOSE PAYMENTS—RECURRENT PURPOSES													
Payments Under Financial Agreement— Interest on State Debt ..	1,408	1,408	1,408	1,408	1,408	1,408	1,408	1,408	1,408	1,408	(d)1,290	(d)1,525	1,408
Sinking Fund on State Debt	2,077	2,193	2,335	2,482	2,673	2,835	3,053	3,226	3,458	3,689	3,896	4,072	4,000
Debt Charges Assistance ..	..	..	..	..	..	..	..	1,496	2,991	4,487	5,982	7,478	..
State Emergency Services ..	2,367	3,266	3,420	3,668	4,107	4,351	4,964	5,811	6,676	7,898	19,808	38,067	n.a.
Universities .. ..	..	..	..	..	..	..	..	..	..	..	..	..	15
Colleges of Advanced Education .. ..	..	..	..	275	554	623	1,361	1,420	1,651	2,638	13,518	24,531	26,724
Technical and Further Edu- cation .. ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Schools .. ..	..	..	..	..	..	..	759	1,526	1,889	2,529	889	2,639	3,780
Pre-schools and Child Care ..	..	..	..	..	..	..	..	..	..	..	6,464	19,017	26,920
Child Migrant Education ..	..	..	..	..	..	..	..	87	169	326	690	3,233	n.a.
Educational Research .. ..	..	..	..	..	..	..	..	10	8	13	18	60	633
Medibank—Public Hospital Running costs .. ..	..	..	..	..	..	..	..	..	..	..	..	..	50
Community Health .. ..	..	..	..	..	..	..	..	..	..	..	..	..	68,000
Tuberculosis Control	736	666	690	708	651	602	586	582	758	811	988	1,114	2,742
School Dental Scheme .. ..	..	..	..	..	..	..	..	..	..	..	1,066	1,700	581
Health Education .. ..	..	..	..	..	..	..	..	26	34	52	76	88	2,085
Home Dialysis Scheme .. ..	..	..	..	..	..	..	..	..	..	..	..	30	67
Blood Transfusion Services ..	44	47	61	123	76	115	83	124	139	160	252	365	228
Control of Arboencephalitis ..	..	..	..	..	..	..	..	..	..	..	..	15	400
Health Planning Agencies ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Home Care Services .. ..	..	..	..	..	..	..	..	..	9	41	169	563	68
Senior Citizens Centres .. ..	..	..	..	..	..	..	..	3	9	9	2	16	616
Paramedical Services .. ..	..	..	..	..	..	..	..	..	4	14	30	112	24
Assistance for Deserted Wives ..	..	..	..	..	25	139	210	294	464	776	1,534	1,045	120
Employment Grants .. ..	..	..	..	..	..	..	..	..	..	..	..	..	1,222
Regional Employment De- velopment Scheme .. ..	..	..	..	..	..	..	..	..	1,620	9,660	941	3,600	2,400
Social Policy Planning Units ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Aboriginal Advancement .. ..	..	..	..	..	..	39	17	161	270	694	20	1,113	2,500
Housing .. ..	..	..	..	..	..	..	..	..	623	1,093	1,003	1,501	59
Area Improvement .. ..	..	..	..	..	..	..	..	..	..	..	1,093	1,093	2,237
Sewerage .. ..	..	..	..	..	..	..	..	..	..	..	..	44	1,093
Local Government (Grants Commission) .. ..	..	..	..	..	..	..	..	..	..	..	..	256	n.a.
Regional Organisations .. ..	..	..	..	..	..	..	..	..	..	..	..	4,774	6,785
Assistance .. ..	..	..	..	..	..	..	..	..	..	..	..	66	n.a.
Leisure and Recreation .. ..	..	..	..	..	..	..	..	..	..	..	..	105	97
Fisheries Development .. ..	..	..	..	..	..	..	..	..	..	..	..	40	..
Bovine Brucellosis and T.B. Eradication .. ..	..	..	..	..	..	..	36	113	177	235	551	350	396
Agricultural Extension Services	104	104	104	217	368	391	460	538	651	690	760	856	941
Minor Agricultural Research ..	..	1	..	3	..	11	15	15	11	13	17	16	21
Apple Export Assistance .. ..	..	..	..	..	..	..	..	..	..	..	..	..	14
Locust Control .. ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Apple, Pear and Canning Fruit Industries .. ..	..	..	..	..	..	..	..	..	..	..	..	4	..
Adjustment Assistance to Canneries .. ..	..	..	..	..	..	..	..	..	..	..	15	..	..
Apprenticeship Training .. ..	..	..	..	..	..	..	..	..	..	..	247	..	..
Legal Aid .. ..	..	..	..	..	..	..	..	..	..	19	44	93	333
Road Safety Practices	13	12	13	15	15	15	15	19	19	19	187	273	..
Research Grants .. ..	..	..	223	352	560	462	551	759	577	851	955	1,369	19
Natural Disaster Relief .. ..	..	20	..	..	725	1,026	..	..	..	..	..	..	1,050
Total Specific Purpose Recurrent Payments	6,749	7,717	8,254	9,251	11,162	12,017	13,462	17,618	23,615	38,125	63,903	122,881	n.a.

TABLE 176—SOUTH AUSTRALIA—AUSTRALIAN GOVERNMENT PAYMENTS AND
LOAN COUNCIL BORROWINGS, 1963-64 TO 1975-76—*continued*

\$'000

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)(a)
SPECIFIC PURPOSE PAYMENTS—CAPITAL PURPOSES													
Housing for Servicemen ..										43		130	1,260
Universities ..	1,284	1,814	2,597	1,407	1,664	1,076	1,506	2,369	1,818	2,697	7,050	7,320	n.a.
Colleges of Advanced Education ..				616	1,215	1,995	3,062	2,973	2,872	3,639	6,196	12,579	6,103
Technical and Further Education ..		933	350	750	1,700	870	807	1,191	1,130	1,130	2,063	2,800	1,200
Schools ..		924	859	990	1,173	1,415	1,830	2,545	2,629	3,805	9,430	19,159	11,135
Pre-schools and Child Care ..											514	2,773	n.a.
Child Migrant Education ..											165	92	319
Mental Health Institutions ..	173	265	242	193	64	433	1,299	909	246	453	344	3,236	n.a.
Hospitals ..											441		
Nursing Homes ..										465	1,195	1,597	1,293
Community Health ..											395	31	
Tuberculosis Control ..	30	13	14	5	31	60	69	108	155	243	895	2,247	2,230
School Dental Scheme ..													5
Blood Transfusion Services ..													
Disposal of Ships Garbage ..					38	10							
Senior Citizens Centres ..							16	32	87	132	55	363	230
Dwellings for Pensioners ..							160	311	1,002	380	146	193	1,300
Aboriginal Advancement ..						311	518	499	530	1,046	3,696	4,058	3,188
Housing ..	19,400	20,500	21,057	20,750	21,000	19,500	21,250	25,000		500	32,750	56,360	56,360
Growth Centres ..											4,414	5,820	n.a.
Area Improvement ..												383	823
Land Acquisition ..											8,000	19,553	19,699
Air Quality Monitoring ..													33
Sewerage ..											1,598	5,750	5,702
National Estate ..											45	981	833
Leisure Facilities ..											160	620	1,075
Roads ..	13,337	14,903	16,024	17,222	18,384	19,433	21,000	23,500	25,500	28,000	31,000	31,888	41,855
Road Safety Improvements ..											300		
Beef Cattle Roads ..								300	350	350			
Eyre Highway Maintenance ..	25	25	25	25	25	25	25	25	25	25	25	25	
Eyre Highway Sealing ..										625	625		
Railway Projects ..	2,975	4,476	6,431	6,929	6,628	8,878	12,212	2,048	1,024	556	319	909	
Urban Public Transport ..												6,215	7,891
Railways—Intersystem Advances ..						260	107	82			94	211	
Natural Gas Pipeline ..						11,000		2,250	1,750				
Urban Water Supply ..												4,400	9,800
Softwood Forestry ..				90	205	230	350	300	93	400	252	341	390
Dairy Adjustment Program ..									210	50		500	1,685
Beef Industry Assistance ..										25	57	105	1,500
Fruitgrowing Industry ..										383			100
Canned Fruit Industry ..								1,290					
Rural Reconstruction ..									3,000	6,100	4,300	2,000	3,800
Soil Conservation ..												25	85
Dartmouth Dam ..										675	950	2,500	4,000
Water Resources Investigation ..		72	53	63	125	150	142	187	158	161	371	413	468
Lock-Kimba Pipeline ..										420	540	835	305
Tailm Bend Pipeline ..							1,500	1,500	1,500	756	14	12	80
Tourism Development ..										50		172	477
Migrant Centres ..				2	2			75	12			17	
Natural Disaster Relief ..					275	274						114	100
Total Specific Purpose—Capital Payments ..	37,224	43,925	47,652	49,042	52,529	65,660	66,006	67,519	44,173	53,109	118,399	196,702	n.a.

TOTAL AUSTRALIAN GOVERNMENT PAYMENTS(e)

	122,226	129,797	142,373	152,639	168,156	193,794	206,864	273,809	269,238	327,738	447,509	684,797	n.a.
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TOTAL AUSTRALIAN GOVERNMENT PAYMENTS AND LOAN COUNCIL BORROWING PROGRAMS

General Purpose(f) ..	133,437	137,175	148,359	162,026	176,285	193,957	210,066	248,672	293,710	337,058	344,794	464,475	548,225
Specific Purpose ..	43,973	51,642	55,906	58,293	63,691	77,677	79,468	85,137	67,788	91,234	182,302	319,583	n.a.
Total ..	177,410	188,817	204,265	220,319	239,976	271,634	289,534	333,809	361,498	428,292	527,096	784,058	n.a.

(a) Important qualifications attach to the 1975-76 estimates in some cases; See the relevant section of the text.

(b) Part of these grants was used for recurrent purposes and part for capital purposes. See 'Commonwealth Payments to or for the States 1967-68', Chapter IV.

(c) See Chapter III, under the heading 'Treatment of Loan Council Programs in this and other Budget Documents'.

(d) See footnote (c) to Table 128.

(e) Comprising general revenue assistance, additional assistance grants, specific purpose payments, and the capital grants—that is, all amounts shown above with the exception of the Loan Council borrowing programs. See footnote (c).

(f) Comprising general revenue assistance, additional assistance grants, Loan Council borrowings and capital grants. See footnote (c).

**TABLE 177—WESTERN AUSTRALIA—AUSTRALIAN GOVERNMENT PAYMENTS AND
LOAN COUNCIL BORROWINGS, 1963-64 TO 1975-76**

\$'000

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)(a)
GENERAL REVENUE ASSISTANCE													
Financial Assistance													
Grants	65,597	70,498	78,474	86,396	96,152	123,796	138,835	163,313	170,960	196,369	222,388	279,830	375,600
Special Grants	12,144	17,120	24,038	19,406	15,518	582	1,296	1,545	5,030	6,014	2,855	7,073	..
Special Revenue Assistance	..	..	..	..	..	..	..	..	..	..	..	..	..
Total	77,741	87,618	102,512	105,802	111,670	125,674	140,380	168,343	176,974	196,369	225,243	286,903	375,600
ADDITIONAL ASSISTANCE GRANTS(b)													
Total	3,764	..	..	..	..	..	..	..	..	..	..	..	..
GENERAL PURPOSE CAPITAL FUNDS(c)													
State Government Loan													
Council Borrowing	44,006	46,968	47,902	51,070	53,230	54,810	59,290	48,400	62,840	68,503	54,587	68,068	80,197
Programs .. ..	..	..	..	..	..	..	..	18,680	20,470	23,213	25,806	32,179	40,099
Capital Grants .. ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Total	44,006	46,968	47,902	51,070	53,230	54,810	59,290	67,080	83,310	91,716	80,393	100,247	120,296
SPECIFIC PURPOSE PAYMENTS—RECURRENT PURPOSES													
Payments Under													
Financial Agreement—													
Interest on State Debt ..	947	947	947	947	947	947	947	947	947	947	947	947	947
Sinking Fund on													
State Debt	1,519	1,616	1,726	1,844	1,986	2,105	2,258	2,384	2,557	2,715	2,855	2,976	2,800
Debt Charges Assistance ..	..	..	..	..	..	..	..	1,106	2,211	3,317	4,422	5,528	..
State Emergency Services ..	..	..	..	..	..	..	..	..	..	..	..	..	74
Universities	1,595	2,060	2,152	2,306	2,652	2,833	3,281	3,900	4,594	5,683	14,610	27,978	n.a.
Colleges of													
Advanced Education ..	..	..	..	363	776	912	1,929	2,333	2,920	4,015	17,247	32,359	34,435
Technical and Further Edu-													
cation .. ..	..	..	..	..	..	..	862	1,682	2,064	2,903	974	2,168	3,282
Schools .. ..	..	..	..	..	..	..	..	..	..	..	6,389	17,184	25,703
Pre-schools and Child Care ..	..	..	..	..	..	..	..	..	..	..	385	2,316	n.a.
Child Migrant Education ..	..	..	..	..	..	..	16	62	150	138	157	229	236
Educational Research ..	..	..	..	..	..	..	..	8	7	17	26	28	55
Medibank—Public Hospital													
Running Costs .. ..	..	..	..	..	..	..	..	..	..	..	..	..	78,000
Community Health .. ..	..	..	..	..	..	..	..	..	..	..	548	697	1,884
Tuberculosis Control	778	773	734	589	844	674	856	835	884	797	785	992	706
School Dental Scheme .. ..	..	..	..	..	..	..	..	..	..	..	391	758	1,946
Health Education .. ..	..	..	..	..	..	..	..	38	43	49	99	106	84
Home Dialysis Scheme .. ..	..	..	..	..	..	..	..	..	..	..	..	30	228
Blood Transfusion Services ..	37	42	44	92	80	75	76	79	106	134	183	358	328
Health Planning Agencies ..	..	..	..	..	..	..	..	..	..	..	81	127	110
Housekeeper Services	2	1	1	2	2	2	..	..	..	..	..	..	..
Home Care Services .. ..	..	..	..	..	..	..	..	4	10	13	23	116	33
Senior Citizens Centres ..	..	..	..	..	..	..	..	..	..	5	15	15	15
Assistance for													
Deserted Wives .. ..	..	..	..	..	36	215	342	544	981	1,746	1,171	1,152	1,346
Employment Grants .. ..	..	..	..	..	..	..	..	..	2,024	8,901	882	3,400	2,000
Regional Employment De-													
velopment Scheme .. ..	..	..	..	..	..	..	..	..	..	..	..	608	1,300
Social Policy Planning Units ..	..	..	..	..	..	..	..	..	..	..	..	40	40
Aboriginal Advancement ..	..	..	..	..	..	..	30	140	223	1,377	2,634	7,096	7,497
Housing .. ..	..	..	..	..	..	..	..	..	457	771	771	771	771
Area Improvement .. ..	..	..	..	..	..	..	..	..	..	..	..	272	..
Sewerage .. ..	..	..	..	..	..	..	..	..	..	..	..	155	n.a.
Local Government (Grants													
Commission) .. ..	..	..	..	..	..	..	..	..	..	..	..	4,959	7,524
Regional Organisation Assist-													
ance .. ..	..	..	..	..	..	..	..	..	..	..	..	46	n.a.
Leisure and Recreation ..	..	..	..	..	..	..	..	..	..	..	33	10	97
Perth Underground Railway													
Study .. ..	..	..	..	..	..	..	..	..	..	..	188	89	..
Bovine Brucellosis and													
T.B. Eradication .. ..	..	..	..	..	..	..	64	119	192	380	343	498	617
Agricultural Extension													
Services	104	102	104	213	294	375	493	598	589	680	771	843	955
Minor Agricultural Research ..	..	..	..	..	..	..	..	..	14	..	..	..	..
Apple Export Assistance ..	..	..	..	..	..	..	..	..	..	..	..	516	260
Apple, Pear and Canning													
Fruit Industry .. ..	..	..	..	..	..	..	..	..	..	..	7	..	..
Coal Mining Industry Long													
Service Leave	55	64	43	37	33	68	79	93	103	90	139	161	170
Apprenticeship Training ..	..	..	..	..	..	..	..	..	..	11	44	65	434
Pilbara Feasibility Study ..	..	..	..	..	..	..	..	..	..	..	125	31	..
Legal Aid .. ..	..	..	..	..	..	..	..	..	..	..	166	164	..
Road Safety Practices	16	17	16	19	19	19	19	25	25	25	25	25	25
Research Grants .. ..	..	..	142	155	257	276	323	296	307	370	410	470	402
Natural Disaster Relief ..	..	..	..	..	..	50	42	..	..	..	..	..	..
Total Specific Purpose													
Recurrent Payments	5,053	5,622	5,909	6,567	7,926	8,551	11,617	15,193	21,408	35,084	57,866	116,283	n.a.

TABLE 177—WESTERN AUSTRALIA—AUSTRALIAN GOVERNMENT PAYMENTS AND
LOAN COUNCIL BORROWINGS, 1963-64 TO 1975-76—continued

\$'000

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)(a)
SPECIFIC PURPOSE PAYMENTS—CAPITAL PURPOSES													
Housing for Servicemen ..	252	292	245	308	1,241	894	873	1,533	324	161	191	784	959
Universities ..	1,161	940	901	1,160	567	734	2,048	384	1,571	2,531	4,581	7,714	n.a.
Colleges of Advanced Education ..	..	..	232	457	3,121	1,470	1,412	1,906	3,031	3,554	7,222	7,281	9,908
Technical and Further Education ..	..	714	269	551	1,323	437	957	804	747	1,166	1,311	587	3,100
Schools ..	..	707	502	899	912	1,089	1,517	1,700	2,296	3,017	6,810	15,789	11,335
Pre-schools and Child Care ..	..	..	..	..	..	..	..	..	..	..	166	1,911	n.a.
Child Migrant Education ..	..	..	..	..	..	..	..	..	..	..	100	89	..
Mental Health Institutions ..	332	447	338	260	148	375	241	395	454	219	187	695	n.a.
Hospitals ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Nursing Homes ..	..	..	..	..	..	..	..	337	44	..	..	..	..
Community Health ..	..	..	..	..	..	..	..	..	..	..	1,096	3,306	3,166
Tuberculosis Control ..	44	11	2	..	10	..	..	12	88	20	..	..	..
School Dental Scheme ..	..	..	..	..	..	..	..	..	..	..	661	1,309	2,858
Blood Transfusion Services ..	..	..	..	..	..	..	..	..	..	..	..	..	12
Disposal of Ships Garbage ..	..	..	..	..	..	..	..	..	104	10	25	52	..
Senior Citizens Centres ..	..	..	..	..	..	..	..	..	30	67	123	28	200
Dwellings for Pensioners ..	..	..	..	..	..	..	..	..	224	519	307	198	1,202
Aboriginal Advancement ..	..	..	..	..	..	825	1,225	1,540	2,277	5,509	8,457	3,874	6,110
Housing ..	6,800	7,200	8,601	9,170	10,000	11,500	11,500	12,500	..	400	13,000	37,440	33,440
Growth Centres ..	..	..	..	..	..	..	..	..	..	..	..	..	n.a.
Area Improvement Program ..	..	..	..	..	..	..	..	..	..	..	..	469	1,009
Land Acquisition ..	..	..	..	..	..	..	..	..	..	..	..	11,719	8,286
Air Quality Monitoring ..	..	..	..	..	..	..	..	..	..	..	..	..	33
Sewerage ..	..	..	..	..	..	..	..	..	..	..	3,800	15,450	12,400
Exmouth Township ..	..	380	750	1,952	417	..	59	584	12	28	..	..	..
National Estate ..	..	..	..	..	..	..	..	..	..	..	60	1,156	833
Leisure Facilities ..	..	..	..	..	..	..	..	..	..	..	219	1,728	700
Roads ..	20,526	23,007	24,739	26,676	28,597	30,537	32,940	36,270	39,250	43,910	48,030	50,449	62,461
Roads—Safety Improvements ..	..	..	..	..	..	..	..	..	..	..	255	..	..
Beef Cattle Roads ..	1,500	1,500	1,500	1,500	1,400	1,451	1,168	1,000	1,600	1,900	981	..	..
Eyre Highway Maintenance ..	25	25	25	25	25	25	25	25	25	25	25	..	..
Railway Projects ..	7,526	10,265	17,827	17,996	19,458	8,362	7,900	5,236	1,988	1,250	508	151	110
Urban Public Transport ..	..	..	..	..	..	..	..	..	..	..	..	2,829	1,137
Railways Intersystem ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Advances ..	..	..	..	..	2,690	700	203	-456	..	784	720	510	50
W.A.—Darwin Shipping ..	..	..	..	..	..	..	..	..	..	2,500	1,000	..	..
Northern Harbours ..	700	1,100	1,154	..	..	..	..	..	..	..	..	..	..
Derby Jetty ..	700	300	..	..	..	..	..	..	..	..	..	..	..
Softwood Forestry ..	..	..	..	..	450	500	859	424	56	1,020	416	685	747
Dairy Adjustment Program ..	..	..	..	..	..	..	..	352	478	277	70	635	1,609
Beef Industry Assistance ..	..	..	..	..	..	..	..	..	..	..	..	..	800
Fruit Growing Industry ..	..	..	..	..	..	..	..	..	..	..	18	32	25
Rural Reconstruction ..	..	..	..	..	..	..	..	..	6,500	8,130	5,300	3,631	5,000
Meat Industry ..	..	..	..	8	..	..	..	..	..	..	..	..	..
Ord River Project ..	1,466	1,468	1,112	..	100	5,100	5,850	5,847	4,760	748	1,443	348	50
Soil Conservation ..	..	..	..	..	..	..	..	..	..	..	..	..	210
W.A. Water Supply ..	..	..	1,250	1,250	1,500	2,050	2,000	1,792	2,000	158	..	..	..
Water Resources Investigation ..	..	136	211	235	260	273	312	572	670	710	1,300	1,667	1,981
Tourism Development ..	..	..	..	..	..	..	..	..	..	..	10	46	276
Migrant Centres ..	34	..	..	..	357	411	60	65	23	..	..	..	..
Natural Disaster Relief ..	..	..	..	..	..	..	130	31	..	..	..	..	..
Total Specific Purpose—Capital Payments ..	41,066	48,492	59,658	62,447	69,886	68,723	71,776	74,212	68,096	78,613	109,085	176,193	n.a.
TOTAL AUSTRALIAN GOVERNMENT PAYMENTS(d)													
	127,624	141,732	168,079	174,816	189,482	202,948	223,773	276,428	286,948	333,279	418,002	611,558	n.a.
TOTAL AUSTRALIAN GOVERNMENT PAYMENTS AND LOAN COUNCIL BORROWING PROGRAMS													
General Purpose(e) ..	125,511	134,586	150,414	156,872	164,900	180,484	199,670	235,423	260,284	288,085	305,636	387,150	495,896
Specific Purpose ..	46,119	54,114	65,567	69,014	77,812	77,274	83,393	89,405	89,504	113,697	166,953	292,476	n.a.
Total ..	171,630	188,700	215,981	225,886	242,712	257,758	283,063	324,828	349,788	401,782	472,589	679,626	n.a.

(a) Important qualifications attach to the 1975-76 estimates in some cases. See the relevant section of the text.

(b) Part of these grants was used for recurrent purposes and part for capital purposes. See 'Commonwealth Payments to or for the States 1967-68', Chapter IV.

(c) See Chapter III, under the heading 'Treatment of Loan Council Programs in this and other Budget Documents'.

(d) Comprising general revenue assistance, additional assistance grants, specific purpose payments, and the capital grants—that is, all amounts shown above with the exception of the Loan Council borrowing programs. See footnote (c).

(e) Comprising general revenue assistance, additional assistance grants, Loan Council borrowings and capital grants. See footnote (c).

TABLE 178—TASMANIA—AUSTRALIAN GOVERNMENT PAYMENTS AND
LOAN COUNCIL BORROWINGS, 1963-64 TO 1975-76

\$'000

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)(a)
GENERAL REVENUE ASSISTANCE													
Financial Assistance													
Grants	27,626	29,297	32,131	34,773	37,968	41,710	46,340	65,071	69,156	79,498	91,243	131,871	161,600
Special Grants	10,756	14,600	17,732	20,666	19,889	16,810	21,900	13,680	7,800	7,600	8,650	..	..
Special Revenue Assistance	..	..	..	..	..	499	2,174	2,017	2,517	..	1,207	8,333	..
Total	38,382	43,897	49,863	55,439	57,857	59,019	70,414	80,768	79,473	87,098	101,101	140,204	161,600
ADDITIONAL ASSISTANCE GRANTS(b)													
Total	2,816	..	..	..	..	..	..	..	..	..	..	..	..
GENERAL PURPOSE CAPITAL FUNDS(c)													
State Government Loan													
Council Borrowing Pro-													
grams	32,020	34,136	34,834	37,580	40,610	42,120	45,370	34,570	47,020	51,252	43,467	54,952	60,743
Capital Grants .. .. .	..	..	..	..	..	..	..	13,980	15,310	17,367	20,549	25,977	30,372
Total	32,020	34,136	34,834	37,580	40,610	42,120	45,370	48,550	62,330	68,619	64,016	80,929	91,115
SPECIFIC PURPOSE PAYMENTS—RECURRENT PURPOSES													
Payments under Financial													
Agreement													
Interest on State Debt ..	534	534	534	534	534	534	534	534	534	534	534	534	534
Sinking Fund on State													
Debt	1,062	1,129	1,212	1,293	1,398	1,485	1,598	1,694	1,825	1,934	2,044	2,141	2,100
Debt Charges Assistance ..	..	..	..	..	..	..	..	795	1,590	2,385	3,180	3,975	..
State Emergency Services ..	..	..	..	..	..	..	..	..	..	..	..	..	66
Universities	641	930	970	1,028	1,200	1,315	1,504	1,818	2,105	2,530	6,415	12,274	n.a.
Colleges of Advanced													
Education .. .. .	..	..	..	59	138	222	397	754	887	1,128	3,959	6,888	6,687
Technical and Further Edu-													
cation .. .. .	..	..	..	..	..	..	..	..	..	..	..	..	..
Schools .. .. .	..	..	..	..	..	..	286	556	660	914	1,958	5,912	1,094
Pre-schools and Child Care													
Child Migrant Education ..	..	..	..	..	..	..	..	..	..	..	..	..	9,917
Educational Research ..	..	..	..	..	..	..	..	20	28	53	78	1,017	n.a.
Medibank—Public Hospital													
Running Costs .. .. .	..	..	..	..	..	..	..	..	..	..	..	..	..
Community Health .. ..	..	..	..	..	..	..	..	..	..	..	..	..	26,000
Tuberculosis Control ..	380	380	360	359	330	380	365	380	380	334	121	528	1,585
School Dental Scheme ..	..	..	..	..	..	..	..	..	..	..	252	434	303
Health Education .. ..	..	..	..	..	..	..	..	..	..	..	818	1,239	1,393
Home Dialysis Scheme ..	..	..	..	..	..	..	..	22	20	30	60	64	51
Blood Transfusion Services	11	11	13	24	13	25	21	24	30	30	37	57	114
Health Planning Agencies ..	..	..	..	..	..	..	..	..	..	..	..	..	80
Housekeeper Services ..	1	..	1	1	1	..	..	..	..	..	..	..	20
Home Care Services .. ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Paramedical Services ..	..	..	..	..	..	..	..	..	15	12	49	124	205
Assistance for Deserted Wives	..	..	..	..	..	67	77	188	201	338	260	421	492
Employment Grants .. ..	..	..	..	..	..	..	..	..	1,485	5,970	647	1,103	700
Regional Employment													
Development Scheme ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Social Policy Planning Units	..	..	..	..	..	..	..	..	..	..	..	..	..
Aboriginal Advancement ..	..	..	..	..	..	..	7	19	17	49	20	534	1,200
Housing .. .. .	..	..	..	..	..	..	..	..	..	..	23	34	32
Sewerage .. .. .	..	..	..	..	..	..	..	..	232	388	388	388	71
Local Government (Grants													
Commission) .. .. .	..	..	..	..	..	..	..	..	..	..	..	..	..
Regional Organisation Assist-													
ance .. .. .	..	..	..	..	..	..	..	..	..	..	..	1,669	2,292
Leisure and Recreation ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Tasman Bridge Disaster ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Fisheries Development ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Bovine Brucellosis and T.B.													
Eradication .. .. .	..	..	..	..	..	..	34	82	91	100	137	238	125
Agricultural Extension													
Services	70	74	74	158	147	228	226	314	349	380	348	419	543
Apple Export Assistance ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Apple, Pear and Canning													
Fruit Industries .. .. .	..	..	..	..	..	..	..	..	..	..	..	1,590	856
Assistance for A.P.P.M. ..	..	..	..	..	..	..	..	..	..	..	250	..	..
Coal Mining Industry Long													
Service Leave	13	20	6	2	7	6	4	6	5	2	16	5	6
Apprenticeship Training ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Legal Aid .. .. .	..	..	..	..	..	..	..	..	..	..	..	..	..
Road Safety Practices ..	8	7	8	9	9	9	9	11	11	11	11	11	11
Research Grants .. .. .	..	..	77	63	158	194	182	202	131	172	204	227	210
Natural Disaster Relief ..	..	..	..	1,350	200	..	-140	..	-45	..	..	..	..
Total Specific Purpose													
Recurrent Payments	2,720	3,085	3,255	4,880	4,135	4,465	5,104	7,419	10,554	17,303	22,211	43,140	n.a.

**TABLE 178—TASMANIA—AUSTRALIAN GOVERNMENT PAYMENTS AND
LOAN COUNCIL BORROWINGS, 1963-64 TO 1975-76—continued**
\$'000

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76 (Est.)(a)
SPECIFIC PURPOSE PAYMENTS—CAPITAL PURPOSES													
Housing for Servicemen ..						11	35				145	149	105
Universities ..	415	412	201	394	627	902	757	429	665	842	694	1,279	n.a.
Colleges of Advanced Education ..					412	1,129	1,047	614	2,035	1,425	292	2,969	5,750
Technical and Further Education ..		334	334	334	335	275	376	325	380	380	689	471	1,300
Schools ..		331	331	331	420	481	396	1,043	1,251	1,708	2,527	6,091	4,442
Pre-schools and Child Care ..											285	1,177	n.a.
Child Migrant Education ..											40	6	
Mental Health Institutions ..		197	529	823	358	399	108	224	185	87	31		
Hospitals ..											140	1,500	n.a.
Nursing Homes ..									84	166			
Community Health ..											242	498	225
Tuberculosis Control ..	39	6	12		3	2				32	2		2
School Dental Scheme ..											549	69	678
Blood Transfusion Services ..													5
Disposal of Ships Garbage ..				29	1	1	57	14		7			
Senior Citizens Centres ..									11	28	13	154	110
Dwellings for Pensioners ..							100	158	232	138	22		560
Rehabilitation Centre—Hobart ..													
Aboriginal Advancement ..						25	32	35	45	105	131	204	550
Housing ..	6,000	6,400	7,448	7,500	6,700	7,500	7,600	8,750		300	16,000	26,220	215
Growth Centres ..											35	400	n.a.
Land Acquisition ..													500
Air Quality Monitoring ..													33
Sewerage ..												2,221	2,054
National Estate ..												1,032	833
Leisure Facilities ..											180	439	432
Roads ..	5,800	6,500	7,000	7,500	8,000	8,500	9,100	10,230	10,820	12,150	13,950	18,585	20,161
Road Safety Improvements ..											90		
Gordon River Road ..	270	1,094	1,840	1,596	200								
Second Hobart Bridge ..													900
Bell Bay Railway ..									3,094	1,156			
Urban Public Transport ..										1,113		359	2,442
King Island Harbour Works ..													242
King Island Shipping Service ..												1,309	
Tasman Bridge Disaster ..												5,544	12,514
Urban Water Supply ..													840
Hydro-electricity ..					5,300	3,200	9,700	3,211	2,500				
Softwood Forestry ..					520	488	400	700	45	1,101	672	769	900
Dairy Adjustment Program ..									120	30	24	250	1,435
Beef Industry Assistance ..													300
Fruitgrowing Industry ..										100	650	750	400
Rural Reconstruction ..									400	2,200	700	800	600
Cressy—Longford Irrigation Works ..								200	449	101			
Soil Conservation ..													35
Water Resources Investigation ..													
Tourism Development ..			16	18	20	74	68	64	71	71	71	135	147
Natural Disasters Relief ..				1,150	7,450	1,195	—287	—216	68	—3	—3	210	336
Total Specific Purpose Capital Payments ..	12,524	15,274	17,711	19,675	30,346	24,182	29,489	25,781	22,455	23,237	38,209	73,590	n.a.
TOTAL AUSTRALIAN GOVERNMENT PAYMENTS(d)													
	56,442	62,256	70,829	79,994	92,338	87,666	105,007	127,948	127,792	145,005	182,070	282,911	n.a.
TOTAL AUSTRALIAN GOVERNMENT PAYMENTS AND LOAN COUNCIL BORROWINGS PROGRAMS													
General Purpose(e) ..	73,218	78,033	84,697	93,019	98,467	101,139	115,784	129,318	141,803	155,717	165,117	221,133	252,715
Specific Purpose ..	15,244	18,359	20,966	24,555	34,481	28,647	34,593	33,200	33,009	40,540	60,420	116,730	n.a.
Total ..	88,462	96,392	105,663	117,574	132,948	129,786	150,377	162,518	174,812	196,257	225,537	337,863	n.a.

(a) Important qualifications attach to the 1975-76 estimates in some cases; See the relevant section of the text.

(b) Part of these grants was used for recurrent purposes and part for capital purposes. See 'Commonwealth Payments to or for the States 1967-68,' Chapter IV.

(c) See Chapter III, under the heading 'Treatment of Loan Council Programs in this and other Budget Documents'.

(d) Comprising general revenue assistance, additional assistance grants, specific purpose payments, and the capital grants—that is, all amounts shown above with the exception of the Loan Council borrowing programs. See footnote (c).

(e) Comprising general revenue assistance, additional assistance grants, Loan Council borrowings and capital grants. See footnote (c).

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